

**BAL HARBOUR VILLAGE RESORT TAX COMMITTEE**  
**REGULAR MEETING MINUTES – MARCH 10, 2011**

A Regular Meeting of the Bal Harbour Village Resort Tax Committee was held on Thursday, March 10, 2011, 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 9:05 a.m. by Mayor Rosenfield. The following members were present:

Mayor Jean Rosenfield  
Bruce Gelb<sup>1</sup>  
Michael M. Krop  
Sandra Lansing  
Richard Lodes  
John Manrique<sup>2</sup>

Others Present:

Alfred J. Treppeda, Village Manager  
Ellisa L. Horvath, MMC, Village Clerk  
Andrea Greenblatt, Administrative Assistant  
Jay Smith, Director of Human Resources and  
Community Outreach  
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 Dr. Krop.

**3. ACCEPTANCE OF APPOINTMENT AND OATH OF OFFICE:** This item was done later in the meeting, since Mr. Manrique was not in attendance.

**4. APPROVAL OF MINUTES:** Mrs. Horvath will send the meeting minutes to the Committee members prior to the agenda delivery, to allow the members additional review time, in order to expedite the approval process.

**A motion was offered by Mr. Lodes and seconded by Ms. Lansing to approve the February 10, 2011 Regular Meeting Minutes. The motion carried (4-0).**

**5. RESORT TAX FINANCIAL UPDATE:** Mr. Wallace reviewed his report. He reported a 27% increase over prior year. He explained that tourism activity was on the rise for the Village.

Mr. Gelb and Mr. Manrique arrived.

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<sup>1</sup> Mr. Gelb arrived during the Resort Tax Financial Update.

<sup>2</sup> Mr. Manrique arrived during the Resort Tax Financial Update.

Ms. Travis reported that the Village was seeing increased revenue.

Dr. Krop requested that articles on tourism in other areas be sent to the Committee members. He discussed an article in The Miami Herald regarding Miami-Dade County.

Mr. Lodes reported that the new Starr restaurant at the Shops was expected to open in three weeks.

Ms. Travis reported that the new restaurant at the ONE Bal Harbour was expected to open in April.

Mayor Rosenfield discussed the Council Workshop Meeting for the Bal Harbour Shops Proposed Expansion, which was held on March 7, 2011. She reviewed the public concerns regarding traffic.

Mr. Manrique reported that the St. Regis restaurant would seat 300 (outside and inside). Mayor Rosenfield added that the St. Regis ballroom would seat 350-400. Mr. Manrique agreed and noted that the seating for the Sheraton ballrooms was 700.

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

Mrs. Horvath administered the oath of office to Committee member John Manrique.

### **6. DISCUSSION OF DIRECTOR OR TOURISM MARKETING BONUS STRUCTURE:** This item was discussed later in the meeting.

### **7. DIRECTOR OF TOURISM MARKETING REPORT – CAROLYN TRAVIS:**

**Month Recap/Status/Actions:** Ms. Travis distributed the Overview: March Meeting.

Ms. Travis reviewed the following Bal Harbour Activities: Bal Harbour Art Nights, Performance on the Green, Movies on the Beach, Kids Camp, Change in Bus Schedule and Promotion, Fitness Classes on the Beach, TABB – Travel & Leisure Travel Agency Advisory Board, Meeting with Grupo Expansion Editors, and Brazilian Sales Mission.

Ms. Travis reported that 500 people attended the Breakfast at Tiffany's Movie on the beach. Dr. Krop recommended using the buses (Village and Tourism) for the movies.

Dr. Krop briefly left then returned to the meeting.

Ms. Travis reported that the TABB agents produced \$6 billion worth of travel per year.

Ms. Travis discussed her meeting with the Grupo Expansion Editors and explained that the Village didn't have a representative in Mexico, which would be looked at for the next fiscal year. She explained that, in the meantime, she was meeting with an editorial group in Mexico.

Ms. Travis requested approval of \$10,000.00 for the following item for travel agent seminars and small press events:

**Brazilian Sales Mission (May)** **\$10,000.00**  
(to cover Rio de Janeiro and Sao Paolo and to target travel trade and media)

**A motion was offered by Mr. Manrique and seconded by Mr. Gelb to approve \$10,000 for the item requested. The motion carried (6-0).**

Ms. Travis reviewed the Domestic PR, US Sales Actions, Brazil, and Argentina.

Ms. Travis reviewed Europe and explained that she had been speaking with the GMCVB regarding the Village using their representatives in Europe, for a certain amount of hours every month. She explained that Laura's funds from Barcelona would be used for this also.

Ms. Travis distributed a Travel & Leisure article (paragraph on the Village and photo of the Shops).

Mayor Rosenfield requested that color reproductions of the article be provided for the Council meeting, to show the public what Ms. Travis was doing. Ms. Travis will provide article reproductions for the April Council meeting.

Ms. Travis distributed a Conde Nast article.

Ms. Travis distributed Argentina editorials for February 2011.

**Internal Report:** The following items were included in the agenda: Bal Harbour Tourism Shuttle, Email Campaign, and Social Media – update and plan of action.

**Overview of Reports:** Reports for the following were included in the agenda: LDPR – National Public Relations, Suzanne Corbo – NE US, Laura Schmidt – European, DLX Argentina, and On Request – Brazil.

Ms. Travis reported that Heidi Barfels resigned from her position, because she wanted to receive health benefits that were not provided for in her contract. Ms. Travis is looking for another assistant and will be interviewing next week. She reported that the contract with Ms. Barfels was \$35,000 annually, without benefits.

**DISCUSSION OF DIRECTOR OR TOURISM MARKETING BONUS STRUCTURE:** Ms. Travis distributed and reviewed compensation information.

Ms. Travis left the meeting.

Mr. Treppeda reviewed his memo in the agenda, which recommended the following for a bonus structure: calculated and paid quarterly during the fiscal year (October to September), bonus paid only on increase of quarterly revenue from the current year to the prior year, no increase would result in no bonus, there would not be a subtraction for a decrease, an entity must have a one -year baseline to be included in the calculation, the revenue from the St. Regis Development Agreement would not be included in the

calculation, only revenue generated by the four percent bed tax and two percent food/beverage tax would be included, the bonus amount would be based on 30% of the increased revenue, there would be a cap of \$15,000 and any bonus exceeding that amount would be brought before the Committee to make a recommendation to the Council. He explained that Ms. Travis was also eligible to receive another bonus, based on five percent of her base salary, which he evaluated at the end of the year.

Dr. Krop discussed the relationship between the advertising budget and Ms. Travis' bonus income. He questioned if the Committee could end up with less money in the budget at the end of the year, due to the advertising amount being increased. Mr. Treppeda advised that there wouldn't be and explained that the bonus was only based on increased revenue. Mr. Wallace clarified that the bonus was not based on net income and was based on sales (it was not based on how much was spent and was only based on the amount of revenue received from sales). Mr. Manrique noted that there would also be a cap on the expenditures, so Ms. Travis could not spend more money in order to increase the revenue. He clarified that that Ms. Travis would have to operate within the budget to achieve her goal. Mr. Wallace agreed. He also pointed out that \$160,000 of the budget was devoted to the Park Department.

Mr. Gelb questioned how a Shops expansion would affect the bonus. Mr. Treppeda clarified that Ms. Travis would only receive the bonus based on revenue from restaurants/catering and noted that those entities would need a year comparison to be included. Mr. Gelb questioned if the revenue discussed during the Shops workshop meeting included resort tax revenue, or if it only addressed ad valorem tax revenue. Mr. Wallace didn't know what the Shops' revenue projection included, but thinks that part of the revenue discussed probably did include resort tax revenue.

Mr. Manrique spoke in favor of a competitive bonus structure and Mr. Treppeda's recommendation. Mr. Treppeda reported that Assistant Mayor Blachar was not able to attend the meeting, but was in favor of the recommendation. Mayor Rosenfield discussed the importance of explaining the proposed bonus structure completely to the Councilmembers and the public. Ms. Lansing spoke in favor of the proposed bonus structure.

Dr. Krop would like to know if Miami Beach had a similar bonus structure. Mr. Treppeda reviewed other tourism director salaries in other communities, not including Miami Beach. The Committee didn't feel that Bal Harbour could be compared to the communities listed. Councilman Packer suggested finding out if those directors had an incentive program with their salaries.

**A motion was offered by Mr. Manrique and seconded by Ms. Lansing to approve Mr. Treppeda's recommendation for the bonus structure. The motion carried (5-0) with the roll call vote as follows: Mayor Rosenfield yes; Mr. Gelb yes; Dr. Krop yes; Ms. Lansing yes; Mr. Lodes yes, and Mr. Manrique yes.**

Ms. Travis returned to the meeting.

## **8. OTHER BUSINESS:**

Mr. Gelb questioned the status of the Village using the Green behind the ONE Bal Harbour

again for its events. Mr. Treppeda explained that there was an agreement between the ONE Bal Harbour and the Harbour House regarding what that area could be used for. Mr. Gelb voiced concern with part of the cultural series being halted next year, since that space could not be used. Ms. Travis discussed the possibility of using an area at the Quarzo Hotel. Mr. Manrique reported that the St. Regis could not be used until the hotel opened, which was targeted for March 2012. Ms. Travis will provide information on the Quarzo. Mr. Gelb suggested that the ONE and Harbour House make an exception for the area to be used for Village events.

**Kristopher Taplin, 10275 Collins Avenue (Harbour House)**, explained that he would be on the Harbour House Board soon and would look into that.

Ms. Travis reported that the May Committee meeting may need to be moved, due to her trip to South America.

**9. ADJOURN:** There being no further business, a motion was offered by Mr. Lodes and seconded by Mr. Manrique to adjourn. The motion carried (6-0) and the meeting was adjourned at 10:05 a.m.

  
Mayor Jean Rosenfield

Attest:

  
Ellisa L. Horvath, MMC, Village Clerk