



COMMISSION MEMORANDUM

TO: Honorable Mayor and Members of the City Commission

FROM: Commissioner Alex Fernandez

DATE: June 25, 2025

TITLE: REFERRAL TO FINANCE AND ECONOMIC RESILIENCY COMMITTEE - DUE PROCESS FRAMEWORK FOR BUSINESS CLOSURES RELATED TO LOCAL BUSINESS TAX RECEIPT VIOLATIONS.

RECOMMENDATION

Commissioner Alex Fernandez would like for the Finance and Economic Resiliency Committee (FERC) to discuss an ordinance amendment on whether the City should establish clearer procedures and criteria for ordering business closures due to Business Tax Receipt (BTR) violations, particularly in distinguishing between health/life safety violations and administrative or financial violations.

The City has taken important steps to ensure businesses operate in compliance with local requirements, including the obligation to obtain a Business Tax Receipt prior to opening. Enforcement of this requirement is critical to fairness, accountability, and maintaining the integrity of our business environment.

Current Procedures

The City's Finance Department has constituted a BTR task force that first goes out to businesses without BTRs and gives them 45 days to come in and get their BTR before they send it to Code Compliance.

In most cases, businesses operating without a valid BTR are ordered to cease operations pending compliance once Code Compliance becomes involved — either through proactive investigation, task force referral, OIG referral, among others.

It is important to distinguish that, unlike cases identified by the Finance Department's BTR task force, when Code Compliance identifies a business operating without a BTR, it is immediately ordered to cease operations.

Proposal for Discussion

While this is appropriate in many situations, particularly where public safety or repeated violations are at issue, concerns have been raised about whether all violations—regardless of their nature—should result in immediate closure without a pre-closure hearing or opportunity to cure once Code Compliance becomes involved.

This referral seeks discussion around whether a tiered due process framework should be considered—one that distinguishes:

- Health, life safety, or repeated willful violations, which may warrant immediate closure; versus
- Administrative violations (such as operating without a current BTR), where a pre-closure opportunity to cure or expedited hearing might be appropriate.

The sponsor requests that the FERC evaluate the City's current enforcement protocols and consider whether codifying a distinction between life-safety and administrative violations would improve transparency and fairness for business owners.

BACKGROUND/HISTORY

ANALYSIS

FISCAL IMPACT STATEMENT

Does this Ordinance require a Business Impact Estimate?

(FOR ORDINANCES ONLY)

If applicable, the Business Impact Estimate (BIE) was published on:

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

FINANCIAL INFORMATION

CONCLUSION

Applicable Area

Citywide

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

Yes

**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

Office of Commissioner Alex Fernandez

Sponsor(s)

Commissioner Alex Fernandez

Co-sponsor(s)

Condensed Title

Ref: FERC - Due Process Framework for Business Closures Re: Local Business Tax Receipt Violations. (AF)

Previous Action (For City Clerk Use Only)