



April 13, 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

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.

LARGER EVENTS

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

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. Larger events – both in number of attendees and higher-budget – will be required to make a donation to offset any inconvenient or negative impact on the Community, Residents and Eco-System.

SER is in the process of calculating a sliding scale which will be directly affected by size, budget and nature of event. Should SER be selected as the Town's Business Partner, we are happy to collaborate on an appropriate *Environmental Impact Fee Schedule*. Preliminary numbers are between \$1,000.00 and \$3,000.00 per event.

To clarify, these fees are above and beyond other commission schedules, and will be addressed on an event-by-event basis, as identified in the several factors including, but not limited those listed above, that affect impact on the Community and Residents.

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.

Finally, please bear in mind the Facility Fee(s), Utility Fee(s), Vendor Commission(s), and Environmental Impact Fee(s) are above and beyond the Event Commission. *Our shared goal with the Town is to attain BALANCE between revenue and impact.*

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.

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