

EXHIBIT A-3

1. ADDITIONAL SCOPE OF SERVICES

Scope as set forth in Exhibit A-1

2. PAYMENT AND COMPENSATION

The scope of services described in this amendment shall be performed for a not-to-exceed amount of \$127,000. Invoicing shall be as referenced in the original agreement.

Compensation

Original Agreement	\$ 23,000
Amendment No. 1	\$127,000
Total Revised Agreement	\$150,000

**Table 1
Estimated Cost:**

Process	Estimate	Range
Originally Proposed:		
Fire Prevention Division		
Inspections (night)	\$	15,000
Permitting (new construction)		12,000
Code Compliance Division		
Complaints		12,000
Inspections		15,000
Violations/fines		14,000
Parking Enforcement Division		
Ticketing		10,000
Tows		12,000
Valet		10,000
Public Works Department		
Permitting		12,000
Planning Department		
Permitting		12,000
Concurrency/Impact fees		14,000
Special Master Process		14,000
Total Original Fees - Phase II	\$	152,000
Discount on Originally Proposed Processes		(25,000)
Total Original Fees - After Discount	\$	127,000

Neighborhood/Community Affairs Committee Meeting
November 19, 2012

Discuss Bringing A New Festival Of The Arts To North Beach.
Commission Item C4C, July 18, 2012
(Requested by Commissioner Libbin)

Max Sklar, Acting Assistant City Manager

ITEM #8



COMMITTEE MEMORANDUM

TO: Neighborhood and Community Affairs Committee

FROM: Kathie G. Brooks, Interim City Manager

DATE: November 19, 2012

SUBJECT: **A PROPOSAL TO BRING A NEW FESTIVAL OF THE ARTS TO NORTH BEACH**

BACKGROUND

The Music and Fine Arts Board was originally created in 1962 to encourage and develop cultural programs with the objective of making the Community a recognized leader in the State of Florida in the field of fine arts. Subsequently, in 1974 the resolution was amended renaming the board the Fine Arts Board. This board's new mission was to "promote the work of contemporary visual and cultural artists, to enhance the appreciation for the arts in the community at large, and to provide economic stimulation to underserved neighborhoods." The annual Miami Beach Festival of the Arts was created to fulfill this task and was produced by the City of Miami Beach from 1975 through 2002.

Taking over production of the Festival from the Parks and Recreation Department in 1999, the Office of Arts, Culture and Entertainment relocated the 2000 Festival to Ocean Terrace in North Beach. In seeking partnership with the North Beach Development Corporation (NBDC) for promotion and marketing, a Quality of Life grant in the amount of \$15,000 was awarded in 2000 for the 2001 event. This grant was increased to \$45,000 for the 2002 event. Fiduciary responsibility and production of Festival of the Arts event was transferred to the NBDC in 2004. NBDC produced the Festival of the Arts for four (4) years with the help of an annual allocation from the City of \$75,000. During this time, the Fine Arts Board continued to jury the Festival with regard to the poster artist selection, the exhibiting artist applications, the local artist program, the children's art display and the City's portable collection.

In 2008, the City once again assumed all production responsibilities for the Festival of the Arts. The Tourism and Cultural Development Department (formerly Arts, Culture and Entertainment), which staffs the Fine Arts Board, managed a professional services agreement with Mr. Brian Huether, who was the event coordinator for the Festival of the Arts since 2004. In 2009, funding for the Festival of the Arts was reduced to \$55,000 annually. This City appropriation was to be offset by any revenue generated from the event. Since 2008, the offset has ranged from a high of \$39,026 in 2010, to a low of \$10,500 in 2009.

ANALYSIS

Since 2008, the Fine Arts Board has spent countless hours looking at alternative ideas and formats to raise the caliber of the Festival of the Arts. Additionally, the Board also spent much time tweaking the entertainment, children's area and other aspects of the event. Following the 2010 Festival of the Arts, the Administration met with Mr. Howard Alan, whose company, Howard Alan Events, produces art festivals all across the country, including the Las Olas festivals and the Key Biscayne festival. Mr. Alan recommended repositioning the festival as more of a crafts-oriented event with the focus more on crafts, food, flowers and some art (but not high end art), and move the date to mid-April when it fits more into the calendar for arts and crafts events.

The Fine Arts Board discussed his recommendation at their July and August 2010 meetings and unanimously recommended in favor of this change. Additionally, they recommended the City contract with Howard Alan Events to produce the Festival for the City. In making this recommendation, the Fine Arts Board felt Mr. Alan must retain full control of the event. Mr. Alan agreed with this and also agreed to assume all risk, responsibility and reward in the production of the event. This change would save the City the \$49,500 that is annually budgeted for the Festival of the Arts.

At the time, the Administration referred the subject to the Finance Committee and also suggested issuing a Request for Proposals (RFP) for a company to produce the event on behalf of the City.

However, the Administration also desired to contract with Mr. Alan to produce the event in 2011 while the RFP was reviewed.

The Finance and Citywide Projects Committee discussed the subject at the October 14, 2010 meeting and recommended not issuing an RFP and directed the Administration to contract with Howard Alan Events to produce the 2011 Miami Beach Festival of the Arts. The Committee requested a report following the 2011 event. The Administration subsequently entered into an agreement with Howard Alan Events for 2011, which eliminated the City's financial obligation and only required the City to pay Mr. Howard if the event generated a profit; compensation to Mr. Howard was capped at \$20,000.

2011 EVENT

The Miami Beach Arts and Crafts Festival took place on April 9 – 10, 2011. Attendance was very poor and the vendors reported very low sales over the course of the two day event. Sales were so poor that vendors said they would not return and the producer had to refund their registration fees. One possibility for the low attendance was thought to be from lack of advertising; however, the producer marketed the event as they do every other festival they produce. Aside from that, the producer did an excellent job coordinating and producing the event.

The Fine Arts Board discussed the 2011 Festival at their regularly scheduled meeting on April 14, 2011. The members agreed that the Festival was not a success, and that marketing and promotion of the Festival was poor. There followed general discussion about street art festivals being passé. All agreed that the Festival presented a "bad image" of Miami Beach to the public. The Board recommended by unanimous vote that the City permanently cease presentation of the Festival and seek other ways to promote activity in North Beach.

FINANCE AND CITYWIDE PROJECTS COMMITTEE – MAY 19, 2011

Members of the Finance and Citywide Projects Committee discussed the Fine Arts Board's recommendation at its regular meeting on May 19, 2011. The Committee was hesitant to approve cancellation of the Festival without having a clear alternative in place. There was general agreement that a series of events over an extended period of time would be more effective in promoting business and community in the North Beach neighborhood than the one-weekend-a-year Festival of the Arts. The recently renovated Band Shell was discussed as the most likely location for these events.

THE PROPOSAL

On May 1, 2012, Mr. James Echols met with TCD staff and proposed that the City allow his 501(c)3 organization, Life Is Art, to produce a new Festival of the Arts on Ocean Terrace in North Beach. Staff explained the history of the event, as well as the steps required to obtain a Special Event Permit, provided a copy of the budget from a previous Festival. Mr. Echols subsequently prepared a proposal (attached) and met with members of the City Commission. His proposal includes a request for a \$55,000 cash allocation from the City, along with in-kind services and donations including marketing, logistical support, police, waste management/sanitation, parking, permit fees, and use of name and website domain.

FINE ARTS BOARD

The Fine Arts Board (FAB) met on September 13 2012 and passed recommending the Commission not issue an RFP for the Miami Beach Festival of the Arts for the following reasons:

- The Festival has had very poor attendance in recent years
- There is a saturation of like festivals with which the Miami Beach Festival of the Arts cannot compete.
- The quality of the Festival regardless of its producer has been poor and vendors have expressed dissatisfaction with the Festival and stated they would not return.
- The Board believes that the City funding being considered would better serve the North Beach community if used to support a series of events rather than a single weekend festival.
- Other issues have included scheduling and timing conflicts with other events in the area such as the International Boat Show Super Bowl Weekend Art Deco Weekend and the Coconut Grove Arts Festival a lack of adequate funding and sponsorship as well as a general lack of citizen interest

NEIGHBORHOOD AND COMMUNITY AFFAIRS COMMITTEE

The NCAC discussed this item at the September 24, 2012 meeting. The Committee discussed the subject and how best to generate more economic impact for North Beach. The Administration reminded the Committee that an RFP would need to be issued relatively soon if a festival of the arts were to occur in early 2013. There was also discussion about adding an art component to the food truck events. The Committee directed the Administration to return to the Neighborhood/Community Affairs Committee with some ideas for more events and how to integrate art into the food truck events. The Administration was also asked to seek input from community stakeholders.

NORTH BEACH COMMUNITY STAKEHOLDERS MEETING

On October 3, 2012, staff met with North Beach community stakeholders. There was general consensus that a series of events spread out over time would be more valuable to the North Beach community than a single weekend-long Festival. All agreed that the food truck events were extremely successful and should be continued on a regular basis. A desire was expressed to incorporate visual art into the food truck events; to that end Carol Housen, as president of North Beach Development Corporation, agreed to engage James Echols and his organization to manage the visual arts component.

Mr. Echols was not successful in finding artists to participate in the event, even after his organization offered to pay the modest registration fee he initially sought. Mr. Echols explained that the artists felt it unlikely they would sell work, since the art element was peripheral to the main event, and they were reluctant to provide insurance indemnity to the City.

CONCLUSION

The Administration requests this matter be discussed and direction provided on how to proceed.

KGB/MAS/GF