

R5 AD AN ORDINANCE OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, AMENDING CHAPTER 12 OF THE CODE OF THE CITY OF MIAMI BEACH, ENTITLED, "ARTS, CULTURE AND ENTERTAINMENT," BY AMENDING ARTICLE III, ENTITLED "CITY SPONSORSHIP OF EVENTS," BY AMENDING SECTION 12-9 THEREOF, ENTITLED "SPONSORSHIP TERMS AND CONDITIONS" TO ALLOW FOR A LARGER ADVANCE OF ANY CITY CASH SPONSORSHIP CONTRIBUTION MADE IN ADVANCE OF THE EVENT IF (A) THE EVENT ORGANIZER CAN ESTABLISH THAT LIMITING THE ADVANCE TO FIFTEEN PERCENT (15%) WOULD CAUSE AN UNDUE HARDSHIP, (B) THE EVENT ORGANIZER IS A MIAMI BEACH-BASED NON-PROFIT ORGANIZATION, (C) THE EVENT ORGANIZER HAS PRODUCED THE EVENT IN QUESTION FOR AT LEAST FIVE (5) YEARS, AND (D) THE EVENT BUDGET IS NOT GREATER THAN \$500,000; AND PROVIDING FOR REPEALER, SEVERABILITY, CODIFICATION, AND AN EFFECTIVE DATE.

Applicable Area:

MIAMI BEACH

COMMISSION MEMORANDUM

TO: Honorable Mayor and Members of the City Commission

FROM: City Attorney Ricardo J. Dopico

DATE: November 20, 2024 First Reading

TITLE: AN ORDINANCE OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, AMENDING CHAPTER 12 OF THE CODE OF THE CITY OF MIAMI BEACH, ENTITLED, "ARTS, CULTURE AND ENTERTAINMENT," BY AMENDING ARTICLE III, ENTITLED "CITY SPONSORSHIP OF EVENTS," BY AMENDING SECTION 12-9 THEREOF, ENTITLED "SPONSORSHIP TERMS AND CONDITIONS" TO ALLOW FOR A LARGER ADVANCE OF ANY CITY CASH SPONSORSHIP CONTRIBUTION MADE IN ADVANCE OF THE EVENT IF (A) THE EVENT ORGANIZER CAN ESTABLISH THAT LIMITING THE ADVANCE TO FIFTEEN PERCENT (15%) WOULD CAUSE AND UNDUE HARDSHIP, (B) THE EVENT ORGANIZER IS A MIAMI BEACH-BASED NON-PROFIT ORGANIZATION, (C) THE EVENT ORGANIZER HAS PRODUCED THE EVENT IN QUESTION FOR AT LEAST FIVE (5) YEARS, AND (D) THE EVENT BUDGET IS NOT GREATER THAN \$500,000; AND PROVIDING FOR REPEALER, SEVERABILITY, CODIFICATION, AND AN EFFECTIVE DATE.

RECOMMENDATION

BACKGROUND/HISTORY

ANALYSIS

At the request of Vice Mayor Alex Fernandez, the attached Ordinance has been placed on the City Commission meeting agenda for first reading.

Currently, section 12-9 of the City Code provides that no more than 15 percent of any city cash sponsorship contribution may be made in advance of the event, with all remaining cash contributions to be made on a reimbursement basis, following the conclusion of the event and submission of the final report referenced in subsection 12-9(b)(1). This limitation can cause hardship to event organizers who rely on the City's sponsorship dollars to pay advances to artists or production companies that supply sound, light, staging and other equipment. In addition to the payment of advances, artist agreements typically require the event organizer to pay the balance in full at the conclusion of the artist's performance.

The proposed ordinance would amend Section 12-9 to allow for a larger advance if (a) the event organizer can establish that limiting the advance to only fifteen percent would create an undue hardship due to contractual obligations to pay artists and production companies that provide sound, light, staging and other production equipment advances and/or payments that are due immediately upon the conclusion of the event, (b) the event organizer is a Miami Beach-based non-profit organization, (c) the event organizer has produced the event in question for at least five

(5) years, and (d) the event budget is not greater than \$500,000. The amount of such larger advance, and the applicable conditions, shall be determined by the city manager (or designee).

FISCAL IMPACT STATEMENT

N/A

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?**

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?**

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

Department

City Attorney

Sponsor(s)

Commissioner Alex Fernandez

Co-sponsor(s)

Condensed Title

1st Rdg, Allow Larger Advances Sponsorship Contributions. (Fernandez) CA

ORDINANCE NO. _____

AN ORDINANCE OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, AMENDING CHAPTER 12 OF THE CODE OF THE CITY OF MIAMI BEACH, ENTITLED, "ARTS, CULTURE AND ENTERTAINMENT," BY AMENDING ARTICLE III, ENTITLED "CITY SPONSORSHIP OF EVENTS," BY AMENDING SECTION 12-9 THEREOF, ENTITLED "SPONSORSHIP TERMS AND CONDITIONS" TO ALLOW FOR A LARGER ADVANCE OF ANY CITY CASH SPONSORSHIP CONTRIBUTION MADE IN ADVANCE OF THE EVENT IF (A) THE EVENT ORGANIZER CAN ESTABLISH THAT LIMITING THE ADVANCE TO FIFTEEN PERCENT (15%) WOULD CAUSE AND UNDUE HARDSHIP, (B) THE EVENT ORGANIZER IS A MIAMI BEACH-BASED NON-PROFIT ORGANIZATION, (C) THE EVENT ORGANIZER HAS PRODUCED THE EVENT IN QUESTION FOR AT LEAST FIVE (5) YEARS, AND (D) THE EVENT BUDGET IS NOT GREATER THAN \$500,000; AND PROVIDING FOR REPEALER, SEVERABILITY, CODIFICATION, AND AN EFFECTIVE DATE.

WHEREAS, currently, section 12-9 of the City Code provides that no more than 15 percent of any city cash sponsorship contribution may be made in advance of the event, with all remaining cash contributions to be made on a reimbursement basis, following the conclusion of the event and submission of the final report referenced in subsection 12-9(b)(1); and

WHEREAS, the Mayor and City Commission wish to amend Section 12-9 to allow for a larger advance percent of any City cash contribution made in advance of the event if (a) the event organizer can establish that limiting the advance to 15 percent would create an undue hardship due to contractual obligations to pay artists and production companies that provide sound, light, staging and other production equipment advances and/or payments that are due immediately upon the conclusion of the event, (b) the event organizer is a Miami Beach-based non-profit organization, (c) the event organizer has produced the event in question for at least five (5) years, and (d) the event budget is not greater than \$500,000.

NOW, THEREFORE, BE IT DULY ORDAINED BY THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA AS FOLLOWS:

SECTION 1. That Chapter 2, "Arts, Culture and Entertainment," Article III, "City Sponsorship of Events," Section 12-9, "Sponsorship Terms and Conditions" of the Code of the City of Miami Beach is hereby amended as follows:

Chapter 12

ARTS, CULTURE AND ENTERTAINMENT

* * *

ARTICLE III. CITY SPONSORSHIP OF EVENTS

Sec. 12-9. Sponsorship terms and conditions.

- (a) In no event shall any sponsorship contract provide for a waiver of city costs.
- (b) Any sponsorship approved pursuant to this article shall be memorialized in a sponsorship contract, which shall, at a minimum, include the following provisions:
 - (1) That the event organizer shall provide a final report to the city, which report shall include third-party verification of event outcomes including, without limitation, event attendance figures, media impressions generated by the event, and number of City of Miami Beach room nights generated by the event.
 - (2) That no more than 15 percent of any city cash sponsorship contribution may be made in advance of the event, with all remaining cash contributions to be made on a reimbursement basis, following the conclusion of the event and submission of the final report referenced in subsection (b)(1) herein, however, if (i) the event organizer can establish with documentation acceptable to the city manager (or designee) in their sole discretion that limiting the advance to 15 percent would cause undue hardship due to contractual obligations to pay artists and/or production companies that provide sound, light, staging and other production equipment advances and/or payments that are due immediately upon the conclusion of the event, (ii) the event organizer is a Miami Beach-based non-profit organization, (iii) the event organizer has produced the event in question for at least five (5) years, and (iv) the event budget is not greater than \$500,000, then the city manager (or designee) may pay an advance that is greater than 15 percent in such amount, and subject to such conditions, as the city manager (or designee) shall determine;
 - (3) That the event organizer shall comply with all governmental requirements and laws applicable to the conduct of its business and the production of the event;
 - (4) That the city shall have the right to audit the event organizer's compliance with the sponsorship contract and performance thereunder, in accordance with generally accepted accounting principles; and
 - (5) That the city shall receive sponsorship recognition, on all media or promotional platforms related to the event, at the same sponsorship level as other sponsors providing financial or other support comparable to the city's sponsorship.

SECTION 2. REPEALER.

All ordinances or parts of ordinances in conflict herewith are hereby repealed.

SECTION 3. SEVERABILITY.

If any section, subsection, clause or provision of this Ordinance is held invalid, the remainder shall not be affected by such invalidity.

SECTION 4. CODIFICATION.

It is the intention of the Mayor and City Commission of the City of Miami Beach, and it is hereby ordained that the provisions of this Ordinance shall become and be made part of the Code of the City of Miami Beach, Florida. The sections of this Ordinance may be renumbered or re-lettered to accomplish such intention, and the word "ordinance" may be changed to "section," article," or other appropriate word.

SECTION 5. EFFECTIVE DATE.

This Ordinance shall take effect 10 days after passage.

PASSED AND ADOPTED this _____ day of _____, 2024.

ATTEST:

Steven Meiner, Mayor

Rafael E. Granado, City Clerk

(Sponsored by Vice Mayor Alex J. Fernandez)

APPROVED AS TO
FORM & LANGUAGE
& FOR EXECUTION



City Attorney

10/24/2024

Date