

MIAMI BEACH

COMMITTEE MEMORANDUM

TO: Finance and Economic Resiliency Committee Members

FROM: Eric Carpenter, City Manager

DATE: June 11, 2025

TITLE: DISCUSS A PROPOSED SECOND AMENDMENT BETWEEN THE CITY OF MIAMI BEACH, A MUNICIPAL CORPORATION OF THE STATE OF FLORIDA ("CITY") AND BOUCHER BROTHERS MIAMI BEACH, LLC. ("CONCESSIONAIRE"), TO AUTHORIZE THE SALE OF ALCOHOLIC BEVERAGES AND THE IMPLEMENTATION OF ADVERTISING AND SPONSORSHIP OPPORTUNITIES WITHIN THE DESIGNATED CONCESSION AREAS.

RECOMMENDATION

The Administration recommends that the Finance and Economic Resiliency Committee (FERC) approve this proposed Second Amendment to the concession agreement with Boucher Brothers Miami Beach, LLC and present it for consideration before the City Commission. If approved, the Amendment would authorize the introduction of alcoholic beverage sales and the implementation of advertising and sponsorship opportunities within the designated concession areas initiatives that are expected to enhance visitor amenities, increase revenues, and promote a safer, more regulated beach environment.

BACKGROUND/HISTORY

The City of Miami Beach and Boucher Brothers Miami Beach, LLC are parties to a concession agreement granting the Concessionaire the exclusive right to operate beachfront concessions at Lummus Park, Ocean Terrace, North Shore Open Space Park, and South Pointe Park Beach. The agreement includes services such as the rental of beach equipment, food and beverage service, retail sales of beach-related products, and watersports rentals.

The original agreement, executed in 2012, began retroactively on November 5, 2011, with an initial five-year term and one five-year renewal option, which was exercised in 2016 through Amendment No. 1. In 2019, the City Commission approved an Amended and Restated Concession Agreement (Resolution No. 2019-30829), extending the term through December 31, 2026, with two additional five-year renewal options. A First Amendment was approved in 2021 to expand the concession areas and revise certain financial terms.

Throughout the term of the agreement, the Concessionaire has consistently demonstrated a high standard of service delivery, maintaining clean and well-operated beachfront areas, supporting tourism, and generating strong revenues for the City. Their responsiveness, investment in beach operations, and ability to adapt to evolving City needs have made them a reliable and valuable partner. As part of the City's broader efforts to improve beachfront amenities and diversify revenue streams, the Concessionaire has submitted a request to further amend the agreement.

Under this proposed Second Amendment, the Concessionaire would be authorized to incorporate the sale of alcoholic beverages as part of its existing food and beverage services, subject to compliance with all applicable local and state laws. The amendment also proposes to allow the implementation of advertising and sponsorship initiatives—such as branded umbrellas or activations at designated areas—to enhance visitor engagement and increase concession-

generated revenues.

This proposal is presented in response to a formal referral from Commissioner Kristen Rosen Gonzalez attached as Exhibit A to the Finance and Economic Resiliency Committee, requesting discussion of alcohol sales and sponsorship opportunities within public beachfront concession agreements.

ANALYSIS

As part of the City's ongoing efforts to enhance the visitor experience, strengthen public-private partnerships, and identify new revenue-generating opportunities, the proposed Second Amendment has been reviewed to assess its operational and financial impact. The amendment builds on the longstanding success of the City's relationship with Boucher Brothers Miami Beach, LLC, and reflects the Administration's commitment to maximizing the value of public beachfront spaces while maintaining a high standard of service and oversight.

Key considerations include:

- **Increased Revenue:** Authorizing the sale of alcoholic beverages and permitting sponsorship or advertising activations would expand the Concessionaire's offerings, thereby increasing gross revenues from concessions. As revenues grow, so too does the City's share under the agreement's percentage-based compensation structure, resulting in direct financial benefit to the City.
- **Enhanced Guest Experience:** Alcoholic beverage service is an expected amenity in many destinations beachfront markets. Its addition would help meet visitor expectations and support the City's tourism economy by elevating the overall experience in line with offerings seen in similar world-class beach communities.
- **Advertising and Sponsorship Opportunities:** Allowing curated, City-approved branding and sponsorship partnerships can provide an additional revenue stream while supporting promotional events, infrastructure upgrades, or community programming. These opportunities would be implemented with controls to protect the public aesthetic and avoid visual clutter.
- **Improved Safety and Regulation:** Authorizing a licensed and regulated operator to sell alcoholic beverages would provide a safer, more controlled alternative to unlicensed and illegal alcohol sales that currently occur on the beachfront. The Concessionaire would be required to follow strict regulatory protocols, helping to reduce unmonitored distribution and support enforcement efforts aimed at improving public safety and maintaining order.
- **Proven Operator Performance:** The Concessionaire has a strong history of compliance, collaboration, and investment in City beach operations. Over the years, Boucher Brothers has continuously met service benchmarks, supported community initiatives, and reinvested in concession infrastructure and equipment upgrades. Their long-standing track record has helped elevate the City's beachfront profile while maintaining orderly, safe, and guest-friendly environments.
- **Operational Oversight and Control:** All proposed alcohol sales and sponsorship activations remain subject to City approval processes, regulatory compliance, and applicable zoning, licensing, and safety requirements. The City would retain full discretion to evaluate and approve any specific advertising content or branding proposed by the Concessionaire.
- **Supports Broader City Objectives:** This amendment aligns with the City's strategic goals related to fiscal resilience, placemaking, and visitor experience enhancement. It also complements other economic development efforts intended to responsibly activate public spaces while ensuring long-

term sustainability and public value.

FISCAL IMPACT STATEMENT

N/A

Does this Ordinance require a Business Impact Estimate?

(FOR ORDINANCES ONLY)

The Business Impact Estimate (BIE) was published on .

See BIE at: <https://www.miamibeachfl.gov/city-hall/city-clerk/meeting-notices/>

FINANCIAL INFORMATION

CONCLUSION

The Administration recommends that the Finance and Economic Resiliency Committee (FERC) approve this proposed Second Amendment to the concession agreement with Boucher Brothers Miami Beach, LLC and present it for consideration before the City Commission. If approved, the Amendment would authorize the introduction of alcoholic beverage sales and the implementation of advertising and sponsorship opportunities within the designated concession areas initiatives that are expected to enhance visitor amenities, increase revenues, and promote a safer, more regulated beach environment.

Applicable Area

Citywide

Is this a "Residents Right to Know" item, pursuant to City Code Section 2-17?

No

Is this item related to a G.O. Bond Project?

No

Was this Agenda Item initially requested by a lobbyist which, as defined in Code Sec. 2-481, includes a principal engaged in lobbying? No

If so, specify the name of lobbyist(s) and principal(s):

Department

Facilities and Fleet Management

Sponsor(s)

Commissioner Kristen Rosen Gonzalez

Co-sponsor(s)

Condensed Title

Proposed sale of alcoholic beverages and advertisement