

MIAMI BEACH

COMMITTEE MEMORANDUM

TO: Finance and Economic Resiliency Committee Members

FROM: Eric Carpenter, City Manager

DATE: September 20, 2024

TITLE: **DISCUSS THE CREATION OF INCENTIVES TO ESTABLISH MIAMI BEACH AS THE LOCAL HUB FOR WORLD CUP 2026**

RECOMMENDATION

The Administration recommends that the Public Safety and Neighborhood Quality of Life Committee discuss the potential creation of incentives to establish Miami Beach as the local hub for World Cup 2026. Incentives may include waivers of special event fees, City services, square footage fees, and cash sponsorships estimated between \$175,000 to \$600,000.

BACKGROUND/HISTORY

On July 24, 2024, at the request of Commissioner Joseph Magazine, the Mayor and City Commission approved a dual referral to the Finance and Economic Resiliency Committee (FERC) and the Public Safety and Neighborhood Quality of Life Committee to discuss the creation of incentives to establish Miami Beach as the local hub for World Cup 2026.

ANALYSIS

The Fédération Internationale de Football Association (FIFA) oversees international soccer and is responsible for organizing the FIFA World Cup, which takes place every four years. As the premier global men's soccer tournament featuring 48 national teams, the FIFA World Cup is the largest sporting event in the world, surpassing the Summer Olympics, UEFA Champions League, Tour de France, Formula 1, Super Bowl, and Rugby World Cup combined in terms of audience.

For the first time in history, the organization of the biggest football tournament will be divided among three countries. In total, 16 cities will host matches. Most of them (11) are located in the USA: Seattle, San Francisco, Los Angeles, Dallas, Houston, Kansas City, Philadelphia, Atlanta, Miami, Boston and New York. The Mexican headquarters will be in Monterrey, Guadalajara and Mexico City. Finally, the Canadian venues are Vancouver and Toronto. The final is scheduled to take place on July 19, 2026.

For the 2026 FIFA World Cup, Miami-Dade County is set to host seven matches at Hard Rock Stadium in Miami Gardens. These will include group stage games, a quarterfinal, and the third-place match, all scheduled between June 15, 2026, and July 18, 2026.

Beyond the matches in Miami Gardens, other venues in Miami-Dade County—such as the Miami Beach Convention Center in Miami Beach, Bayfront Park in Miami, and Barry University in Miami Shores—are expected to hold official World Cup events and activities.

This monumental event is projected to draw over 600,000 visitors to Miami-Dade County and generate a direct economic impact exceeding \$500 million. The influx of tourists and global media coverage will not only boost the local tourism industry but also provide Miami-Dade County with significant international exposure.

The Greater Miami Sports Commission, Inc. (the “Host Committee”), a Florida Not-For-Profit Corporation, with a board of directors consisting of community and business leaders from Miami-Dade County, was formed to submit the County’s bid to host the 2026 World Cup matches and is now tasked with meeting the bid obligations.

On May 21, 2024, the Miami-Dade County Board of County Commissioners passed Resolution 240871 providing funding support during Fiscal Years 2024-25 and 2025-26 to the Host Committee related to the FIFA 2026 World Cup matches to be held in Miami-Dade County in 2026 in an amount not to exceed \$21,000,000.00 (representing \$3,000,000.00 for each of the seven 2026 World Cup matches taking place in Miami-Dade County) in cash support, an amount not to exceed \$25,000,000.00 for legally available in-kind services from certain County departments and for public safety services from the Miami-Dade County Sheriff’s Office subject to negotiations with the Office of the Sheriff in January 2025.

Subsequently, the County’s original item was amended to reflect that: the cash support to be provided by the County for the FIFA 2026 World Cup Matches be amended to \$10.5 million during Fiscal Year (FY) 2024-25, and that it be granted to the Greater Miami Convention Visitors Bureau (GMCVB), Inc., for Fan Fest activations, the volunteers program, transportation services, and other public safety activations associated with the FIFA 2026 World Cup Matches in the County. As a condition of the \$10.5 million cash support grant, the Grant Agreement with the GMCVB, shall require focusing on funding local programs with local businesses in the County and to provide a report to the Board on fundraising and activities and makes the GMCVB the sole authorizer and recipient of funds under this agreement.

Currently, the Tourism and Culture Department has received a Special Event Permit application from the FIFA World Cup 2026 Miami Host Committee to hold a series of events both private and public on the Lummus Park beachfront during various weekends of the World Cup 2026.

Should the Mayor and City Commission wish to create incentives for World Cup 2026, funding would need to be identified in the FY 2025 or FY 2026 budget. Incentives may include fee waivers, sponsorship, in-kind support, services, etc.

Example City Sponsorship and Incentives

Based on previous City Sponsorships of large-scale events such as South Beach Wine and Food (SOBEWFF) and Hyundai Air and Sea Show the following incentives and sponsorship benefits may be considered:

Event Producer Benefit

- Waiver of special event application fees, permit fees, vehicle beach access pass fees, square footage fees, Lummus Park user fees, Police Department off-duty administrative fees, Fire Department off-duty administrative fees, and the beach concession fees.

City Benefit

- Print and media recognition as a sponsor in advertisements and select print promotional materials distributed locally, nationally, and internationally; and an opportunity to produce press releases promoting participation
- Electronic recognition on website, mobile app, e-newsletter, and web banner
- Co-marketing opportunities to promote important City initiatives

Miami Beach Public Benefit

- Discounted tickets (Miami Beach residents, seniors, youth, military, veterans, disabled and special needs)
- Special programming or standalone public performance

- Educational and/or cultural component/ programming
- Senior benefit or food drive - in partnership with HCS
- Monetary Donation to the City's Public Benefit Fund
- Beach cleanup or dune restoration - monetary equivalent based on footprint and impact of event

Incentives

- Cash sponsorships for large-scale events similar to SOBEWFF, Hyundai Air and Sea Show, and College Football Playoff National Championship vary in scale from \$175,000 to \$600,000.

FISCAL IMPACT STATEMENT

The funding for incentives is not in the FY 2025 Preliminary Budget presented to Commission.

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 Public Safety and Neighborhood Quality of Life Committee discuss the potential creation of incentives to establish Miami Beach as the local hub for World Cup 2026. Incentives may include waivers of special event fees, City services, square footage fees, and cash sponsorships estimated between \$175,000 to \$600,000.

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

Tourism and Culture

Sponsor(s)

Commissioner Joseph Magazine

Co-sponsor(s)

Condensed Title

Discuss the creation of incentives to establish Miami Beach as the local hub for World Cup 2026