



This Proposal was Created by the Management Team of
The Special Event Resource and Design Group, Inc.
(Referred to as 'SER' throughout this Document)

REGARDING:
Management Contract for the Town of Palm Beach Shores' Community Center,
(Referred to as 'CC' or 'The Shores Club' throughout this Document)

Submittal Date: Friday, March 19, 2021

INTRODUCTION

The Special Event Resource & Design Group, Inc. (SER) is honored to submit this Proposal to the Mayor and Town Commission of the Town of Palm Beach Shores to exclusively manage the Town's CC. The goal of this Proposal is to clearly define our management team, goals, methods of operation and event production at the CC, all while maintaining the existing standards and environment of the Town and Residents. This Proposal provides an assessment of the challenges and advantages of managing the facility, addressing each component of the RFP, while allowing collaboration with the Town if awarded the Business Partner Contract.

WHO WE ARE

SER is a West Palm Beach-based luxury event design and floral company. We produce 200+ philanthropic, corporate and private events annually, with Preferred Vendor Status at *The Breakers* and *The Mar-a-Lago Club* among countless others. References from these properties are readily available upon request. Additionally, SER has a contract with *Jupiter Island Club* in Hobe Sound as their exclusive event and floral company. The SER team manages every facet of member and non-member events, common area florals and greenery, and a retail flower shop on the Club property.

THE TEAM

Andrew Farah, CEO -- Andrew's career span includes management and executive leadership of the successful production of hundreds of regional and national events, hospitality services, conferences, and live touring theatrical performance. The culmination of his talents led to the sale of a former business noted as being in the top 10% of its industry nationwide. Under Andrew's leadership, *The Special Event Resource and Design Group* thrives in trusted and loyal relationships with the company's A-list clientele, partners and professional companies within the industry.

Kimberly Farah, President -- Kimberly began in the event design and resource industry under the fine tutelage of renowned New York and Palm Beach designer S. Michael Ereshena. Originally a performing arts professional, Kimberly was known for creating live events that captivated audiences. Creating live productions to provide an audience with an unparalleled experience honed and fostered her understanding of creating extraordinary and memorable events: An art that is priceless in the event industry.

Cameron Keating, Creative Director – Cameron's attention to detail and vision for trends make him one of the top designers in South Florida. His work has been featured in *Wedding Style*, *Inside Weddings*, *Modern Luxury Bride*, *Palm Beach Illustrated* and *Weddings Illustrated Magazine* to name a few. After spending 17 years as an Event Designer at The Breakers, he decided he wanted to spread his wings and joined SER as Creative Director.

R Varito Vasquez, Floral Director – Varito is a world-renowned floral artist and event designer. His accomplishments speak for themselves: 2012, 2014, 2016 Barcelona World Flower Cup, First Place, 2015 Designer of the Year – Florida East Coast Floral Association, 2016- 1st Place FTD Tablescape Competition, 2019 FSFA Designer of the Year, 2020 Top Ten Designer of Oasis Products Virtual Competition, 2021 FSFA 2nd Place, Designer of the Year. Varito is an accomplished Educator, teaching students across the globe in luxury floral and event design.

Anna Erickson, Production Manager -- Anna spent her formative years in Africa and Europe where her parents entertained diplomats from all over the world. Her management resume includes *The Breakers, PGA National Resort & Spa, The American Red Cross* and most recently she helped Lessing's Hospitality Group open their first Florida venue, *Pelican Club*. After years of planning a wide variety of corporate, gala and social events from the catering and operational side, Anna was eager to join SER and is slated to be the Managing Director for the Community Center

SECTION V: TOWN OF PALM BEACH SHORES REQUIREMENTS DESIGNATED BY THE RFP

*** This Section defined two-fold: SER's responsibilities and the Town's. These are addressed in the order of Section V of the Town's RFP.

A. SER finds the new branding of "The Shores Club" to be a perfect reflection of the facility and the Town itself. We are happy to engage the Town with additional ideas, yet find this name extremely appropriate.

B. Parking is more than ample with the capacity of the facility. Should we find we have any parking issues, they will be addressed long before the event, and incorporated in our Event Contract with non-residents. Currently, we encourage many of our clients to take advantage of carpooling or limousine/private charter for larger events.

C. Rental fees for Residents: In accordance with the RFP will remain unchanged for the first year. We would like to present a more streamlined fee schedule, with the end goal of lowering some of the resident fees, while eliminating others altogether. Our philosophy revolves on maintaining the image, standards and environment for and with the Town and Residents.

Rental fees for Non-Residents: During the first 'season' of operation, we request lowering the Town's fee to the Business Partner per event. As defined in this Proposal we fully intend on meeting the Town's revenue expectations, however, our assessment of rental fees at similar facilities with similar amenities are significantly lower. Coupled with the uncertainty of this being a new venture, ongoing COVID-19 protocol and date limitations (Black Out Dates), Facility Fees need to be addressed to be more aligned to what the market will bear. Please see Attachment A.

D. SER will exclusively manage every Resident And Non-Resident event at the CC turn-key, excluding Town/Civic Groups and Church Rentals, per normal industry functions. For Town/Civic events, we request a nominal fee for setting and striking events when necessary, as well as cleaning of the kitchen, floors and bathrooms. We are open to discussing this fee, with the end goal of only covering our labor costs.

******Please Note: If selected as the Town's Business Partner, SER has NO intention of interrupting the weekly Church Services held on Sunday Mornings. We feel that is a critical function of the CC, and would create a rift with the churchgoers if we begin reducing their Sundays.******

E. Addressed above in Paragraph C.

F. SER will be responsible for all normal and routine operating expenses, as a tenant. We carry insurance that exceeds the required amount(s) and will provide a Certificate of Insurance naming the Town as Additionally Insured upon acceptance as the Town's Business Partner.

The exceptions are utilities and the unlikely event of damage or vandalism before, during or immediately following Town/Civic events where SER does not maintain complete control. We request that utilities (including but not limited to elec, water, waste management and sewage) remain the responsibility of the Town. Reimbursement for utilities will be built into the Fee Schedule for Non-Resident events, and will be paid directly to the Town immediately following SER receiving payment for said events. We suggest that together with the Town, we collaboratively determine a set fee per event to cover utilities, which will be audited at the end of the first 'season' of events.

The Town's role as 'landlord' is understood and accepted as industry standard. Our philosophy centers around a collaborative relationship. As issues arise, we can address them together.

SER will use the existing chairs and tables as necessary. We intend on bringing in a variety of different furniture for events, based on client needs and event design.

The lack of storage is understood and is just part of the industry. Post event, our team will remove all furniture, props, rentals, florals, etc., immediately following each event, leaving the facility as a 'clean slate' for the next day's operations.

G. COVID-19 Rules and Protocol understood and accepted as industry standard. SER appreciates the Town's review as restrictions change. As we are all confident restrictions will be lifted incrementally, the (50) person limit including personnel is a highly constraining challenge. As we are very familiar with COVID-19 protocol and if awarded the Contract, we ask the Town immediately review the limit on outdoor (downstairs) events.

SECTION VI: BUSINESS PARTNER PROPOSAL REQUIREMENTS

Please Note: Paragraphs A and B are addressed at the beginning of this Proposal under the *Introduction*. The remaining requirements are addressed in order below.

C. Marketing: SER is highly skilled at effective marketing and building brands through visibility. Our success is predicated on our ability to execute at the highest level and accurately portraying our talents, personnel and facilities. Please reference *Attachment B* that we would like to explore collaboratively with the Town and Residents before implementing. In addition to our very own *SERMedia* Division, we engage the area's finest agencies to assist us in website creation, multimedia production and social media content.

D. SER foresees a mixture of historical Resident Events, philanthropic events and galas, weddings and family celebrations and corporate retreats/seminars.

E. Capital Improvements. In our assessment, this is the most critical component to the success of the newly-imagined CC. As the RFP outlines, the Town is agreeable to a maximum of a 3-year contract to begin. In addition to the challenges already understood, this limits the amount invested by the Business Partner into the facilities. We would like to discuss with the Town a comprehensive season-over-season plan for improvements and how to secure the proper funding. The biggest improvements that we have identified are completely painting the exterior and interior; Remove upstairs dance floor and carpeting, replace with composite flooring; Upgrade bathrooms; install commercial-grade internet / wifi; install indigenous shrubs / plants to soften the lower level; appropriate signage; faux boxwood walls on casters to disguise roll up doors, etc.

As this is an extensive list and a considerable investment by the Town, we address our proposed concept in Section VII, Paragraph A, below.

F. Addressed above in Section V, Paragraphs C & D

G. The CC would not be used as a permanent showroom. SER will occasionally set a show table for a prospective client. In addition, SER will create and provide décor, window treatments and appropriate compliments for the CC's permanent look.

H. We carry Worker's Comp, Liability, Business and Umbrella Coverage exceeding the standard \$1MM coverage per occurrence. If selected as the Town's Business Partner, we will provide a COI naming the Town as Additionally Insured.

Food and Alcohol Licenses and Liability Coverage will be provided by our exclusive catering partners. If any event does not use our services, or those of our authorized vendor partners, the client will be responsible to carry appropriate coverage. Use of the facility will not be permitted without proper coverage from any entity, including Residents.

SECTION VII: BUSINESS PARTNER PROPOSED FINANCIAL METRICS

The Town has identified the challenge of balancing the many factors and their respective impacts on the community. Although this is a new venture for all parties, SER is familiar and experienced in collaboratively finding mutually beneficial formulae that serve all parties fairly. Often times, revenue sharing becomes overcomplicated, resulting in wasted revenue for all entites involved. We propose the following streamlined program:

A. Revenue and Commissions – If selected as the Town’s Business Partner and can agree with the Town on a revised Fee Schedule, SER pays the agreed-upon facility fee to the Town for all Non-Resident Events. SER prefers to have the Town continue to work directly with the Civic and Church Groups, however, we are open to manage those ongoing events and pay the agreed-upon fee facility fee to the Town, minus any labor (set, strike, cleaning) and management costs incurred, when necessary.

SER and their authorized vendor partners pay a 5% commission (minus labor and transportation) on all Non-Resident Events that we produce and collect revenue from.

Once the Town’s \$80K goal is met through the Facility Fees and commission as defined above, SER continues to pay the Town the agreed-upon facility fee for Non-Resident and Resident Events that we produce and directly collect revenue from, minus labor for set, strike and cleaning of Civic/Community and Church Events. This additional revenue paid to the Town is ‘credited’ towards a Capital Improvement Fund for immediate and future use, as agreed upon between the Town and SER.

In conjunction with the above, additional revenue, alternatively, can be audited and escrowed for the Residents and Civic/Community Events for the following season, reducing their facility fees.

Additionally, once the Town’s \$80K goal is met, SER and their authorized vendor partners pay a 2.5% commission (minus labor and transportation) on all Non-Resident Events we produce and collect revenue from.

All payments to the Town will be made with (10) days following an event. We may collectively agree to modify the payment schedule to bi-weekly or monthly. Standard industry protocol is all vendors are paid in full before any event takes place, making the ability to commission the Town immediate.

As noted earlier, please see *Attachment A* for proposed revised Fee Schedule

B. Projected Income. Based on the identified challenges, black out dates, balance and impact on the Town and Residents, income projections are extremely difficult to calculate. As we would request a 3-year contract, with auditing after the first season, below are conservative projections. To be discussed in depth on 3/29/21.

Year One: \$45,000 - \$60,000, Season Two: \$75,000 - \$95,000, Season Three: \$80,000 - \$120,000

C. Guarantee. The Town will have revenue generated by the CC, regardless of Business Partner. While we base our business model on the projections in Paragraph B, SER cannot guarantee certain thresholds for the first year of contract. We will reassess after the first year's audit and review.

D. Contract Length. We suggest a three-year contract to begin, with an audit/review after the first year.

E. Town Resources. As the Residents and Civic groups are familiar and comfortable with the Town's staff, SER requests the Town continue booking these events with our staff as your administrator, and transfer the responsibilities to SER in a calculated manner. Once the Residents and Town are comfortable with our staff, SER would be willing to accept all responsibilities for booking and working with all clients: Resident, Civic/Town and Non-Residents alike.

F. Financial Considerations. SER is well versed and experienced in Partner Agreements. Our shared goal is to manage a very efficient streamlined process with clear and simple commission structures. Profit is often consumed by overly complicated revenue-sharing systems.

SUMMARY

Thank you for the opportunity to submit this proposal to the Town of Palm Beach Shores. SER brings an immense amount of talent and experience to the table, and are eager to explore further with the Town and Commission. With the requested limit to Proposal length, we strive to provide as much information as possible, understanding this will be followed up by face-to-face meetings and negotiations, if selected as the Town's Business Partner.

We understand the nature and purpose of the CC, and want to reassure the Town and Residents that, if selected, SER will prove to be an asset and a welcome addition to your beautiful town.

THE SPECIAL EVENT RESOURCE AND DESIGN GROUP, INC.

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ATTACHMENT A – NON-RESIDENT FEE SCHEDULE

--The table below is SER’s proposed fee schedule. Commissions will change to 2.5% once the \$80,000.00 threshold is attained.

--Revenue over \$80,000.00 can be applied to Resident, Civic/Town or Church Events to following season to help offset costs OR be applied to a Capital Improvement Fund.

-- ***Denotes fees will vary based on number of attendees per event.

--Beach Permits and Fees are not included in this table. As the Beach Rental Contract is a separate transaction, we would like to discuss with the Town in person how to best convey fees.

--Proposed Fee Schedule below is for the first year. Fees will be audited and revised as necessary for future seasons.

<u>NON-RESIDENT</u>		
<u>RENTAL/FACILITY FEES</u>	<u>FIXED</u>	<u>COMMISSION</u>
FRIDAY / SATURDAY RENTAL	\$ 1,000.00	5% FROM BUS PARTNER AND VENDORS
SUNDAY AFTERNOON (BEGIN 1PM)	\$ 500.00	5% FROM BUS PARTNER AND VENDORS
MONDAY- THURSDAY FULL RENTAL***	\$300.00 - \$500.00	5% FROM BUS PARTNER AND VENDORS
MONDAY - THURSDAY PARTIAL RENTAL***	\$300.00 - \$500.00	
SUNDAY-SUNDAY OVER 10 HOURS	\$ 150.00	PER HOUR
<u>LOWER LEVEL ONLY</u>		
FRIDAY / SATURDAY RENTAL	\$ 300.00	5% FROM BUS PARTNER AND VENDORS
SUNDAY AFTERNOON (BEGIN 1PM)***	\$150.00 - \$300.00	5% FROM BUS PARTNER AND VENDORS
MONDAY - THURSDAY FULL RENTAL***	\$250.00 - \$500.00	5% FROM BUS PARTNER AND VENDORS
MONDAY - THURSDAY PARTIAL RENTAL***	\$100.00 - \$200.00	PER HOUR
<u>PROPOSED UTILITY CREDIT</u>	\$100.00	PER EVENT FOR UPSTAIRS FULL RENTAL
		ADJUSTED BASED ON EVENT

ATTACHMENT B

PRELIMINARY MARKETING INITIATIVE

Objective:

To establish *The Shores Club* as the premiere event location on Singer Island. As a beachfront special event venue, *The Shores Club* stands to enhance the amenities and revenues of the exclusive Palm Beach Shores community as this hidden gem is selectively revealed.

From luxury weddings to VIP corporate retreats, *The Shores Club* will become known as the go-to venue for discerning clients looking to offer their guests an insight into why we love South Florida.

Implementation:

- Launch a website dedicated to *The Shores Club* with strategic SEO search words
- Schedule a photo shoot and video promo styled by SER in partnership with our **SERMedia** Division to generate images and video which will be integral for the website and SM.
- Create a capacity chart of what the Club can accommodate for various types of events
- Host a Resident VIP reception introducing the Town Residents and officials to their new and improved beachside amenity
- Host an open house in partnership with our 2 catering companies inviting wedding, event and corporate planners along with some key media and society figures
- SER will manage social media presence of *The Shores Club* (Instagram, Facebook etc.)
- Should the town of Palm Beach Shores invest in a listing on *The Knot*, SER will manage the content