

**BAL HARBOUR VILLAGE RESORT TAX COMMITTEE**  
**REGULAR MEETING MINUTES – JUNE 10, 2010**

A Regular Meeting of the Bal Harbour Village Resort Tax Committee was held on Thursday, June 10, 2010, in the Conference Room at Bal Harbour Village Hall (655 – 96<sup>th</sup> Street, Bal Harbour, Florida).

**1. CALL TO ORDER/ROLL CALL:** The meeting was called to order at 9:00 a.m. by Mayor Rosenfield. The following members were present:

Mayor Jean Rosenfield  
 Florent Gateau<sup>1</sup>  
 Bruce Gelb  
 Michael M. Krop  
 Sandra Lansing  
 Richard Lodes  
 John Manrique

Others Present:

Alfred J. Treppeda, Village Manager  
 Andrea Greenblatt, Administrative Assistant  
 Matthew Pearl, Village Attorney  
 Christopher Wallace, Finance Director  
 Carolyn Travis, Director of Tourism Marketing  
 Councilman Martin Packer

As a quorum was determined to be present, the meeting commenced.

**2. PLEDGE OF ALLEGIANCE:** The Pledge was led by the Committee.

Mayor Rosenfield discussed the new 6-month Assistant for the Tourism Department (Special Event Production and Promotion Services Consultant). Ms. Travis introduced Heidi Barfels and reviewed her resume and job responsibilities.

**3. ACCEPTANCE OF APPOINTMENT OF OATH OF OFFICE:**

**Florent Gateau, General Manager – ONE Bal Harbour Resort & Spa:** This item was done later in the meeting.

**4. APPROVAL OF MINUTES:**

Dr. Krop requested clarification on the Web Site update, since he left the meeting early.

Mr. Gateau arrived.

Ms. Travis explained that she would go back to the provider for a more competitive bid, but clarified that she decided to table the web site augmentation for the summer.

<sup>1</sup> Mr. Gateau arrived prior to approval of the minutes.

*A motion was offered by Mr. Lodes and seconded by Ms. Lansing to approve the April 15, 2010 Regular Meeting Minutes. The motion carried (7-0).*

## **ACCEPTANCE OF APPOINTMENT OF OATH OF OFFICE:**

**Florent Gateau, General Manager – ONE Bal Harbour Resort &**

**Spa:** Mrs. Greenblatt administered the oath of office to Mr. Gateau.

**5. RESORT TAX FINANCIAL UPDATE:** Mr. Wallace distributed and reviewed an updated Financial Report.

Ms. Travis explained the new format separating the revenues. Mr. Wallace explained other revenues that could skew the figures. Ms. Travis explained that the figures for May (revenue for April) were slightly down, but were up for the month of March. She explained that the reason was that Easter fell in March. She reported that the restaurants were on a steady incline. She reported that since the Regent left its flag, there was a downturn in revenue compared to last year, since they were lost on the GDS (General Distribution System – the computer used by travel agents to book, etc.). Ms. Travis clarified that the property was not on the GDS for 3 ½ months, which resulted in a decline, but they are now back on, but without a flag. She explained that they would have to build up the brand recognition for the ONE Bal Harbour. She reported that there was a major decrease in the revenue, but they have now begun to stabilize. Ms. Travis reported that the Sea View was slightly down and the restaurants were up. She reported that there were not any major expenditures, from the prior month, and that the fund was on budget and was in the spending pattern that was scheduled.

Dr. Krop suggested obtaining tourism figures from Sunny Isles Beach and Miami Beach, to gauge how neighboring communities are doing, compared to the Village. He questioned the difference in the percentages shown for the hotel taxes received (pages two and four). Mr. Wallace thinks that it's the extra \$25,000 that was added in, but the percentage did not change. Dr. Krop questioned the hotel and beverage taxes compared to last year. Ms. Travis reported an increase of 1.44% (second page - hotel is down 7% and restaurant is up 4% and Development Agreement is up 5%). Dr. Krop thinks that the Village should be at two thirds, since it has achieved 71% of the budget, but noted that it's hardly different than last year. Mr. Wallace doesn't know why the percentages in the far column were not calculated properly, but reported the dollar amounts to be correct and the percentages for the year to date columns to also be correct.

Mayor Rosenfield pointed out that Miami Beach has a convention center, so it may be difficult to compare the Village to them. Ms. Travis agreed that percentage wise they should be higher since they are based on corporate business and the Village is more leisure travel. She reported Sunny Isles to be a closer match. She suggested looking at all tourism numbers.

Mr. Treppeda questioned if the Committee wanted those figures to be included in the report.

Ms. Lansing questioned how that would help the Committee's mission, because she doesn't think it's a good comparison. Dr. Krop explained the ability to quantify what the

Committee was doing. Mayor Rosenfield thinks the figures could be received, but thinks that the Village is a unique community, which must be considered. She questioned if Dr. Krop had suggestions on what the Committee is or isn't doing. Dr. Krop reported that it should be looked at during the budget process.

Dr. Krop doesn't think the report should be different, but requested that the Committee be provided with the information from Miami Beach and Sunny Isles Beach. Mr. Manrique suggested receiving both revenue and expenditures. Mr. Wallace will speak with the municipalities, to determine how their items are reported. His only concern would be comparing it to someone who is not reporting the same way the Village is. Mayor Rosenfield clarified that it would be a directive for one month only. Dr. Krop requested it be sent to him in Massachusetts.

Mr. Wallace discussed the last page of the report and requested that it be corrected in the percentage column. He reported that the second page reporting 71.22% of the budget is correct. He will update that report.

## **6. DIRECTOR OF TOURISM MARKETING REPORT – CAROLYN**

**TRAVIS:** Ms. Travis reviewed the following items:

### **1. OVERVIEW OF REPORTS:**

**Local PR – Robyn Ross and Christine Procel:** The report was included in the agenda. Ms. Travis reported that Ms. Barfels would be able to handle the items previously done by the Local PR, so she has put them on notice that they would be phased out toward the end of the summer. She reported that the Committee would be saving \$4,000 per month once they are phased out. She reported that they have done a good job and suggested that they be hired for any special event that would need outside PR support.

**LDPR – Nation Public Relations:** The report was included in the agenda. Ms. Travis reported that in April/May they worked on short lead pitches, for packages for the hotels. She noted that in June they are pitching long lead stories, for the Fall books, which takes 4-6 months, for placement of a large feature story for the Village. She reviewed the releases and discussed the packages (Sea View – Kids Club and ONE Bal Harbour – shopping).

**Suzanne Corbo – Director of Leisure and Corporate Sales:** The report was provided in the agenda. Ms. Travis reported the signing of Travel Impressions (American Express) for the Sea View Hotel. She explained that Ms. Corbo was isolating tour operators/web sites for the Sea View Hotel and for ONE Bal Harbour was looking at retail travel agencies and high-end consumer web sites. She discussed the focus in Canada.

**Laura Schmidt – (LPS Collection) Director of European Sales:** The report was provided in the agenda. Ms. Travis discussed the focus on more direct tour operator contracts, to cut out the middle man (in UK, France, Italy, and Spain). She explained that Ms. Schmidt is now selling to the tour operator facilities to target all of the travel agencies. Ms. Travis clarified that Ms. Schmidt sends the leads to the hotels, which must close the deal with the operators. Mr. Manrique questioned how Ms. Travis knows the conversion rate of how many leads were sent and are in place, to gauge success and quality of the lead. Ms. Travis explained that the leads are good. She explained the process. She reported that the hotels are responsible, but Ms. Schmidt follows up. She explained that it was proprietary

information, but was being tracked by her.

Mayor Rosenfield questioned the 4<sup>th</sup> of July business. Mr. Gateau reported it to be short term business, but expected 70% hotel occupancy, with an increase for food/beverage.

**2. LATIN AMERICA – REPRESENTATION REORGANIZATION:** Ms. Travis reported that the Committee previously approved representatives in Argentina and Brazil, through the Private Label Company, to start May 1st. She explained that at the last minute the Company requested a one year contract, without a cancellation clause. Ms. Travis spoke against doing business with them, since they waited until the last minute to change the terms of the contract.

Ms. Travis reported that they have been interviewing Latin America Representatives and requested re-appropriating the funds (\$9,000) to cover Mexico, Argentina, and Brazil that were previously approved for Private Label Company.

Ms. Travis reported that since the Committee did not meet in May, she requested approval by the Village Council for Jacqueline Benitez (Liaison Group) to provide public relations and sales representation in Mexico, (Council approved \$3,000 monthly, but the rate was negotiated down) at \$2,300 per month, which started in June.

Ms. Travis requested approval for Carmen Florio (DLX) to provide representation in Argentina, at \$2,500 per month (she will try to negotiate to \$2,300 per month).

Ms. Travis is still looking for representation in Brazil (one person for public relations and one person for sales).

**A motion was offered by Ms. Lansing and seconded by Mr. Manrique to re-direct \$2,500 per month (of the \$9,000 pre-approved funds) for DLX for representation by Carmen Florio in Argentina for a year contract, with a 30-day cancellation clause. The motion carried (7-0).**

**3. INTERNAL RETREAT - AUGUST:** Ms. Travis discussed the importance of an annual internal retreat to the Village, for a cohesive branding message and strategy for everyone working for the Village around the world. She explained the plan to discuss strategy and planning for the upcoming year. She discussed the format for the retreat. Ms. Travis discussed bringing in a sales team trainer (approximately \$5,000 for one day), specific to the Village.

Councilman Packer questioned if the Quarzo Hotel was participating in anything yet. Ms. Travis reported that they were not, since they were not officially opened yet. She reported that they would be included once they were open.

**A motion was offered by Dr. Krop and seconded by Ms. Lansing to approve \$15,000 for the sales trainer, flights, and hotels for the annual internal retreat (8/30 and 8/31). The motion carried (7-0).**

**4. ACTION PLANS THROUGH JUNE:**

**ILTM Trade Show:** Ms. Travis requested approval of up to \$25,000 for the ILTM trade show in Europe (Cannes) in December (\$12,294 booth plus build-out costs and travel

expenses). She discussed the importance of the show for branding, etc. She reported that the GMCVB went last year. She reported that every major luxury brand in the world attended the show. Mr. Gateau spoke in favor of the show. Ms. Travis discussed the focus on appointments, which are for 20-minute increments.

Ms. Travis discussed the Virtuoso trade show in Las Vegas, in August.

Ms. Lansing requested the list of destinations from the United States that participated in the prior year's show.

Mr. Manrique agreed to waiting until next month and requested a complete breakdown of all of the costs involved, etc.

Ms. Travis explained that there would be a cost increase waiting a month.

**It was the consensus of the Committee to table this item until next month's meeting, for additional information.**

## **7. OTHER BUSINESS:**

Mayor Rosenfield requested clarification that the Village would no longer be a part of Leading Hotels. Ms. Travis explained that Leading Hotels only takes hotels, but they have auxiliary companies that do other things. She explained that the LPS Collection has representation in Leading Hotel offices for other brands, which is what the Village was going to be part of. Mayor Rosenfield questioned what the Village would lose by not being part of that. Ms. Travis doesn't think the Village would lose anything, because it would hire additional other representatives. Councilman Packer questioned if the hotels could sign up themselves to be part of the Leading Hotels book. Mr. Gateau reported that he is analyzing that now.

Ms. Travis displayed a poster that is being displayed at the buildings, a mailer regarding the Kids Club for the summer, and poster and postcard mailers for the Pilates program during the summer.

Ms. Travis reported that the tourism shuttle started last week and already had riders.

Ms. Lansing questioned the success of the Kids Club. Ms. Travis reported that during vacation times it was busy, but during the summer and non-vacation times it has been slower. She explained that would be evaluated for the future programs.

Dr. Krop discussed the budget and questioned how much of the funds that were allocated would be spent. Ms. Travis reported that all of the funds would be spent. Dr. Krop clarified that Ms. Travis wasn't planning on having much of a balance at the end of the year. Ms. Travis agreed.

Dr. Krop explained that the St. Regis Development Agreement would eventually come to an end. Ms. Travis clarified that would happen when the St. Regis opened. Dr. Krop thinks that the revenue figure would be a lot less when that happened. Ms. Travis doesn't know and reported that it would depend on the success of the hotel. Dr. Krop questioned if there was a revenue projection. He suggested that Ms. Travis have an idea of what the \$973,000

would be replaced with. Ms. Travis thinks that would be up to the hotel to provide.

Ms. Travis discussed the large expenses that were done this year that would not be done in the next year. Dr. Krop wanted to make Ms. Travis aware of that.

Mr. Gelb questioned if the Committee should discuss the oil situation. Mayor Rosenfield reported that there are reserve funds for the beach (\$1.2 million for beach renourishment). Mr. Treppeda discussed the State/Federal agencies that would be responsible for cleaning tar from the beach, if necessary. Mr. Gelb discussed having a proactive approach for tourism in response to stories about the tar. Ms. Travis has had some preliminary discussions with the Public Relations agency in New York. Mr. Manrique discussed the "clean beach guarantee" in Sanibel and the Keys using web-cams, etc. He thinks the Village should be ready and have strategies for the trade shows, etc. in response to questions. Mr. Gelb agreed. Ms. Travis will prepare an action strategy with the agency. Mr. Treppeda suggested discussions with the GMCVB also. Mr. Manrique suggested cams between the St. Regis and ONE to show the beach. Ms. Travis will present solutions to the Village.

*It was the consensus of the Committee to make a decision at the July meeting regarding whether or not to meet in August.*

**8. ADJOURN:** There being no further business, *a motion was offered by Mr. Lodes and seconded by Mr. Gelb to adjourn. The motion carried (7-0) and the meeting was adjourned at 10:18 a.m.*

  
Mayor Jean Rosenfield

Attest:

  
Ellisa L. Horvath, MMC, Village Clerk