



Revised – April 20, 2021

ADDITIONAL INFORMATION REGARDING COMMISSION AND COMMUNITY IMPACT

At the request of the Commission, additional scenarios and alternative commission options are clarified and detailed below.

COMMISSION ADDENDUM

SER presented a commission structure that is efficient and easily executed. We have revised the commission structure to enhance the revenue for the Town with the insight provided by the Commission. *The goal is to accelerate attainment thresholds of revenue, create more revenue for the Town, as well as consider the additional impact for larger events.* We propose the following revisions:

Facility Fees for Prime Season (November 1 through the end of each following year’s Easter Weekend)

Sunday – Thursday:	\$1,000.00 facility fee	\$100.00 utility fee
Friday:	\$2,000.00 facility fee	\$100.00 utility fee
Saturday:	\$2,500.00 facility fee	\$100.00 utility fee

Facility Fees for Off-Season (The Monday following Easter through October 31 of the same year)

Sunday – Thursday:	\$500.00 facility fee	\$100.00 utility fee
Friday – Saturday:	\$1,500.00 facility fee	\$100.00 utility fee

Beach Permit Fees for Prime Season (November 1 through the end of each following year's Easter Weekend)

Sunday – Thursday:	\$300.00 Beach Permit Fee	\$100.00 impact fee
Friday:	\$400.00 Beach Permit Fee	\$100.00 impact fee
Saturday:	\$500.00 Beach Permit Fee	\$100.00 impact fee

Beach Permit Fees for Off-Season (The Monday following Easter through October 31 of the same year)

Sunday – Thursday:	\$200.00 Beach Permit Fee	\$100.00 impact fee
Friday – Saturday:	\$400.00 Beach Permit Fee	\$100.00 impact fee

VENDOR COMMISSION

In the original Proposal, SER structured a 5% commission on SER's décor and services and for our authorized catering vendors. In addition to this, *we propose the addition of a 5% commission on our authorized Audio/Visual vendors.* The percentage thresholds will remain the same while adding another source of revenue for the Town.

EVENTS WITH SIGNIFICANT IMPACT

SER understands there will be a different impact on the Town and Community Club Property while producing certain events at the Club. While one of our primary goals is to minimize unnecessary impact, with certain events comes more traffic, utility usage and physical space usage. In order to properly compensate for additional impact from these events, in addition to the revised commission structures above, SER proposes applying a *Community Impact Fee*.

This fee would have several determining factors including, but not limited to: Beach usage, number of attendees, scope of work, time of year, nature of event.

Palm Beach Shores is a private community. The eco-system of the island is very delicate and every attempt to preserve it is paramount to SER. Significant-Impact events will be required to pay a Community Impact Fee to offset any inconvenient or negative impact on the Community, Residents and Eco-System.

The Commission has requested we provide 'thresholds' to determine what additional fees would be collected on behalf of the Town. In the Event Industry, bear in mind, all events produced are unique. For example, a (20) guest event may be much more involved and have a greater impact on the community than a (75) guest event. SER cannot provide a rote formula or specific thresholds based on how the industry operates, and the nature of events produced.

To clarify, these fees are above and beyond other commission schedules, and will be addressed on an event-by-event basis when necessary, as identified in the several factors including, but not limited to those listed above, that affect impact on the Community and Residents. SER is committed to working collaboratively with the Town as these events are contracted.

EVENT COMMISSION

Industry standards regarding commissions paid to a host facility are consistently based on revenue *with the exclusion of Labor and Transportation (L/T)*. The main reason is based on the industry, as a whole, treats L/T as a pass-through expense. In our experience, we have witnessed several companies incorporate a commission structure off the final total amount of an event. The impact of commission to include L/T will often times *incline a client to look (and ultimately book) their event elsewhere*. The other risk is the Business Partner loses money by trying to cover the additional commission, hence, putting them out of business. This scenario is very real, and would put the Town back to 'square one' in just a few short months after fully investing in a Business Partner.

Please refer to the original Proposal for the Proposed Event Commission structure.

CONCLUSION

SER is grateful to the Commission for the additional questions and concerns. Through this document, our goal is to realize a greater revenue for the Town, while eliminating as much risk and impact on the Community as possible. *Our shared goal with the Town is to attain BALANCE between revenue and impact.*

We are more than happy to continue to address any additional concerns, as well as meet with the Commission and/or Town Government in person to share our vision and proposed plan of action.

Our team has been working on a multitude of concepts should SER be awarded the contract to be the Town's Business Partner. We would like to host at least two premiere events. One for the Commission and Town Government, as well as a Resident Reception where SER and our partners will showcase our talents and potential of The Shores Club. Additionally, our **SERMedia** Division will create promotional videos and sizzlers highlighting the beauty of your island and amenities of The Shores Club.

We look forward to your feedback and insight.

Respectfully Submitted,

Andrew Farah, CEO
THE Special Event Resource & Design Group, Inc