

**APPROVED**

**BEACH BUSINESS IMPROVEMENT DISTRICT ADVISORY COMMITTEE  
100 NORTH ANDREWS AVENUE  
8<sup>TH</sup> FLOOR CONFERENCE ROOM  
FORT LAUDERDALE, FLORIDA  
FRIDAY, MAY 20, 2011 – 3:30-4:30 P.M.**

<b><u>BID MEMBER/CATEGORY</u></b>	<b><u>ATTENDANCE</u></b>	<b><u>PRESENT</u></b>	<b><u>ABSENT</u></b>
Amaury Piedra, Chair (Yankee Trader Hotel, A1A Trader, LLC)	P	3	3
Andreas Ioannou, Vice Chair (Greater Fort Lauderdale Chamber of Commerce, Beach Council)	A	2	4
Kenyata Allain (The Gallery at Beach Place)	A	3	2
Bill Cunningham (Marriott Courtyard, PHF Oceanfront LP)	P	3	3
Jim Oliver (The Ritz Carlton Hotel, Castillo Grand, LLC)	P	5	1
Dale Reed (The "W" Hotel, Capri Hotel, LLC)	P	5	1
Alfred Rosenthal (Beach Place Towers, Marriott Resorts Hosp. Cor.)	A	3	3
William Stanton (LXR Luxury Resorts & Hotels)	P	5	1
Aiton Yaari (Beach Redevelopment Advisory Board)	P	5	1

At this time there are 9 appointed members to the Board, which means 5 would constitute a quorum.

**Staff**

Stephen Scott, Economic Development Director  
Eileen Furedi, Economic Development Representative  
Cate McCaffrey, Director of Business Enterprises  
Amanda Lebofsky, Recording Secretary, Prototype, Inc.

**Communications to City Commission**

None.

**I. Call to Order / Roll Call**

Chair Piedra called the meeting to order at 3:35 p.m. Roll was called and it was noted a quorum was present.

## **II. Approval of Minutes – April 15, 2011**

**Motion** made by Mr. Reed, seconded by Mr. Stanton, to approve the minutes of the April 15, 2011 meeting. In a voice vote, the **motion** passed unanimously.

## **III. Wizard Entertainment Web Design**

Chair Piedra stated that Wizard Entertainment was unable to attend today's meeting.

## **IV. Update on Food and Beverage Concession**

Chair Piedra advised that Mr. Scott had received a more detailed budget from the Adelfi Group, which has proposed a food and wine festival. The anticipated expenses have declined due to the closing of four blocks on A1A for the event, which will take place in November 2012.

There will be two title sponsors for the event: PNC Bank and the BID itself. The City will work out a contract with Adelfi, and the money will come out of the BID's next budget in monthly installments. As a title sponsor, the BID will contribute \$60,000. Chair Piedra said the risk would be if, three or four months into the sponsorship, the event did not show signs that it would materialize; however, he did not expect this to happen. A conservative estimate of ticket sales is 4750 tickets over a Saturday and Sunday.

He continued that Adelfi plans to approach hotels and restaurants in the area, as they hope to schedule celebrity chef events during the main event. Chair Piedra stated the target audience includes the clientele the BID members are seeking to bring to the new Fort Lauderdale Beach.

Mr. Scott stated that what he would need from the Committee today is direction to approve \$60,000 from the 2011-12 budget for the proposed event. He noted that the Mayor and some of the City Commissioners are supportive of the event, and he was not concerned for their approval; his main concern is with respect to the closure of A1A, which is a State road. He expressed confidence, however, that this can be done.

Mr. Yaari agreed that Adelfi's estimate of ticket sales is conservative, and said the fact that the event is 18 months away proves it isn't a "last-minute" effort. Mr. Scott and Chair Piedra added that some celebrity chefs require this length of notice in order to schedule events.

Mr. Cunningham asked if the event would occur rain or shine. Mr. Scott confirmed that the event would be held under a tent; while A1A is closed, all major City parking structures will remain available.

Chair Piedra continued that Adelfi hopes to trim promotional costs by adding a television station as a co-sponsor of the event, as this would mean some advertising is done in trade. They also hope to work with the *Sun-Sentinel* and other local media. Promotional costs are estimated at \$450,000.

Mr. Reed stated that marketing costs and sales are “out of line” on the budget. He asked if the proposed “seed money” figure of \$200,000 would include the \$60,000 contribution made by the BID. Chair Piedra said the figure was inclusive of both the BID’s and PNC Bank’s sponsorships.

Mr. Reed said the performa shows a \$127,000 loss, and asked how a loss position is handled. Chair Piedra said Adelfi realizes they may lose money the first year of the event, but feel it has potential for future years. He reiterated that the BID’s only exposure would be the \$60,000.

Mr. Oliver asked what the Committee would be giving up by committing \$60,000 to fund the event. Chair Piedra suggested this would be offset by the savings from a new beach cleaning contract. Mr. Scott reminded the Committee, however, that the contract savings have not been finalized, as bids have not yet come in for the new RFP. Mr. Oliver explained he had wanted to ensure the \$60,000 would not come from the Saturday Night Alive budget. Chair Piedra confirmed that funding the food and wine event would be in addition to funding Saturday Night Alive.

**Motion** made by Mr. Yaari, seconded by Mr. Reed, that the BID is supporting this event and is willing to go ahead with the \$60,000 investment that will start being paid out to them as part of the next fiscal year budget.

Mr. Yaari asked that the BID be kept updated on the progress of the event. Chair Piedra and Mr. Scott said they would expect a monthly update as sponsors.

Chair Piedra restated the **motion** as follows: the BID supports the sponsorship of the Fort Lauderdale Food and Wine Festival, to the maximum of \$60,000, which will be part of the 2011-12 fiscal year. In a voice vote, the **motion** passed unanimously.

Mr. Scott moved on to provide a brief overview of the proposed food and beverage concession. He explained that this proposal is currently in a transitional stage, as the concession will have to be approved by the incoming City Manager before a formal proposal can be made to the City Commission.

He showed the BID members a map of the areas that would be included in the concession, and explained that there will need to be a pilot program. With some exceptions, the hotels in this area are highly concentrated. It has not yet been decided if the concession will be done via RFP or "as a straight license." Mr. Scott said he felt most BID members would prefer the opportunity for a license, as this would enable them to set up in front of their hotels and serve their own customers.

He emphasized that today's update is for discussion purposes only, as nothing regarding the prospective concession has been finalized. The intent is to update the Committee on "where we think we are right now" and what may be recommended regarding the concession.

Mr. Scott showed the area that would include the pilot program. Participating hotels would be required to have a walk-up kiosk, which would be placed on the beach in the morning and returned to the hotel at night.

Mr. Yaari said to add to this proposed program, perhaps a restaurant inside a building within the pilot area could also have the option of participating if they own the building. Mr. Scott pointed out that the intent is not to have "people roaming all over the beach" as concessionaires: there would have to be a way to have quality control. He said the City will ultimately decide the area that will participate in the concession, and will accept applications for licenses to sell, based upon certain minimum criteria. Hotels would be responsible for the areas in front of their locations.

Mr. Scott continued that another option would be an RFP in which the City divides the beach into zones and allows potential concessionaires to bid on those zones. He pointed out, however, that the licensing option provides for greater quality control. The concern with licensing is that any vendor who meets the criteria and pays a licensing fee would be included.

In addition to the required kiosks, the vendor(s) must have color-coded napkins, cups, and wrappers. This would allow the City to identify any licensee who is contributing to trash on the beach; licensees would have to be "100% responsible for trash pickup." It has not yet been decided whether or not there should be consistency among menus and prices.

Another issue is permit fees. Staff does not have the resources to make a concession work on their own, and must be able to recoup sufficient money from concessionaires to make it a revenue-producing program. This would mean permit fees may be slightly more expensive than other forms of licensing. The concession would be available to everyone, not just hotel guests, although the City wants hoteliers to be able to charge this service to their rooms, possibly via

handheld electronic devices. Because servers would be crossing A1A with food, a safety plan would also be required.

Mr. Scott emphasized again that this would only be a pilot program, with the goal of potential expansion. He noted that the City expects criticism of any decision to offer the concession in one area only; however, the area is limited because there is no guarantee that the program will work. There are many logistics issues to overcome. He concluded that if the program is successful after one year, there will be discussion of expanding it to cover more of the beach and perhaps to include different types of vendors.

Chair Piedra suggested instead of a kiosk, an attendant would take orders back and forth and have a food runner bring the orders. Mr. Oliver noted that a kiosk would be helpful in the sale of nonalcoholic beverages, as they could be stored in a cooler.

Mr. Scott explained that the intent of the kiosks is to make the service available to everyone on the beach, whether or not they are guests of the hotels. He stated there must be a place where people can go to order food. The City Commission is sensitive to the suggestion that the program might be considered a special effort for hotels rather than for the average beachgoer. He stressed that no permanent structures may be erected on the beach; the structures must be informal, portable, and standardized.

Mr. Yaari suggested that color coding would be a good idea, licensees would need to work together, and the City would have to have a means of policing them as well. He noted, however, that on the Las Olas block, the restaurants will be able to compete for business, as someone would have to cover the areas not directly in front of hotels.

Mr. Scott added that minimum seating would be provided, and minimum kitchen sizes would be required. While the City hopes to set service standards in terms of how long a customer will wait for food, he advised that he would need to hear from professionals regarding what is considered a reasonable time.

Mr. Reed advised one issue with minimum service time would be “a very serious difference” regarding the volume of customers on different parts of the beach. Mr. Yaari added that the service time would depend upon the menu offered, and advised that the menu should not vary widely between hotels. He suggested that the hotels should come to an agreement on what items would be offered, with potentially “a few extra” items.

Mr. Yaari also said the prices should be the same across the beach for the core items. Mr. Oliver noted, however, that each establishment’s costs are different depending upon what they purchase and the vendors from whom they purchase.

Mr. Reed asked if a delivery system, such as placing flags on beach chairs to request service, has been discussed. Mr. Scott said details at this level will be worked out later. Mr. Oliver pointed out that non-hotel guests will have brought their own chairs and towels to the beach, which could complicate the system; in addition, if the service time is set at, for example, 30 minutes, individuals will not want to wait at the kiosks for this entire time. He recommended a paging system for customers.

Chair Piedra noted that 90% of existing sales occur on the pool deck of a hotel rather than on the beach. Mr. Yaari asked if the kiosks would be labeled for individual hotel concessions. Mr. Scott said it will probably be allowed for hotels to brand these services, although there would need to be some consistency among the kiosks as well.

He continued that the benefit to the proposed system is that the City will know who is offering beach concessions before the program begins, and the details can be worked out beforehand by the service providers. He noted that this would not be possible in the case of an RFP, as an RFP document must outline every rule for the program.

Mr. Reed commented that he was not particularly in favor of standardizing the food offered by different locations, as the experience between restaurants will always be different; he felt this diversity would be a benefit of a licensing system, and might attract beachgoers to different beaches so they could have food they preferred. He concluded that this would “[enable] the public to expand where they go on the beach” rather than concentrating in a specific area. Mr. Stanton and Mr. Yaari agreed it would be a mistake to standardize menus.

Chair Piedra thanked Mr. Scott for his work in bringing the concession discussion to this point. Mr. Scott reminded the BID that the program would need to come before the new City Manager as well as the City Commission; he advised that the Commission would be receptive to the idea, but would also be “very cautious.” They have all publicly stated support for food and beverage service on the beach, but he explained that they may take caution to avoid “the appearance of privatizing the beach” and ensure that everyone on the beach has the same service opportunities.

He concluded that the program would be added to an upcoming City Commission meeting agenda after it has been discussed with the incoming City Manager.

## **V. Communications to the City Commission**

None.

**VI. Old / New Business**

Mr. Scott advised he had had a call from Parking and Fleet Services regarding very early morning deliveries to some establishments. He asked the BID members to do what they could to arrange for deliveries to come later so nearby residents would not be disturbed.

Mr. Yaari said Beach CRA Director Don Morris is working on CCNAs with the Beach Redevelopment Board (BRB) and the CRA regarding several proposals for the beach. He characterized these as “very exciting,” and stated while the proposals would be a few years in realization, it would make the beach businesses very happy with the overall improvements. He asked the members to be a part of this process if possible.

Mr. Scott suggested that Engineering Design Manager Earl Prizlee and/or Beach CRA Director Don Morris could address an upcoming meeting to discuss these potential projects. The next BID meeting will feature budget discussion and RFPs; however, an overview of Beach CRA projects could also be on the Agenda. Mr. Yaari suggested that after this presentation, the Committee could communicate their support of the projects to the City Commission.

There being no further business to come before the Committee at this time, the meeting was adjourned at 4:24 p.m.

[Minutes prepared by K. McGuire, Prototype, Inc.]