

RESOLUTION NO. _____

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, AUTHORIZING, BASED ON THE TERMS SET FORTH IN THIS RESOLUTION, PURSUANT TO INVITATION TO NEGOTIATE (ITN) NO. 2023-338-ND, FOR THE MANAGEMENT AND OPERATION OF THE MIAMI BEACH CONVENTION CENTER AND CAMPUS, THE MANAGEMENT AGREEMENT BETWEEN THE CITY OF MIAMI BEACH AND GLOBAL SPECTRUM L.P. D/B/A SPECTRA VENUE MANAGEMENT D/B/A OVG360 (A DIVISION OF OAK VIEW GROUP) FOR THE MANAGEMENT AND OPERATION OF THE MIAMI BEACH CONVENTION CENTER AND CAMPUS; AND FURTHER AUTHORIZING THE CITY MANAGER AND CITY CLERK TO EXECUTE MANAGEMENT AGREEMENT.

WHEREAS, the City and Global Spectrum L.P. ("Global") are parties to a Management Agreement, dated October 7, 2013, pursuant to which the City engaged Global to manage and operate the Miami Beach Convention Center (the Management Agreement, as so amended and modified, is referred to herein as the "Agreement"); and

WHEREAS, the initial term of the Agreement was three (3) years, ending on September 30, 2016, subject to the City's right to extend the term for an additional two (2) years; and

WHEREAS, on October 21, 2015, in Resolution No. 2015-29191, the Mayor and City Commission approved Amendment No. 1 to the Agreement, extending the term thereof through September 30, 2020; and

WHEREAS, on September 23, 2016, the City Manager accepted notice to terminate the agreement for Global as manager and operator of the Colony Theater effective, September 30, 2016; and

WHEREAS, on September 12, 2018, in Resolution No. 2018-30508, the Mayor and City Commission approved Amendment No. 2 to the Agreement, extending the term thereof through September 30, 2022; and

WHEREAS, on September 11, 2019, in Resolution No. 2019-30986, the Mayor and City Commission approved Amendment No. 3 to the Agreement, approving an increase in Global's monthly impress amount and established a Global funded annual internship contribution; and

WHEREAS, on June 23, 2021, in Resolution No. 2021-31754, the Mayor and City Commission approved Amendment No. 4 to the Agreement providing for the management and maintenance, by Global, of Collins Canal Park, the two (2) clubhouse buildings formerly known as the Carl Fisher Clubhouse and Little Stage Theaters, and Pride Park, including the mangroves along Collins Canal with the footprint of the park; and provided for an additional annual fee of seventy-five thousand dollars (\$75,000) in consideration of the additional scope, and extended the term of the Agreement to March 31, 2024; and extended the term of the agreement for 18 months resulted in the misalignment of the term of the Agreement with the City's fiscal year; and

WHEREAS, in June 2022, Global notified the City of a merger between Global and Oak View Group and it intent to operate and manage the Miami Beach Convention Center under the fictitious name "OVG360"; and

WHEREAS, on February 21, 2024, in Resolution No. 2024-32912, the Mayor and City Commission approved Amendment No. 5 to the Agreement extended the term by six (6) months, to align with the related Sodexo Live! and GMCVB agreements. Accordingly, the amended term of the Agreement will commence on April 1, 2024 and expire on September 30, 2024; and

WHEREAS, on September 11, 2024, the Mayor and City Commission, through Resolution No. 2024-33232, approved Amendment No. 6 extending the Agreement on a month to month basis, not to exceed three (3) months, from October 1, 2024 through December 31, 2024 to allow the parties additional time to finalize the key terms of the new agreement; and

WHEREAS, Global Spectrum, L.P. was founded in 1994 as a management consulting firm. In November 2021, the Oak View Group acquired Global Spectrum, L.P., forming OVG360, a full-service venue management company. Currently, OVG360 is providing these services to the City, and the City is satisfied with its work over the term of the previous agreement.

WHEREAS, as manager of the MBCC, OVG360 has hosted hundreds of events, including Art Basel Miami Beach, Super Bowl LIV Fan Experience, the Miami International Boat Show, and recent phenomenal Adobe Max Conference and has developed the MBCC into a nationally recognized top tier of convention centers, earning numerous awards and recognitions from meeting publications around the country, including the Association, Convention & Facilities Magazine's 2023 Distinctive Achievement Award; and

WHEREAS, OVG360's effective management of Pride Park, Collins Canal Park, and collaborations with the Miami Beach Botanical Garden has attracted new events and industries to the City, enhancing the MBCC campus ability to host dynamic events of all sizes. With the MBCC hotel construction underway, OVG360's collaboration promises a positive integration of this City asset to the operation of the campus.

WHEREAS, the new agreement offers an opportunity for the City to augment the management of the MBCC. Specific key terms in the new agreement include a five year agreement with two year extension, General Management Services, Compensation, and a seven category Incentive Fee; and

WHEREAS, renewing the agreement with OVG360, under the revised financial terms and performance metrics, will enhance the commercial management of the asset; heightened engagement in the review and approval of personnel and induce OVG360 to be more fiscally prudent, innovative, and competitive; and

WHEREAS, the new agreement rewards creative and pioneering collaborations, programming, and facility improvements as well as partnerships between the City, the Greater Miami Convention and Visitors Bureau (GMCVB), and Sodexo Live! that yield significant customer satisfaction resulting in increased sales, food and beverage concessions revenues, reputation, and more; and

WHEREAS, the implementation of more sustainability initiatives throughout the campus will ensure a reduction on environmental impact, enhance resource efficiency, and expand the MBCC responsible green reputation and metrics tracking; and

WHEREAS, the new agreement will ensure OVG360 mitigate cybersecurity risks, data breaches, financial losses, and legal liabilities by including data protection requirements, breach notification protocols, liability and indemnity clauses, and compliance with laws.

NOW, THEREFORE, BE IT DULY RESOLVED BY THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, authorize, based on the terms set forth in this resolution, pursuant to invitation to negotiate (ITN) No. 2023-338-ND, for the management and operation of the Miami Beach Convention Center and campus, the management agreement between the City of Miami Beach and Global Spectrum L.P. d/b/a Spectra Venue Management d/b/a OVG360 (a division of Oak View Group) for the management and operation of the Miami Beach Convention Center and campus; and further authorizing the City Manager and City Clerk to execute management agreement.

PASSED AND ADOPTED this _____ day of _____ 2024.

ATTEST:

Rafael E. Granado, City Clerk

Steven Meiner, Mayor