

C4 AD REFERRAL TO FINANCE AND ECONOMIC RESILIENCY COMMITTEE - DUE
PROCESS FRAMEWORK FOR BUSINESS CLOSURES RELATED TO LOCAL
BUSINESS TAX RECEIPT VIOLATIONS.

Applicable Area:



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)

Supplemental to Item C4 AD

Emails

C4 AD REFERRAL TO FINANCE AND ECONOMIC RESILIENCY COMMITTEE - DUE PROCESS FRAMEWORK FOR BUSINESS CLOSURES RELATED TO LOCAL BUSINESS TAX RECEIPT VIOLATIONS.

**Applicable Area: Citywide
Office of Commissioner Alex Fernandez
Commissioner Alex Fernandez
Addendum added on 6/24/2025
Supplement added on 6/24/2025**

Granado, Rafael

From: Fernandez, Alex
Sent: Tuesday, June 24, 2025 6:27 PM
To: Granado, Rafael; Alonso, Sydney; Petrella, Kara
Subject: Fw: Shut down Business on Alton Road

Ralf
Pls add as supplement to C4AD.

Alex Fernandez, Commissioner
City of Miami Beach

Sent from my iPhone

From: Carlos De Varona <carlos@caobakerycafe.com>
Sent: Wednesday, May 1, 2024 3:30 PM
To: Tony Cao <tony@caobakerycafe.com>
Cc: Fernandez, Alex <Alex@miamibeachfl.gov>; Yvette Cao <yvette@caobakerycafe.com>; Matteo-Salinas, Monica <MonicaSalinas@miamibeachfl.gov>
Subject: Re: Shut down Business on Alton Road

[You don't often get email from carlos@caobakerycafe.com. Learn why this is important at <https://aka.ms/LearnAboutSenderIdentification>]

[THIS MESSAGE COMES FROM AN EXTERNAL EMAIL - USE CAUTION WHEN REPLYING AND OPENING LINKS OR ATTACHMENTS]

Good afternoon Alex,

What do we tell our employees who live in Miami Beach and now will be without a job with no advance notice.

We were not shot down For health issues or concerns, no life safety issue. And without a warning and according to code enforcement, the previous employee did not do his job and now he had to enforce. He made us tell our customer they had to leave after they finished their coffee in the middle of the day

We understand city fees and taxes must be paid and this was not intentional as we paid but just 13 days late and the late fees were not paid. And yes we never received our funds back to notify us that it was not accepted and of course we never received next years BTR so it was not paid and so on. Yes, an over sight on our part and their should be consequences(fees fines etc) but shut down?? What we don't understand is the approach to enforce these fees.

Apologies for the frustration shown in this email.

Carlos de Varona

> On May 1, 2024, at 3:19 PM, Tony Cao <tony@caobakerycafe.com> wrote:

>

> Good afternoon Alex, this is Tony Cao from CAO Baker Cafe on 1420 Alton Rd.

> We have 15 locations in South Florida and our Alton roll locations was our first. Yesterday we were shut down without notice or warning. Apparently we overlooked a late fee for the renewal of our business tax receipt in 2022. We paid for the renewal and never received, or overlooked the late fee. So we never received a notice to renew in 2023 because of that! There was no other communication or warnings. This is bad business for \$79. They shut down a business who invested over \$1.3 million and supports employees and the city here on the beach. This can take us months to go through the process as if we are opening a new business from scratch and will be devastating to our store and employees! Supposedly they shut down other businesses as well. I'm just writing to you and other commissioners to make sure you're aware of this situation that's happening in your city. In over 20 years of owning bakeries in South Florida, I've never had this problem. If there is anything you could do to help us please let me know. We will appreciate any help we can get to resolve or expedite this situation.

> Tony Cao

> 305-904-0656

> CAO Bakery & Cafe

Granado, Rafael

From: Fernandez, Alex
Sent: Tuesday, June 24, 2025 6:34 PM
To: Granado, Rafael; Petrella, Kara; Alonso, Sydney
Subject: Fw: Spa e Lincoln Rd appeal

Pls add as supplement to C4AD

Alex Fernandez, Commissioner
City of Miami Beach

Sent from my iPhone

From: Brenda Le Grange <brenda@spaesouthbeach.com>
Sent: Thursday, October 24, 2024 10:14:24 AM
To: Fernandez, Alex <Alex@miamibeachfl.gov>
Subject: Spa e Lincoln Rd appeal

You don't often get email from brenda@spaesouthbeach.com. [Learn why this is important](#)
[THIS MESSAGE COMES FROM AN EXTERNAL EMAIL - USE CAUTION WHEN REPLYING AND
OPENING LINKS OR ATTACHMENTS]

Sent from my iPhone

Begin forwarded message:

From: Brenda Le Grange <spaesobe@icloud.com>
Date: October 24, 2024 at 9:58:35 AM EDT
To: tanya@miamibeachfl.gov
Subject: Spa e Lincoln Rd appeal

Goodmorning Alex.

This is Brenda Le Grange. Thank u for your time this morning.

I have a business at 630 Lincoln Rd Mall ~ Spa e ~ since 2003. My Landlord is Mel Schlessler. Please can u assist with this appeal process I paid close +- \$10,000 April/May of this year between fines and past due payments for BTR and Derm. MB Code Compliance actually closed my business for 64 days

My accountant went to pay the BTR which was due Sept 30 and was told I have a \$3500 fine outstanding and they would not renew my BTR !!

I do not have \$3500 - I am sure u are well aware it has been an extremely slow summer. Sincerely hope you are able to help - please.

Look forward to your early response.

Thank you
Brenda Le Grange 🍷