



MIAMI BEACH

OFFICE OF THE CITY MANAGER

NO. **319-2012**

LETTER TO COMMISSION

TO: Mayor Matti H. Bower and Members of the City Commission

FROM: Kathie G. Brooks, Interim City Manager

DATE: December 11, 2012

SUBJECT: R7N – Convention Center Management and Catering Solicitation

This Letter to the Commission (LTC) is provided in response to a request for additional information from Commissioner Weithorn regarding item R7N – Convention Center Management and Catering Solicitation, which will be considered at the December 12, 2012 City Commission meeting.

As stated in the Commission Memorandum, SMG has a ten (10) year management agreement with Broward County for the Broward County Convention Center. The current term of the their agreement with Broward County Convention Center expires December 21, 2019, with an additional 10 year renewal term at Broward County's sole discretion. The Agreement includes a provision that restricts SMG from submitting a proposal or entering into a similar management agreement for the operation of a similar type facility within a one hundred (100) mile radius of Fort Lauderdale unless the agreement is with Broward County or agreed to by Broward County.

In light of this provision, City staff contacted Nicki Grossman, President of the Greater Fort Lauderdale Convention & Visitors Bureau and contract administrator for the Broward County Convention Center Agreement with SMG, to determine if Broward County will agree to allow SMG to submit a proposal to manage the Miami Beach Convention Center. Ms. Grossman indicated that they have not been asked by SMG for permission to bid on the Miami Beach contract and would make a determination if, and when, SMG formally requests permission from Broward County.

It should also be noted that Broward County did grant SMG permission to bid on the management of the James L. Knight Center. Ms. Grossman indicated that permission was granted to SMG because the two (2) facilities do not compete for similar business. The City of Miami recently awarded a Professional Services Agreement to SMG for the provision of professional management services for the James L. Knight Center. The Agreement has an initial period of three (3) years, with an option to renew for three (3) additional one (1) year periods.

Please feel free to contact me with any questions.

KGB/MAS