

BAL HARBOUR

- V I L L A G E -

Jon Bakhshi, Committee Member
Eugenia Dwyer, Committee Member
Jeff Lehman, Committee Member
Angelique Hibbert, Committee Member
Jassi Lekach Antebi, Committee Member
Beatriz Lobaton, Committee Member
Priscilla Khanna, Committee Member

Village Manager Jorge M. Gonzalez
Village Clerk Dwight S. Danie
Village Attorneys Weiss Serota
Helfman Cole & Bierman, P.L.

RESORT TAX COMMITTEE

REGULAR MEETING AGENDA

MONDAY, JUNE 30, 2024, AT 12:0 NOON.

Bal Harbour Waterfront Park Community Center 2nd Floor Sapphire Room
18 Bal Bay Drive, Bal Harbour, Florida 33154

This meeting will be conducted in person. Members of the public are encouraged to participate by calling 305-865-6449 or by emailing meetings@balharbourfl.gov before and during the meeting.

1. CALL TO ORDER/ ROLL CALL
2. PLEDGE OF ALLEGIANCE
3. INTRODUCTIONS AND OATHS OF OFFICE
4. APPOINTMENT OF CHAIR
5. APPROVAL OF MINUTES
 - 5.A Resort Tax Committee Meeting Minutes - June 4, 2024
[ResortTaxCommitteeMinutes_June4_2024.pdf](#)
6. REVIEW OF FLORIDA "SUNSHINE" LAW
 - 6.A Resort Tax Committee Meeting Minutes - June 4, 2024
[Ethics Overview Resort Tax Committee June 30, 2025\[2\].pdf](#)
7. RESORT TAX COMMITTEE OVERVIEW
 - 7.A Bal Harbour Village Code
 - 7.B Committee Responsibilities
 - 7.C Revenue + Collections
 - 7.D Resort Tax Strategic Plan
[Attachment - Bal Harbour Village Tourism Strategic Plan EY 2024 ADA.pdf](#)
8. FY 2026 BUDGET PROPOSAL
9. FUTURE MEETING DATES
10. PUBLIC COMMENT
11. ADJOURNMENT

One or more members of any Village Committee/Board may attend this meeting of the Council and may discuss matters which may later come before their respective Boards/Committees.

The New Business and Council Discussion Section includes a section for Public Comment. On public comment matters, any person is entitled to be heard by this Council on any matter; however, no action shall be taken by the Council on a matter of public comment, unless the item is specifically listed on the agenda, or is added to the agenda by Council action.

Any person who acts as a lobbyist, pursuant to Village Code Section 2-301 (Lobbyists), must register with the Village Clerk, prior to engaging in lobbying activities before Village staff, boards, committees, and/or the Village Council. A copy of the Ordinance is available in the Village Clerk's Office at Village Hall.

If a person decides to appeal any decision made by the Village Council with respect to any matter considered at a meeting or hearing, that person will need a record of the proceedings and, for such purpose, may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based (F.S. 286.0105).

In accordance with the Americans with Disabilities Act of 1990, all persons who are disabled and who need special accommodations to participate in this proceeding because of that disability should contact the Village Clerk's Office (305-866-4633), not later than two business days prior to such proceeding.

All Village Council meeting attendees, including Village staff and consultants, are subject to security screening utilizing a metal detector and/or wand, prior to entering the Council Chamber, Conference Room, or other meeting area located within Village Hall. This is for the safety of everyone. Thanks for your cooperation.

BAL HARBOUR

- V I L L A G E -

Jeff Lehman, Chair
Peter Willis, Vice Chair
Jassi Lekach Antebi, Committee Member
Arianna Calcaterra, Committee Member
Priscilla Khanna, Committee Member
Zushie Litkowski, Committee Member

Village Manager Jorge M. Gonzalez
Village Clerk Dwight S. Danie
Village Attorneys Weiss Serota
Helfman Cole & Bierman, P.L.

RESORT TAX COMMITTEE

REGULAR MEETING MINUTES

TUESDAY, JUNE 4, 2024, AT 10:30 A.M.

Bal Harbour Village Hall, 2nd Floor Conference Room
655 96th Street, Bal Harbour, Florida 33154

This meeting was conducted in person. Members of the public were encouraged to participate by calling 305-865-6449 or by emailing meetings@balharbourfl.gov before and during the meeting.

1 CALL TO ORDER / PLEDGE OF ALLEGIANCE- The meeting was called to order at 10:46 A.M. by Chair Jeff Lehman

The following members were present:

Jeff Lehman, Chair (By Zoom)
Peter Willis, Vice Chair
Jassi Lekach Antebi (10:48 AM)
Priscilla Khanna
Zushie Litkowski

The following were not present:

Arianna Calcaterra

The following were also present:

Ramiro Inguanzo, Assistant Village Manager
Dwight Danie, Village Clerk
Paola Busch, Marketing Tourism Manager
Sylvia Flores, Director of Recreation, Arts, and Culture

2 APPROVAL OF MINUTES

2.1 March 11, 2024 Resort Tax Committee Meeting Minutes

MOTION: A motion to approve the March 11, 2024 Meeting Minutes was moved by Chair Jeff Lehman and seconded by Priscilla Khanna.

VOTE: The Motion passed by unanimous voice vote (4-0).

3 OVERVIEW OF RESORT TAX COLLECTIONS - QUARTER 2

3.1 Attachment

Mr. Inguanzo provided an update on Resort Tax Collections saying that April was down primarily as a result of the Easter holiday falling in March in 2024.

Ms. Lechach Antebi arrived at 10:28 AM.

Mr. Inguanzo added that David Whitaker of the GMCVB told him that history indicates that people are drawn to Olympic game locations during game years and that travel and bookings are influenced negatively when hurricane forecasts predict high activity.

He then said he was optimistic that upcoming events like Miami Spice and Miami Spa Month Moving forward, they outline preparations for the summer season, discussing local initiatives like Miami Spice, Miami Spa Month, and other local collaborations should help replicate the success of previous years.

Mr. Inguanzo then provided an update on Café Avenue 32, Café La Perouse, and the planned opening of the third Beach Haus building, the latter of which was timed with Copa America.

4 PRESENTATION: SISTER CITIES INTERNATIONAL PROGRAM - HOF HACARMEL, ISRAEL TA

Mr. Inguanzo provided a brief overview of the Sister Cities Program and then introduced Mayor Jeffrey Freimark. Mayor Freimark described his discussion with Maor Elbaz-Starinsky Consul General of Israel in Miami. Together, they identified Hof HaCarmel Regional Council, located in the northern Israeli coastal plain and containing twenty-seven communities, as a suitable partner with shared interests and demographics. Mayor Freimark provided a video presentation of the area, highlighting its potential for collaboration in areas of tourism, arts, and cultural exchange. He described the next steps required to formalize the Sister Cities agreement.

MOTION: A Motion to support the Village Council's approval of a Sister Cities Agreement with Hof HaCarmel Regional Council was moved by Vice Chair Peter Willis and seconded by Jassi Leckach Antebi.

VOTE: The Motion passed by unanimous voice vote (5-0).

5 DISCUSSION: TOURISM DATA ANALYTICS

Mr. Inguanzo introduced the item saying that one of the top recommendations from EY was to utilize tourism data analytics to enhance strategic planning and operational effectiveness by tracking and analyzing visitor trends. Ms. Busch said she had been working with EY to identify vendors that can cross-reference various data points, including international visitation and spending patterns. She said the company Oxford Economics was recommended as a more sophisticated, and expensive option. She said she was also exploring a potential collaboration with the GMCVB to share data and reduce costs.

6 OVERVIEW: SPECIAL EVENTS - QUARTER 2 AND UPCOMING EVENTS

Ms. Busch provided a recap of the Village's participation in sales media trips to Brazil and Argentina. She presented highlights including the Village's participation in the International Luxury Travel and Tourism Expo in São Paulo, Brazil where she and the Village Manager met with travel agents, media representatives, and influencers. She then presented highlights of a breakfast and luncheon in said that in Argentina where Village participants.

Ms. Busch then provided a list of FAM trips for Argentina, Brazil, Venezuela and Mexico.

Sylvia Flores presented a cap of events and activates for the third quarter of Fiscal Year 2024 after which she described upcoming events including a sunset painting session, a movie screening of Copa '71, a Paradox museum tour, and the events planned around the Village's Independence Day celebrations.

7 DISCUSSION: PREPARING FOR FISCAL YEAR (FY) 2024-25 TOURISM BUDGET

Mr. Inguanzo announced that Fiscal Year 2024-25 budget for Tourism would be presented at the next Resort Tax Committee meeting at which the Committee would make recommendations for Council consideration.

8 NEW BUSINESS

Vice Chair Willis asked how someone would address for the need of appropriate signage to address the problem of "aggressive" bicyclists on the Beach Path, to which Mr. Inguanzo said that as a result of the Village Council's consideration of the issue, the Village would be conducting an inspection of the path to scope out locations for updated signage.

9 FUTURE MEETING DATES

Mr. Inguanzo said that he would poll members for the next meeting date.

10 PUBLIC COMMENTS

There were no comments from the public.

11 ADJOURNMENT- The meeting was adjourned at 12:11 PM.



Attest:

Jeff Lehman, Chair

Dwight S. Danie, Village Clerk

ETHICS TRAINING
BAL HARBOUR VILLAGE
RESORT TAX COMMITTEE
June 30, 2025

OVERVIEW

- All Village board members are bound by state ethics law and the Miami-Dade County ethics ordinance.
- In addition, board members must comply with Sunshine Law and Public Records Law
- The fact that decisions are considered advisory and not final does not relieve members of their duty to adhere to applicable laws.
- Both the Florida Commission on Ethics. Miami-Dade Ethics Commission, and the State Attorney have authority to investigate actions of Village advisory boards.

SUNSHINE LAW

FS 286.011(1)

- Applicability – All Village board or committee meetings at which official acts are to be taken; covers boards that are part of the decision-making process even if authority is limited to making recommendations
- Board business – The test under the Sunshine Law to determine whether a discussion between two board members is permissible depends on the status of an item. If it is on the board's agenda or could foreseeably come before the board, then two or more board members may not discuss the item unless they do so at a public meeting

- Unrelated discussions – The Sunshine Law does not apply to communications between board members which are unrelated to board business and/or involve personal/private matters.
- Single member – If one board member meets with staff or a member of another Village board, the rules of a public meeting will not apply. Using staff to circumvent the Sunshine Law is prohibited. Also, one board member meeting with one member of the Village Council is not a problem, either.

- Basic requirements – In order to comply with the Sunshine Law, three important components: meetings must be open to public; reasonable notice must be given; minutes must be taken
- Open to the public (absent a state of emergency)– should hold meetings at Village Hall or other Village buildings; generally can't hold meetings out of town or in a private place (hotel/restaurant); meeting room must accommodate turnout; public also has the right to participate (most meetings); can adopt time limits for speakers; don't have to permit speakers who are disruptive; can limit those who speak if repetitive to what others have said on same subject

- Notice – depends on the board; notice requirements differ for the governing board than for lesser boards; no definition of reasonable notice for regular meetings (if board has regular meetings schedule and it follows the schedule -- that would comply); emergency or special meetings are permitted, but public must be given at least 24 hours notice
- Minutes – verbatim account of everything that has been said is not necessary; summarize discussion and if vote taken – identify how each member voted; if meeting recorded or televised, must be made available to public if requested

- Voting – required to vote unless board member has a real or perceived conflict of interest – law does not permit abstentions. New law permit quasi-judicial board members to abstain if they have a bias.
- Voting procedures -- depending on item may require roll call, voice vote. Paper ballots may be used in some cases provided ballots state the name of member and his/her vote. Ballots have to be kept by the Village.
- Sanctions – civil and criminal penalties can be imposed; actions taken in violation of Sunshine Law are void.

ONE-WAY COMMUNICATIONS

- One-way communications are not prohibited per se. However, posting a report on a social media site for informational purposes is less problematic than stating one's position on issue likely to go before the official's board.
- In the case of the report for informational purposes and assuming no interaction or exchanges with other board members on social media, the report still has to be maintained as a public record and cannot be used as a substitute for action at a public meeting.

PUBLIC RECORDS

FS 119.07

- Intent of the law is make all records available to the public to inspect and copy with certain exceptions
- Public Records law gives the public the right to inspect and get copies of public records without unreasonable delays.
- Village should evaluate each request for public records because there could be reasons why the records requested are exempt
- All public records regardless of their form are public records

- Cannot force a person to put a public records request in writing
- Requester has no right to specify the format for the records
- Any determination that a record is exempt from disclosure must be spelled out in specificity
- No right to question a person's motives in making public records requests and no authority of government to limit the number of requests made by a "chronic" requester.

- Public records must be made available to the public within a reasonable timeframe; no definition of the term “reasonable” and depends on the nature of the requests. The request to see an agenda or minutes from a meeting should take less time to produce than the request to view all of the records related to a project the Village is undertaking
- Board members who send or receive materials on their own related to their positions as board members are in possession of public records and are considered to be custodians of their public records

- Permissible to charge the public for documents that have to be copied and possibly staff time required to assemble documents
- Can let requester know up-front what costs will be
- If requester prefers to inspect the records before they are photocopied, may have to set aside staff time to monitor inspection
- Records retained by board members even if on their personal computers or cellphones or other devices are subject to disclosure if these records are in connection with board business

- If board member receives a Public Records request should advise the Clerk's Office to coordinate the response.
- A crime to destroy a public record, but not all public records have to be kept for the same length of time – State of Florida has a records retention schedule

ETHICS STANDARDS – STATE AND LOCAL

- Gifts (State): Officials not permitted to solicit or accept anything of value based upon any understanding that the action taken would be influenced thereby; the threshold for reporting gifts is \$100, but there is no cap in most cases. Not all local board members are Reporting Individuals – board members enforcing local code provisions, planning and zoning board members are; prohibited from accepting a gift from a vendor doing business with the reporting individual's agency in excess of \$100; also applies to a principal of a lobbyist and a lobbyist.
- Gifts (Miami-Dade) – Any item of value where no consideration has been given is a gift. Board members not permitted to solicit gifts in their official capacity unless official business of the Village; may not take action based on a quid pro quo; required to report gifts received if greater than \$100; exceptions include gifts from relatives and household, awards for professional or civic achievement

VOTING CONFLICTS

- VOTING CONFLICTS (State): Must abstain from voting if the item will result in a special private financial/economic gain to board member, employer, relative or business associate; and may abstain from voting if an appearance of a conflict would be created by voting. A disclosure should be made writing before the meeting or orally at the meeting. If written disclosure prior to the meeting, the memorandum will be incorporated into the minutes. If an oral disclosure, must follow with a written memorandum within 15 days and will be incorporated into the minutes of the meeting.

VOTING CONFLICTS

- Voting conflicts (Local) : Board members are prohibited from voting on any matter if board member will be directly affected by the board's action **and** has a special relationship with a party or entity appearing before the board.

MISUSE OF POSITION

- Misuse of public position: May not corruptly use position for personal gain or to secure special privileges for others
- Exploitation of official position – Prohibited from using or attempting to use official position to secure special privileges or benefits for oneself. Does not require wrongful or corrupt intent.

DOING BUSINESS WITH BHV

- Board members and their immediate family members are prohibited from entering into a contract or transacting any business with the municipality in which the board member or his or her immediate family has a financial interest, direct or indirect, if contract is with any Village department subject to the regulation, oversight, management, policy-setting or quasi-judicial authority of the person's
- Transaction /contract is voidable.
- Willful violation constitutes malfeasance – and may lead to forfeiture of office/position.

DOING BUSINESS WITH BHV -- CONTINUED

- Elected officials and employees and their immediate family members are prohibited from entering into a contract or transacting any business with the municipality through a firm in which the elected official or employee or his or her immediate family has a financial interest, direct or indirect.
- Contract may be rendered voidable.

FINANCIAL DISCLOSURE

- Financial disclosure – All board members must file a financial disclosure form annually with the Clerk by July 1st for the prior year's activities. Source of income statement is the least intrusive and does not require board members to disclosure the value of assets or liabilities

- Appearance before own board – Board members prohibited from appearing before their own board directly or through an associate for compensation. Board member has same right as other residents to access Village services and assert his/her rights even if it requires interaction with his/her board.
- Recommending professional services – Board members not permitted to recommend professional services to a third party if such transaction were to involve BHV.

Strategic Tourism Plan - Bal Harbour Village

Prepared for: Bal Harbour Village

Reliance Restricted

23 February 2024 | Version 1.2 (Draft)



Reliance Restricted

Ramiro J. Inguanzo
Bal Harbour Village
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Strategic Tourism Plan - Bal Harbour Village

DRAFT

Dear Mr. Inguanzo,

Ernst & Young LL (EY) has performed certain advisory services, as described in our Statement of Work (SOW) dated 20 September 2023 (and presented as an appendix to this document), in connection with the development of a Tourism Strategic Plan (Project) for Bal Harbour Village (Bal Harbour, BH, the Village). We leveraged a multi-pronged approach to data gathering and analysis, with a particular emphasis on community outreach and feedback to develop a forward-looking strategic framework for Bal Harbour's tourism economy as it looks to continue growth over the short-, mid- and long-term.

Our results are intended to present a recommended action plan with specific recommendations for the Village to enhance events, experiences, infrastructure, investment, partnership and tourism governance.

Purpose of our report and restrictions on its use

The engagement was performed in accordance with the terms from our SOW and Master Services Agreement (together the "Agreement") dated 20 September 2023, and the tasks completed were limited to those defined in the SOW and described herein.

The accompanying report (Report) has been prepared by EY, from information and material supplied by the Bal Harbour Village (the Client; the Village), stakeholder interviews and publicly available data for the sole purpose of assisting the Client. The Report contains our findings from our procedures and is intended for the internal use only of the Client. This Report cannot be used for any other purpose.

It has been a pleasure assisting you with this assignment. Please do not hesitate to contact Robbie Karver or Ryan Foster with any questions or comments regarding this Report.

Very truly yours,

DRAFT

Table of contents

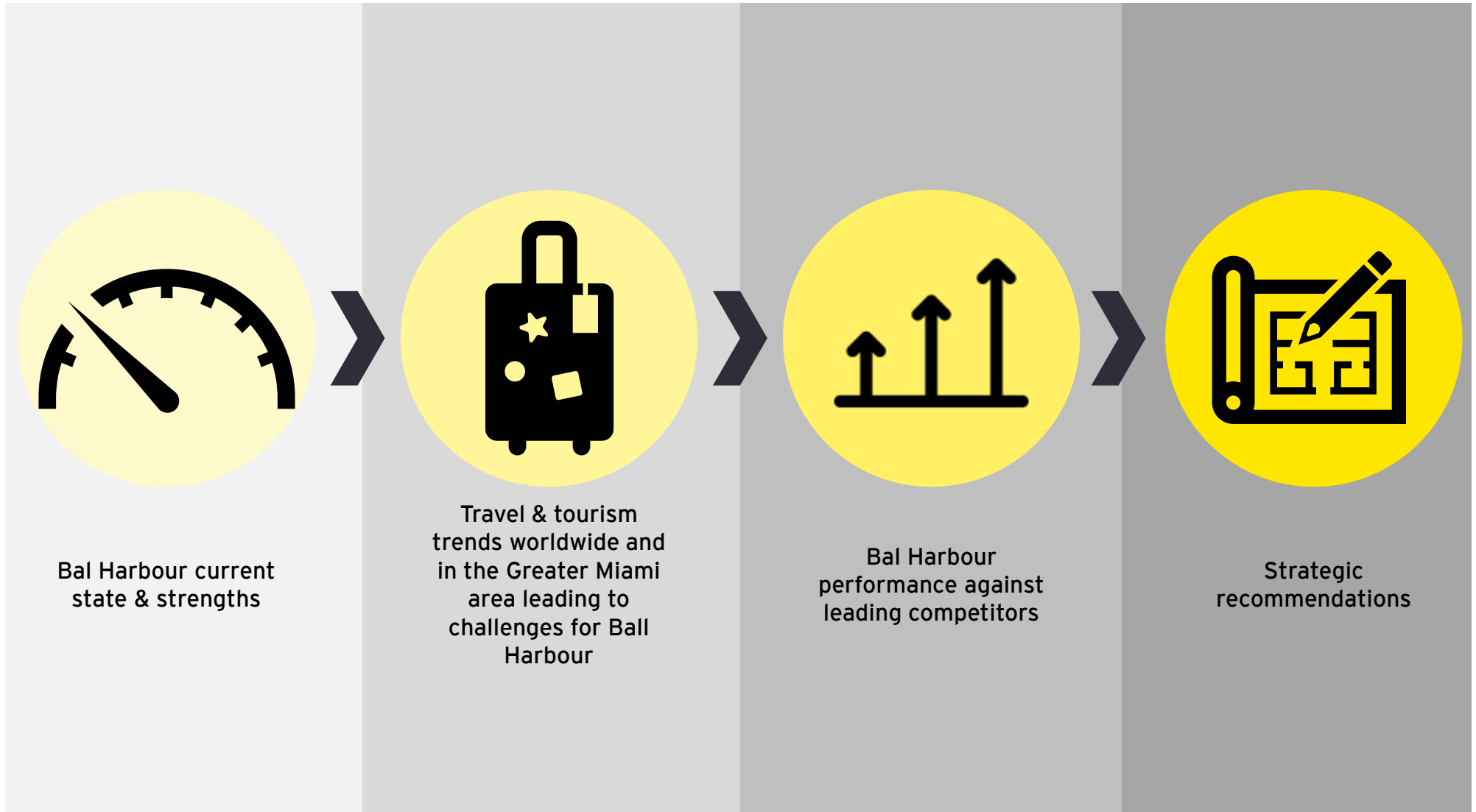
1	Executive Summary	4	7	SWOT	71
2	Project Background	9	8	Strategic Plan	73
3	Our Approach	11	9	Appendix - Pending	89
4	Bal Harbour Tourism Product Overview	16			
5	Current Market Assessment	20			
6	Competitor Leading Practices	62			

The background of the slide is an aerial photograph of a coastal city. In the foreground, there is a sandy beach with some people and umbrellas. The water is a vibrant turquoise color. Behind the beach, there is a dense line of high-rise apartment buildings and hotels. In the distance, more city buildings and a body of water are visible under a clear blue sky.

1

Executive Summary

Overview of the executive summary and project approach



Bal Harbour Village maintains a strong destination management foundation based on relationships, marketing efforts and a distinguished luxury brand and market position

Bal Harbour has a strong positioning and brand recognition as a luxury destination anchored by shopping and luxury accommodations. In recent years, the Village has experienced record resort tax collection.

Positioning



The Bal Harbour brand has a distinguished position in the market as a premier luxury destination with high-end shopping, lodging and other luxury amenities. Bal Harbour offers world-class shopping at the renowned Bal Harbour Shops, showcasing high-end fashion and gourmet dining options. Bal Harbour stands as an epitome of elegance, with nearby destinations such as Surfside marketing their proximity to Bal Harbour as their own key selling point.

Additional positives and strengths for Bal Harbour:



Proximity and association with Greater Miami



Global access through Miami International Airport



Desirable weather and climate

Presence in the right markets



From a sales and marketing perspective, Bal Harbour already has presence in the right markets. This ensures the Village is able to reach the target demographic of potential visitors.

Record Resort Tax



Bal Harbour collected almost \$6 million in resort tax dollars in 2022 and 2023 respectively - which is higher than any previous year. The climb in resort tax collectors speaks to Bal Harbour's ability to effectively attract discerning travelers who are willing to spend in the Village. Additionally, the influx in collections allows for more financial resources to be reinvested in tourism.

Strong relationships with stakeholders



The Village maintains close relationships with internal and external stakeholders, such as the hotels, the restaurants and other local organizations such as the GMCVB, which is critical to its promotion as a destination within a destination (greater Miami/South Florida).

As the industry continues to evolve, with discerning travelers seeking more immersive, unique and personalized experiences, Bal Harbour faces challenges in maintaining competitiveness

Global hospitality, travel & tourism trends



Luxury travel is experiencing a global upsurge, characterized by an increasing demand for exclusive, personalized, and unique experiences. Discerning travelers are seeking more than just opulent accommodations; they crave tailored journeys that cater to their individual preferences and desires.



Experiential travel has also emerged as a dominant trend in the tourism industry, with travelers seeking immersive encounters that foster deeper connections with destinations and cultures.

Greater Miami market trends & disruptors

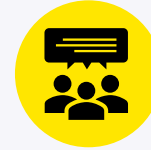


The greater Miami area is growing as a sought-after destination with a surge in visitor numbers and the arrival of major events such as F1, the FIFA Soccer World Cup and the Super Bowl.



The addition of luxurious accommodations like Aman, alongside a thriving culinary scene featuring Michelin-starred restaurants and diverse food experiences, further enhances its allure. Additionally, newly emerging destinations and neighborhoods within Greater Miami, such as the Design District and Faena district, are enriching the cultural, culinary, and retail landscape, providing visitors with an array of enticing options to explore.

Challenges and threats for Bal Harbour



Lodging

Guests' reviews indicate there are opportunities for improving the luxury lodging product and experience. However, Bal Harbour tourism team lacks control of these amenities.



Regulations

State and county regulations on public spaces limit opportunities to create, host, and promote experiences that would cater to groups and help curb seasonality.



Traffic

Traffic congestion (including ongoing construction from private developers) continues to be an issue impacting guest experience as well as residents' lifestyle.



Seasonality

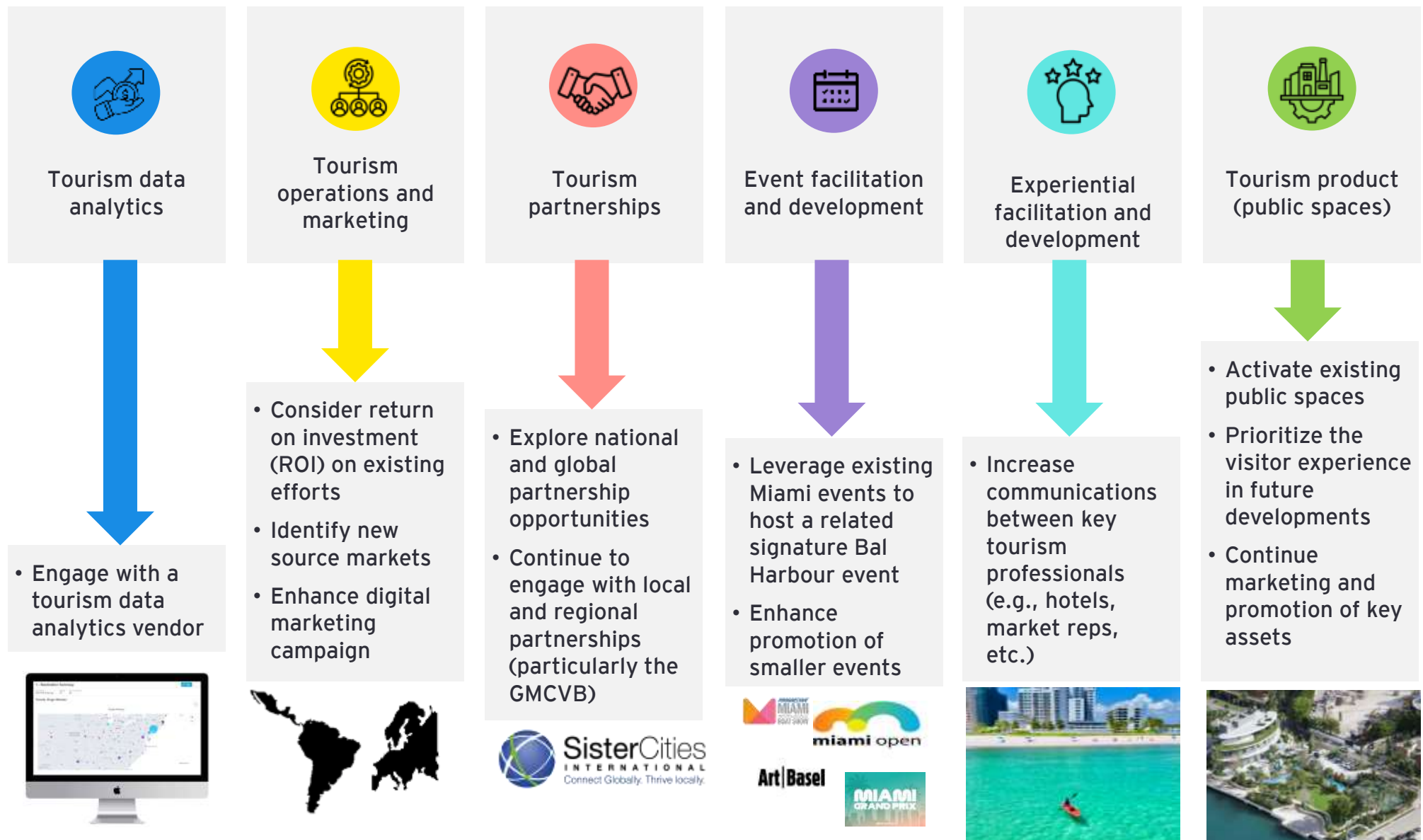
Bal Harbour sees a more significant fluctuation in seasonality when compared to other areas in Greater Miami given in part to limited product offering and limited events for groups.



Amenities

No unilateral control over influencing the development and curation of new amenities and attractions (e.g., culinary); healthy dialogue between public and private entities is critical for cohesive experience and marketing the destination.

To compete with evolving trends and enhance visitation to Bal Harbour, we present a holistic set of prioritized recommendations targeting key areas of destination management



The background of the slide is an aerial photograph of a coastal city. In the foreground, there is a sandy beach and turquoise water. A large, semi-circular pier or breakwater extends into the water. Behind the beach, there is a dense line of high-rise apartment buildings and hotels. In the distance, more city buildings and a body of water are visible under a clear blue sky. A large, semi-transparent number '2' is overlaid on the left side of the image.

2 Project Background

Project Background

EY has been hired to develop a strategic plan to continue driving tourism to Bal Harbour Village by creating a framework to support the short-and-long-term success and resilience of Bal Harbour's tourism industry. The framework will guide the strategies and goals executed by Bal Harbour Village and its Tourism Department.

- Bal Harbour Village is one of only three Miami-Dade County municipalities, along with the Town of Surfside and the City of Miami Beach, to levy a resort tax and benefit from this revenue source. This revenue is reinvested in the promotion of tourism and enhancing tourist activities as well as efforts related to the beautification and maintenance of the Village in areas visited by tourists.

The tourism goals of Bal Harbour Village include:



Increase traveler spending and tax revenues



Support current and future events in the Village



Increase travel demand year-round



Elevate recognition as an international tourism destination



Maximize marketing return on investment



Preservation of its identity

- The Bal Harbour tourism department is responsible for marketing and branding efforts to position the Village as a premier luxury lifestyle destination worldwide. This is achieved by continuing to re-invest and support the Village by strengthening the awareness of its brand and identity, building demand for the destination from both tourists and potential residents, and generating business for Village partners.

This project aims to provide the Village with insights to enhance future preparedness by analyzing market trends and implementing destination best practices. It will identify necessary tools for informed strategic decision-making, explore leading practices in destination management and foster a deeper understanding of the visitor profile while considering the community's collective preferences and priorities.



The background of the slide is an aerial photograph of a coastal city. In the foreground, there is a sandy beach with some people and umbrellas. The water is a vibrant turquoise color. Behind the beach, there is a dense line of high-rise apartment buildings and hotels. In the distance, more city buildings and a body of water are visible under a clear blue sky.

3

Our Approach

Our Approach

Our strategic tourism advisory process included seven steps that were performed over the course of 16 weeks. We deduced six key tourism components on which analysis was focused to drive the strategic framework and plan. Analysis of these components were prioritized in our research and stakeholder engagement throughout.

Groundwork



Step 1

Data collection and analysis



Step 2

Stakeholder engagement



Step 3

Target visitor analysis



Step 4

Competitor leading practice analysis



Step 5

Tourism component development analysis



Step 6

Strategic framework and planning



Step 7

Six key tourism components for analysis



Tourism data analytics



Tourism operations and marketing



Tourism partnerships



Event facilitation and development



Experiential facilitation and development



Tourism product

Our Approach

We leveraged a multi-pronged approach to data gathering and analysis, with a particular emphasis on community outreach and feedback through over 40 discussions, including:

Stakeholder Engagement



- **Internal:** Members of city government, tourism department, Mayor, council members, recreation, arts & culture, market reps/PRs, digital media), among others.
- **External:** Representatives from key tourism products and assets (e.g., Bal Harbour Shops, hotels, restaurants), members of the real estate community (e.g., real estate developers, real estate brokers) and tourism industry partners (e.g., GMCV&B, Surfside Tourism Department).

Geolocation data



- Leveraged the GPS devices from cell phones for navigation and other location-based services, tourists and profile of the current visitor:
 - Source markets
 - Recurring or first-time visitor
 - Activities engaged in during visit (e.g., mall, beach, hotel/resort)
 - Length of stay
 - Location of overnight stay (e.g., Bal Harbour, Sunny Isles, Miami Beach, etc.)
 - Impact of seasonality

Market and internal data



- **Internal:** Read and analyzed existing documents from the Village, (e.g., programs, branding guidelines, tourism organization operating model, inventory of current tourism assets).
- **External:** Referenced publicly available data and EY proprietary data to identify regional, national and global tourism trends and insights.

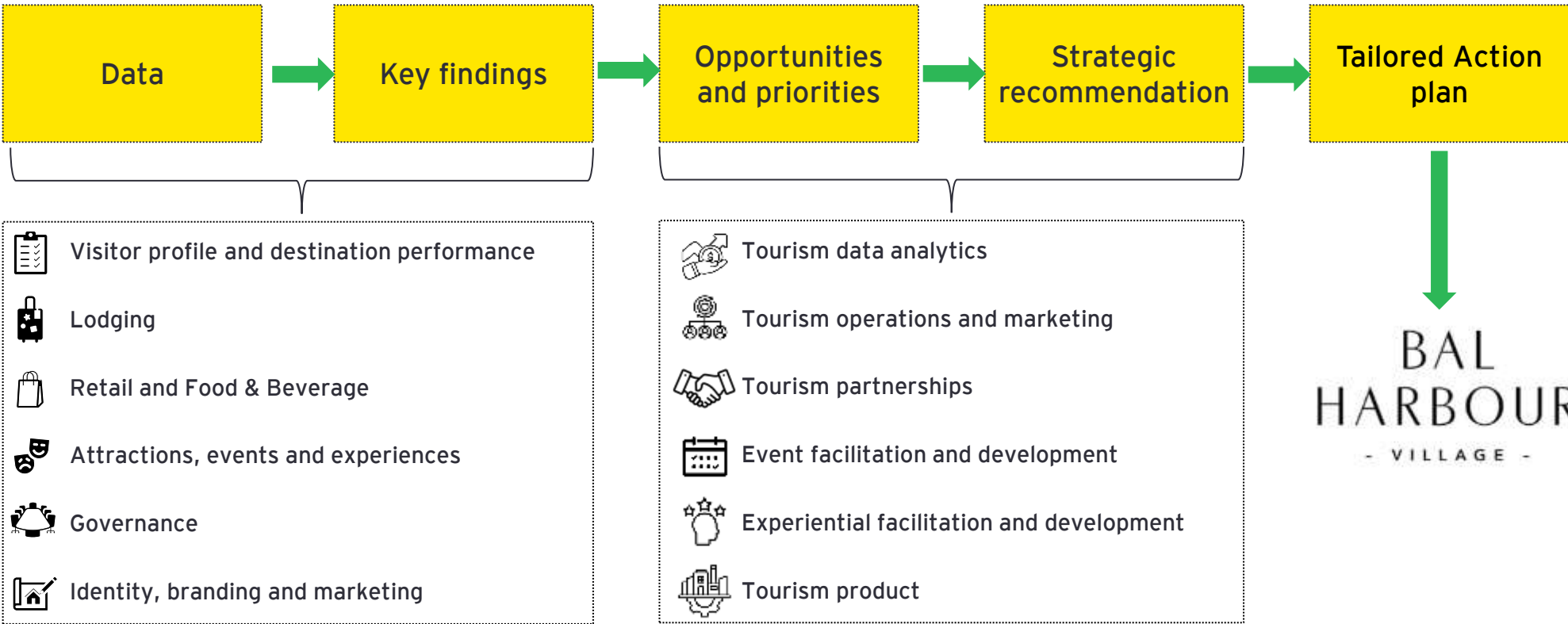
Destination Benchmarking



- Joint selection of relevant destinations.
- Primary and secondary research to identify leading practices implemented by competitor tourism organizations.
- Identified successes and challenges for integration into Bal Harbour Village strategic roadmap.

Our Approach

Throughout the data collection process, EY identified six key areas that support the tourism economy in the Village and defined the framework to build the analysis. Subsequently, EY considered the opportunities and priorities based on six key tourism components. Finally, six strategic recommendations were suggested and introduced into an action plan to be executed by the Village.



Our Approach

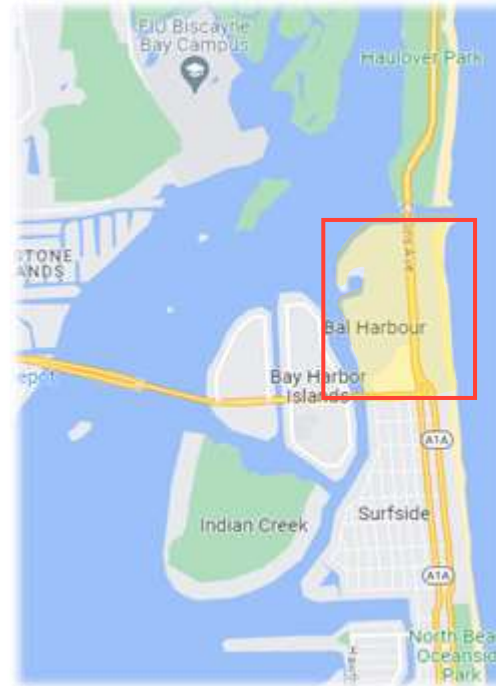
Activities Completed		Primary Research (n ~ 40)	
Scope of Work	Status		
<ul style="list-style-type: none">Conduct a site visit to the VillageAnalyze Bal Harbour amenity inventoryCollect and analyze dataConduct 40 stakeholder interviewsDevelop SWOT analysesPerform a competitive benchmarking exerciseDevelop a strategic tourism plan	Completed	<div>✓</div>	Community Stakeholders
		<div>✓</div>	Hoteliers, Restaurateurs & Bal Harbour Shops Reps
		<div>✓</div>	Other Business Stakeholders
		<div>✓</div>	Real Estate Developers & Brokers
		<div>✓</div>	Marketing & Sales Professional
		<div>✓</div>	Council Members
		<div>✓</div>	Tourism Industry Partners
Secondary Research			
<ul style="list-style-type: none">Aspen AirportAspen Chamber Resort AssociationAspen SnowmassAspen TimesBal Harbour ShopsBal Harbour VillageBal Harbour HotelsBureau of Labor StatisticsBooking.comCannes Office de Tourisme	<ul style="list-style-type: none">City of AspenCondé Nast TravelerCostarCôte d’Azur France Tourism BoardExpediaExperianFort Lauderdale International Airport (FLL)Geolocation dataGoogle reviewsGreater Miami Convention & Visitors Bureau (GMCVB)	<ul style="list-style-type: none">Le Palais des Festivals et des CongrèsMairie de CannesMarketing data provided by StepmilesMiami International Airport (MIA)Michelin GuideSister Cities InternationalSurfside Tourism PlanThe US Census BureauTripAdvisorVisit Florida	

The background of the slide is an aerial photograph of Bal Harbour, Florida. It shows a wide, sandy beach with many people, bordered by a line of palm trees and lush greenery. Behind the greenery is a dense cluster of modern, multi-story high-rise buildings with glass facades. The turquoise ocean is visible in the foreground and to the right. A large, semi-circular breakwater or pier extends into the water from the beach. The sky is a clear, pale blue with a few wispy clouds.

4 Bal Harbour Tourism Product Overview

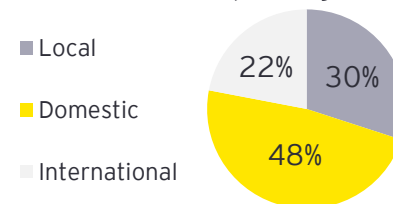
As Miami's tourism economy continues to thrive, this is the time for Bal Harbour Village to further position itself to capture its fair share of Greater Miami's tourism growth

- As a coastal municipality of Miami Dade County, Bal Harbour Village is known for its beaches, contemporary luxury shopping and dining, and a serene, quaint and laid-back environment. Strategically located, within ~15 miles from the two key international airports, it attracts local visitors as well as domestic and international tourists that arrive to the Greater Miami area and visit Bal Harbour for its unique characteristics seen as a complement to the normal hustle and bustle of metropolitan Miami-Dade county.
- Miami has recently seen unprecedented growth as US residents migrate south from key east and west coast northern source markets seeking a better quality of life, warmer climate and lower taxation. During the COVID-19 pandemic, an even larger influx of high-income individuals from the Northeast US migrated to Florida due to the relaxed regulations and enhanced work-from-home settings.
- In 2022, visitation in the Greater Miami region exceeded 2019 levels, indicating a full recovery post COVID-19. However, not every municipality saw an increase in visitors (as a percentage of total visitors) according to the GMCVB.
- As Greater Miami continues growing, municipalities (e.g., Wynwood, Brickell, Downtown Miami) are focusing on strategically developing tourism demand generators in order to better attract and capture their share of local, domestic and global tourists visiting the region. Consequently, it has become imperative for Bal Harbour to think strategically about defining its own approach to maintaining and growing its share of visitation as the regional tourism economy continues to thrive.



2022 Greater Miami Visitor Profile

Distribution per Origin



Top International Markets



Key Statistics

26.5 million

Greater Miami & Miami Beach Visitors
2022 (9.7% increase from 2019)

\$20.8 billion

Total visitor spend 2022 (16.2% and
8.0% increase from 2019 and 2021
respectively)

17.1 million

Hotel room nights sold in 2022 (6.5%
and 12.7% increase from 2019 and
2021 respectively)


3.3%

Florida population increase from
April 2020 to July 2022

Sources: Greater Miami Convention & Visitors
Bureau (GMCVB), United States Census Bureau


Bal Harbour Village is a beautiful beachfront community that boasts privacy, security and luxury - all within a few minutes from the key attractions of the Greater Miami area

Tourism Infrastructure




Location & Transportation

- ▶ The Village has strong airlift, located ~15 miles from the two international airports (MIA, FLL)
- ▶ MIA is served by over 80 airlines and services 167 domestic and international destinations
- ▶ Freebee is a city-sponsored free car transportation service offering residents and hotel guests access to 10 points of interest in/near Bal Harbour



Outdoor Infrastructure

- ▶ The Village is comfortable year-round due to the temperate climate during the winter
- ▶ The Village has pedestrian sidewalks, a public beach, mile-long beach path, marina (private), and two assets underdevelopment - the Waterfront Park & Community Center and The Jetty
 - The new community center and waterfront park with playground equipment and greenspace will open in 2024 solely for residents to enjoy.
 - The Jetty is a project by architectural design firm Mikyoung Kim. When completed, it will be a dynamic boardwalk path with an eclectic design. Construction is expected to begin in 2024.



Tourism Infrastructure

- ▶ Bal Harbour has two luxury lodging options and two independent options
- ▶ The Village boasts ultra-high-end retail and dining at the Bal Harbour Shops



Demographic Information	
Number of Residences	Number of Annual Visitors
≈3,300 ¹	≈1.8M - 2.1M* ²

- ▶ Bal Harbour real estate is among the most desirable in Florida as the Village has only 179 single family homes. Local brokers indicate real estate values have gone up by 300% in the last 10 years, compared to 194% in the surrounding Miami area.
- ▶ The Village beachfront is dominated by condo buildings, while the other side has single-family homes. Condos provide 5-star amenities and direct beach access.

1- Number of USPS registered addresses. 2- Number of visitors does not include residents/second homeowners.

Key Tourism Amenities			
Hotels	Restaurants	Spas	Shops
4	12	2	99

- ▶ Bal Harbour attracts an affluent clientele of high-net-worth individuals and- (HNWI) and ultra high-net-worth individuals (UHNWI).
- ▶ Average Hotel ADR*: \$700-\$800 | Average Hotel Occupancy*: 60%-65%
- ▶ Bal Harbour and its neighbor Surfside achieve the highest ADR in the Miami area, and significantly outperform the average.

* EY estimate







Key Stakeholders



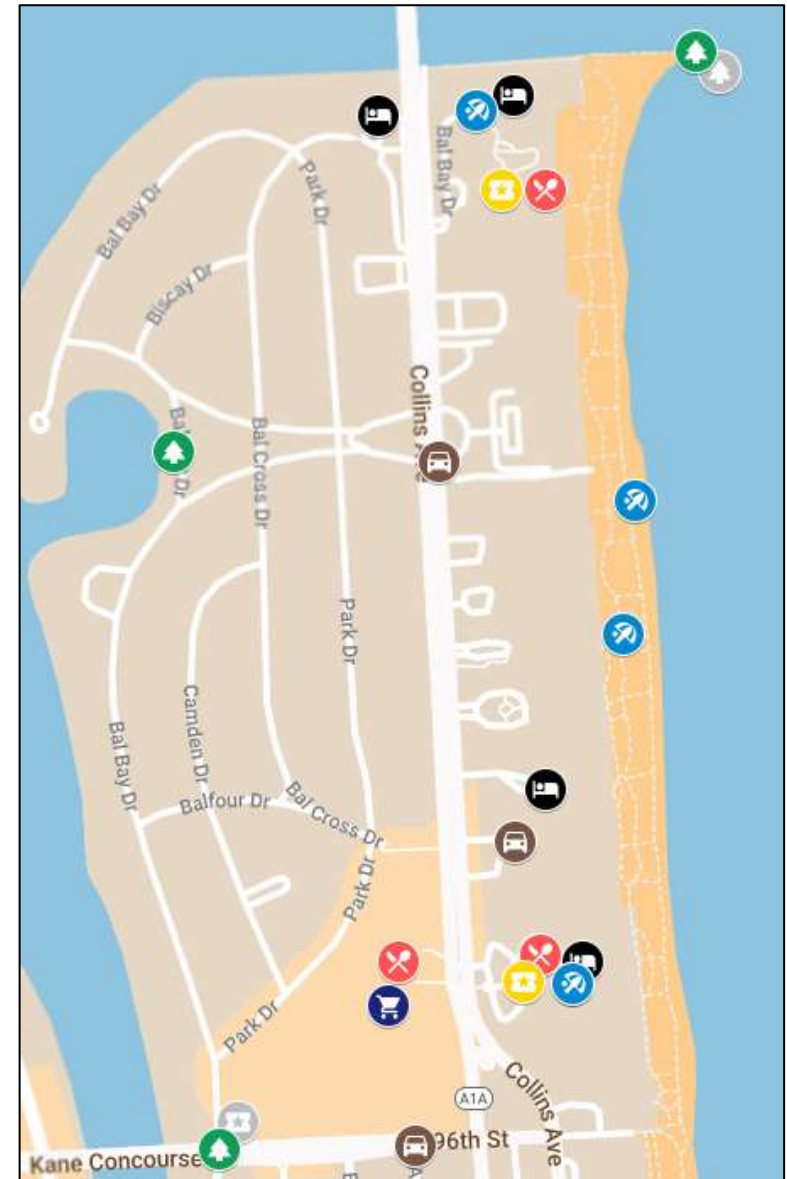
Bal Harbour offers a variety of upscale amenities for tourists including high-end retail, luxury lodging, dining, outdoor recreation and event spaces

Evolution of Bal Harbour as a destination

- ▶ In 1965, the Bal Harbour Shops opened, putting Bal Harbour on the Greater Miami map. Sixty years later, the Bal Harbour brand is still largely driven by its retail presence. The Shops carry great significance in the luxury world, synonymous with other ultra-luxury shopping destinations throughout the world.
- ▶ The second inflexion point for the Village was the arrival of two recognized brands - St. Regis and Ritz-Carlton in 2011 and 2016, respectively. The St. Regis and Ritz-Carlton hotels carry the legacy of the luxury brands that discerning consumers know and love, backed by the resources and global reach of the parent company Marriott International.
- ▶ The Bal Harbour brand is built on the back of its luxury brands - both retail and lodging as well as the access to one of the most private beaches across Greater Miami.

Amenity Categories	Count in BH
 Hotel/Lodging - accommodations for overnight guests	4
 F&B Outlet - bars, restaurants and cafes	13
 Attractions/Amenities - areas used by guests and residents, such as hotel spas and beaches	4
 Recreation* - outdoor spaces for guests and residents	4
 Retail/Shopping - areas with stores and shopping	1
 Event Space* - space for residents and/or guests to hold events, such as the community center and hotel meeting space	3
 Parking - car spaces open to public visitors	~ 3,600

*Grey color denotes assets that are currently under development and will be delivered in the future.



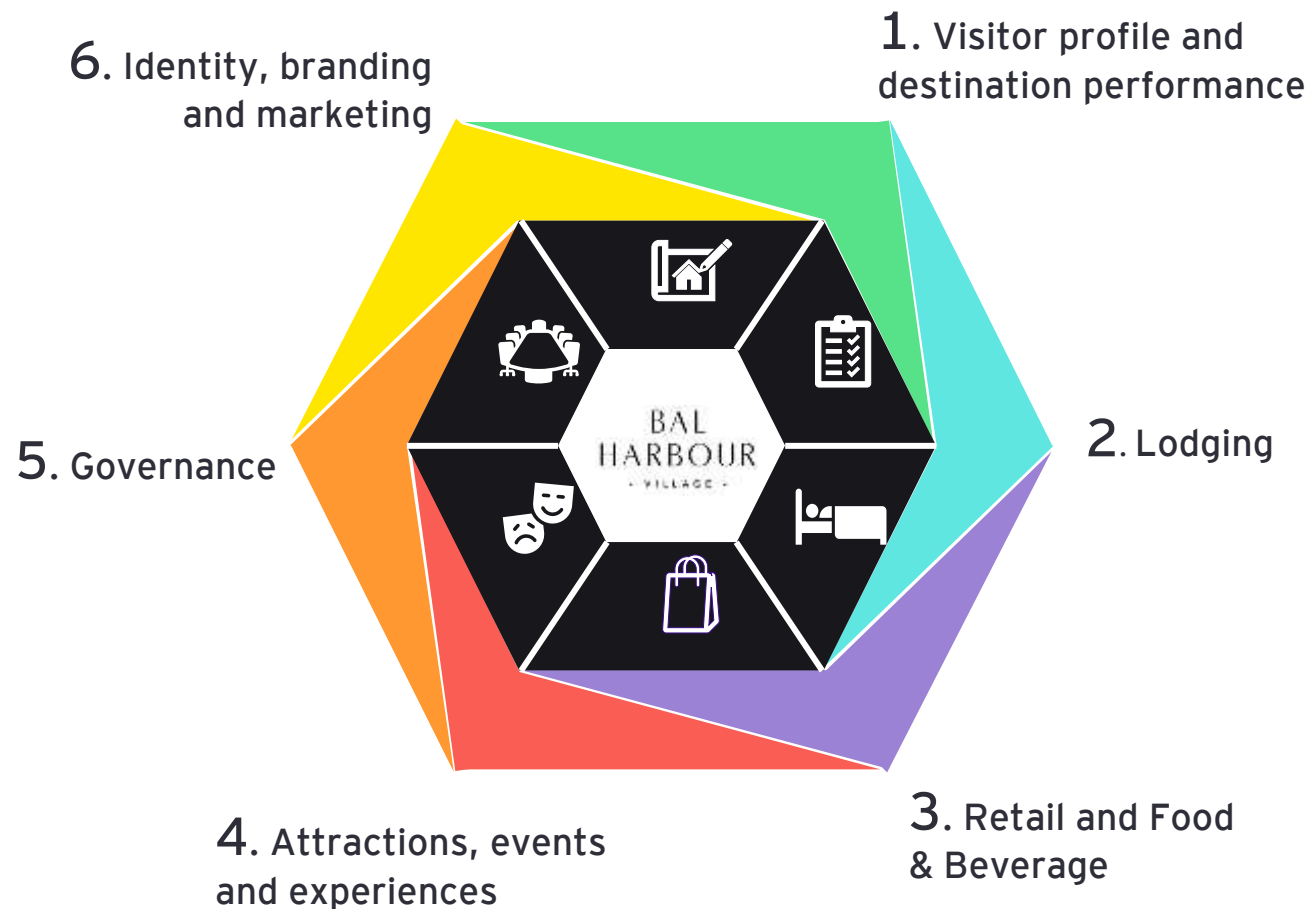
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Current Market Assessment

1. Visitor profile and destination performance
2. Lodging
3. Retail and Food & Beverage
4. Attractions, events and experiences
5. Governance
6. Identity, branding and marketing

Market Assessment Overview - Current State Analysis of Bal Harbour

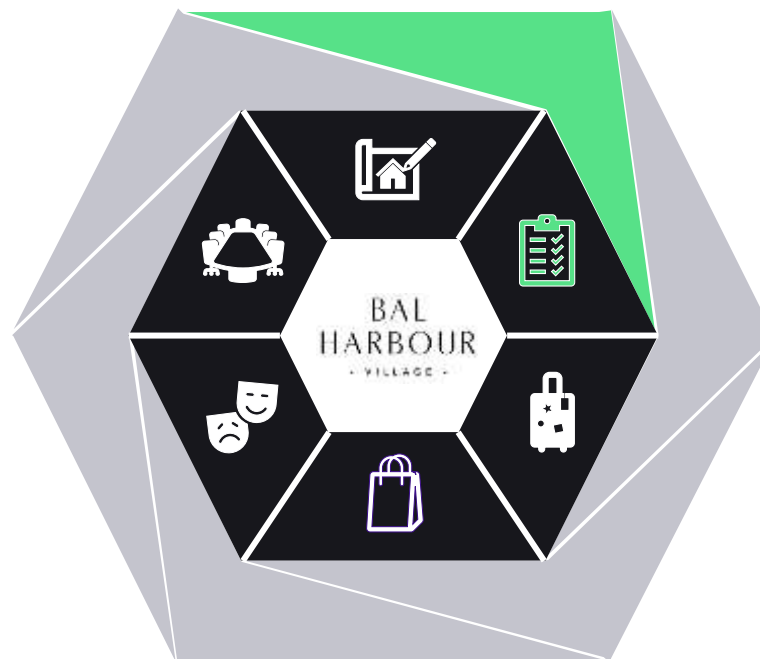
Throughout the data collection process, EY identified six key areas that support the tourism economy in the Village and defined the framework to build the analysis. EY has interviewed stakeholders related to each of these categories as well as collected data to assess the current state of the destination. Additionally, we have compared the offering to neighboring as well as competitive destinations within the Greater Miami region.



Market Assessment Overview - Visitor profile and destination performance

EY has assessed the current state of the tourism economy in the Village as well as defined certain characteristics to help understand the visitor profile. EY has leveraged various data sources such as GMCVB, geolocation data, stakeholders' interviews.

1. Visitor profile and destination performance



Greater Miami visitation patterns offer insights into potential target source markets for Bal Harbour

≈1.8M - 2.1M

Estimated Annual Visitation

(excluding Bal Harbour residents
and 2nd homeowners)

85%-95%

Daily



Avg. length of stay
2-4 hours

5%-15%

Overnight



International

Avg. length of stay
4-7 days

Domestic

Avg. length of stay
3-6 days

Florida

Avg. length of stay
2-4 days

Bal Harbour

International

Source Markets:

- ▶ Argentina
- ▶ Mexico
- ▶ Canada
- ▶ Brazil
- ▶ Israel



Domestic

Source Markets:

- ▶ New York
- ▶ Texas
- ▶ New Jersey
- ▶ Georgia
- ▶ Illinois
- ▶ Michigan
- ▶ Pennsylvania
- ▶ Ohio

Source markets present in
Greater Miami visitation
but not in Bal Harbour



Source market
rapidly increasing

Greater Miami

International

Source Markets:

- ▶ Argentina
- ▶ Venezuela
- ▶ Mexico
- ▶ Canada
- ▶ Brazil

- ▶ UK
- ▶ France
- ▶ Germany



Domestic

Source Markets:

- ▶ New York area
- ▶ Atlanta
- ▶ Chicago
- ▶ Philadelphia
- ▶ Los Angeles
- ▶ Boston
- ▶ DC
- ▶ Dallas



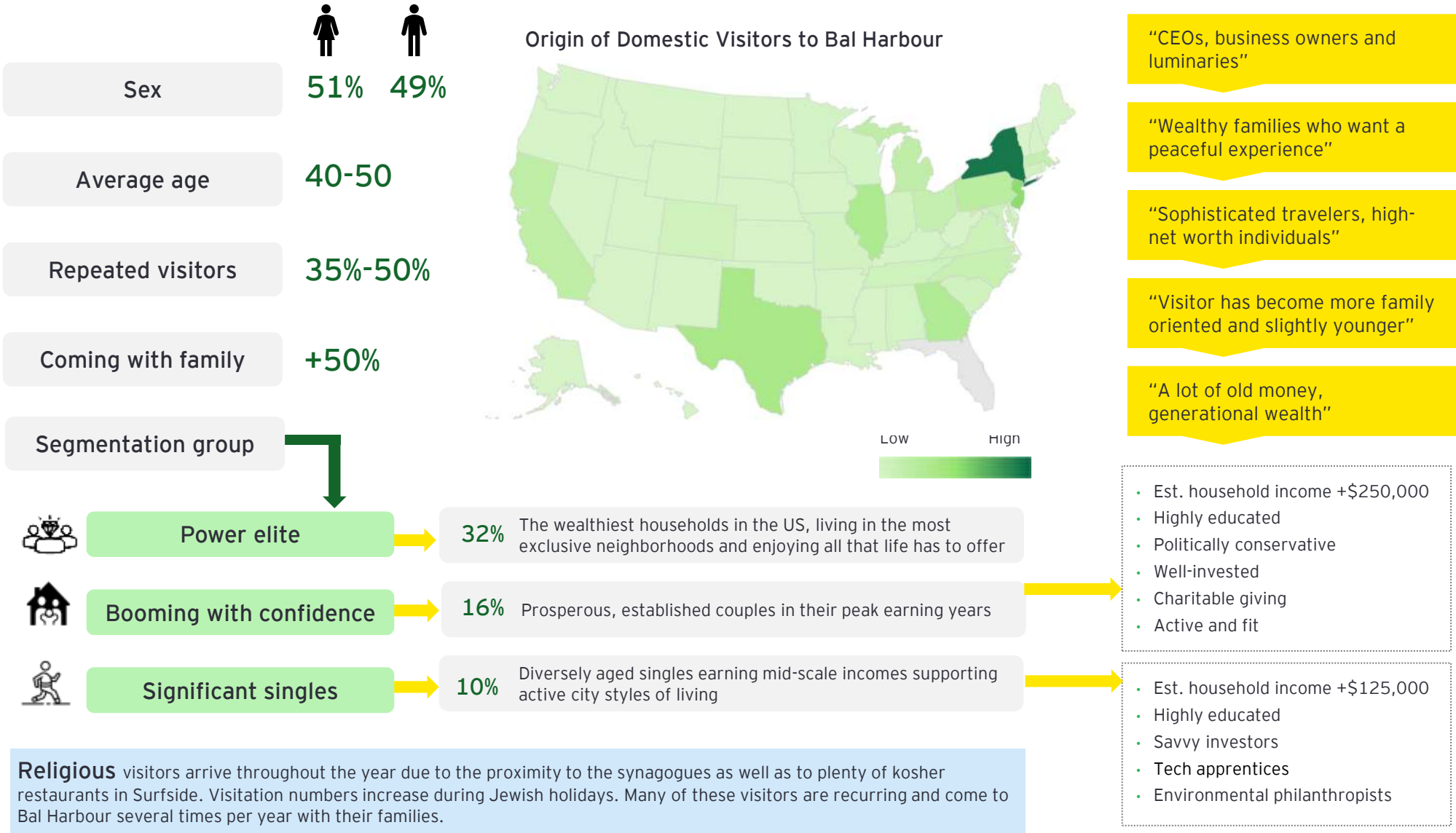
*EY conclusions derived from the following data sources: GMCVB, geolocation data, stakeholders' interviews, market research.

A world map illustrating the global distribution of COVID-19 cases. The map uses a color scale where red indicates a high number of cases, orange indicates a moderate number, and blue indicates a low number. Two red dashed circles are drawn on the map to highlight specific regions of interest: one circle encompasses the United Kingdom and France, and the other circle encompasses Saudi Arabia and Iran. The map includes labels for major countries and oceans, such as North Atlantic Ocean, South Atlantic Ocean, Indian Ocean, and Pacific Ocean. The distribution shows a high concentration of cases in North America, Europe, and East Asia, with a notable cluster in the Middle East highlighted by the red dashed circle.

Markets offering growth opportunities

Page 24

Almost a third of Bal Harbour’s domestic overnight visitors originate from communities with high concentration of “power elite”



Origin of Domestic Visitors to Bal Harbour

“CEOs, business owners and luminaries”

“Wealthy families who want a peaceful experience”

“Sophisticated travelers, high-net worth individuals”

“Visitor has become more family oriented and slightly younger”

“A lot of old money, generational wealth”

- Est. household income +\$250,000
- Highly educated
- Politically conservative
- Well-invested
- Charitable giving
- Active and fit

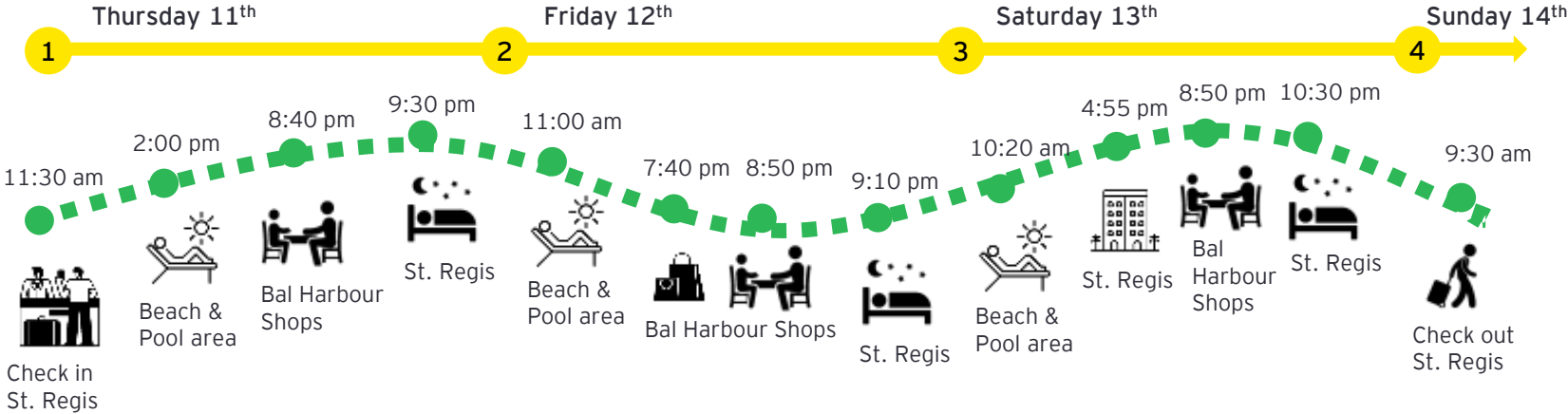
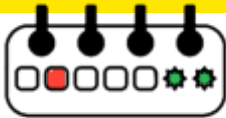
- Est. household income +\$125,000
- Highly educated
- Savvy investors
- Tech apprentices
- Environmental philanthropists

Visitor journey data emphasizes the limited options outside the beach and the Shops, which might be preferable for some, but younger active travelers seek a variety of experiences

- Visitor coming from: Rockland County, New York, USA
- Date of visit: 11th to 14th August 2022
- Length of stay : 3 nights

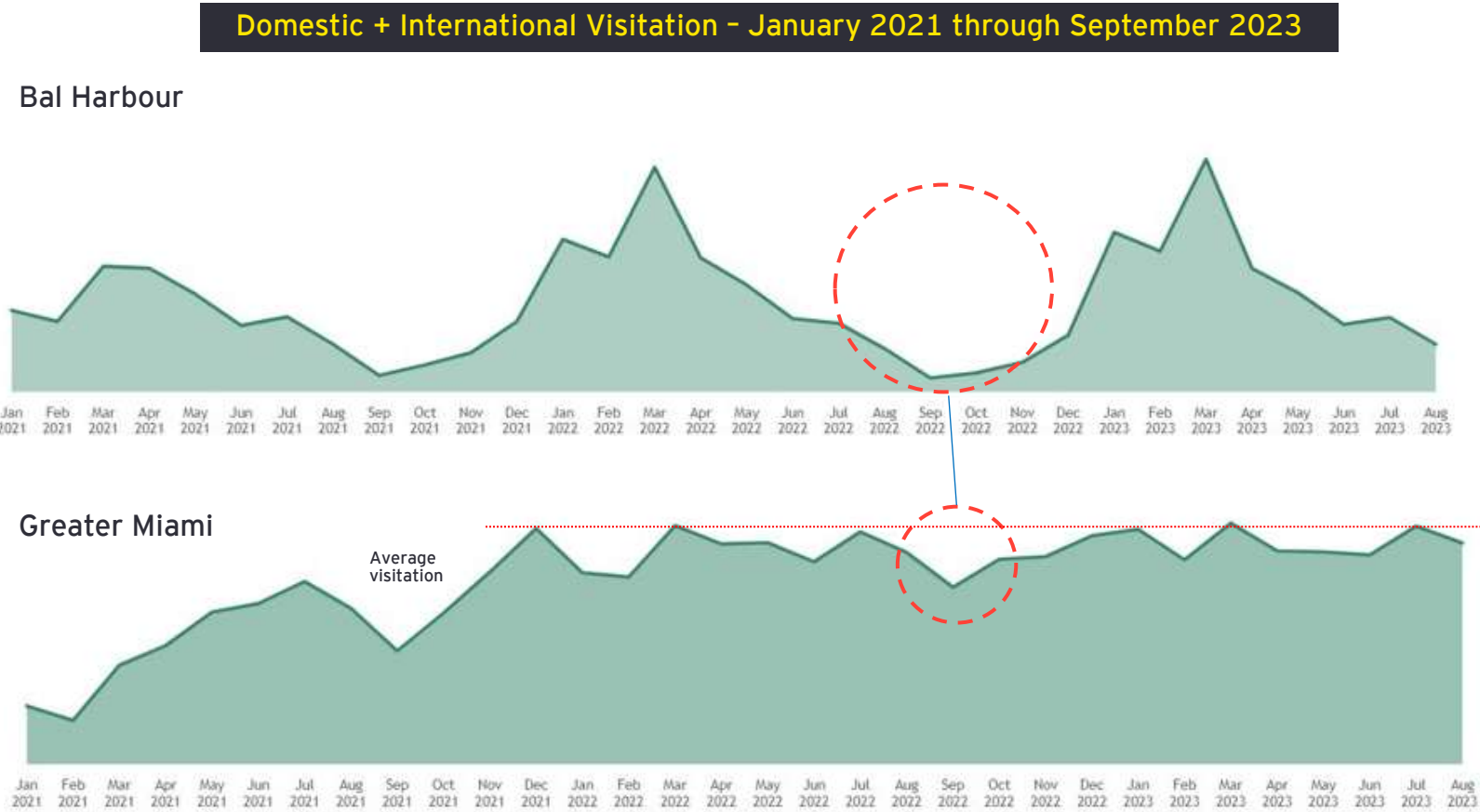


- Daily visitors arrive mainly for dining and shopping, with peak hours observed from 4 pm to 8 pm.
- Visitor numbers peak on Saturdays and Sundays, while the lowest visitor count is usually observed on Tuesdays.



Source: Geolocation data, Stakeholders interviews

Greater Miami's consistent visitation suggests opportunities for Bal Harbour to lessen the impact of its seasonality





Where stimulation of visitation during low season was successful

Over 20 years ago, GMCVB introduced Miami Spice Months to stimulate residents and visitors to dine in affiliated restaurant's and thus mitigate the impact of low visitation. The program grew from 16 restaurants to over 300 in 2023 and takes place annually during August and September. Following the success of the program, GMCVB launched two other initiatives: Miami Spa Months (July and August) and Miami Attraction & Museum Months (April and May).

Source: EY research, GMCVB

Hotels drive more than 70% of the resort tax collection and those funds are reinvested in the promotion of tourism, enhancement of tourist activities and in the Village’ beautification

Bal Harbour Village levies a resort tax of:

-  • 4% of the amount received for the occupancy of a room in any hotel, motel, or apartment house; and
-  • 2% on retail sales of all items of food and beverages sold at any place of business within the Village.

Resort tax revenues are reinvested in the promotion of tourism, enhancement of tourist activities and in efforts related to the beautification and maintenance of the Village in areas visited by tourists.

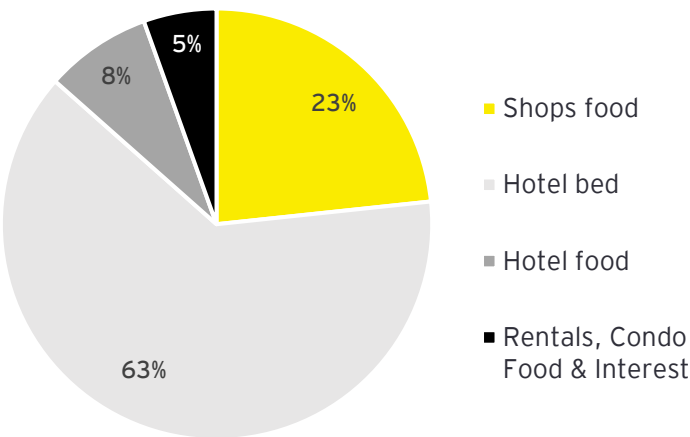


2023 Fund balance allocated to the following capital projects

- Jetty / Cutwalk \$4,000,000
- 96th Street Plaza \$200,000
- Beachside Landscape \$50,000

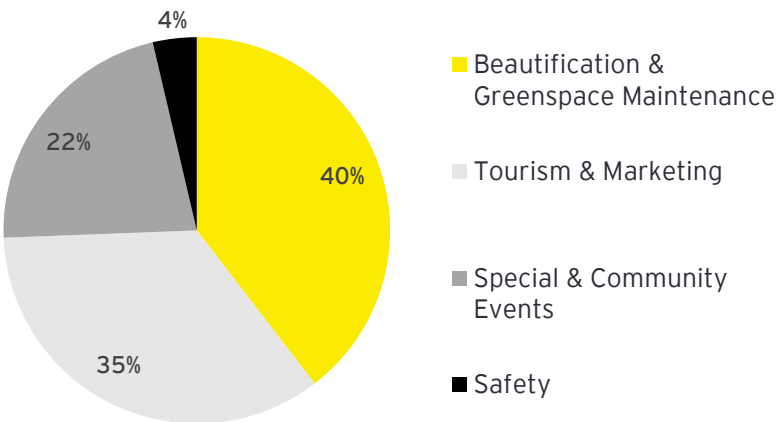
**FY 2023 Budget*

Resort tax revenue source - FY 2023



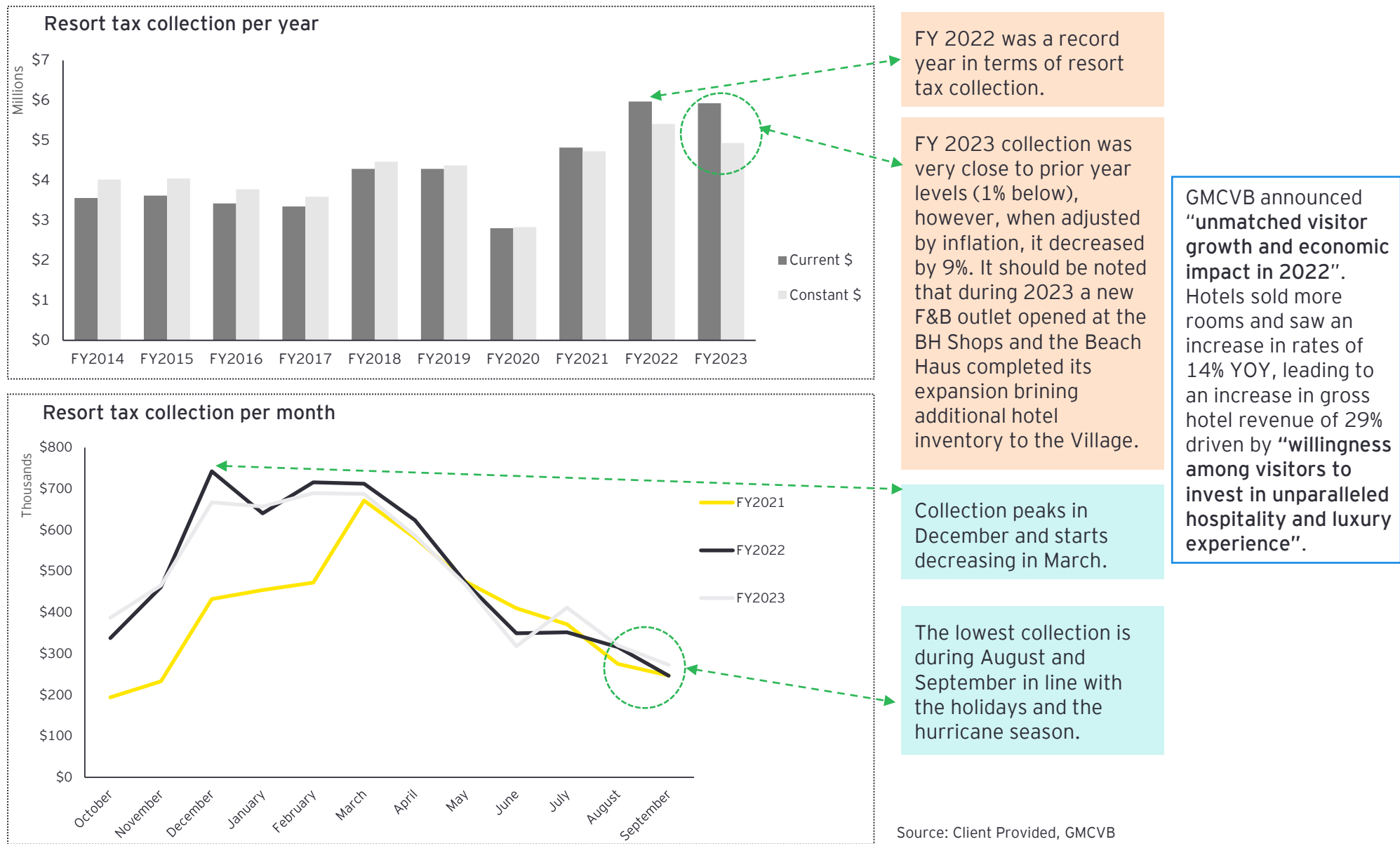
Hotels drive more than 70% of the tax collection with rooms being the largest source of revenue. Revenue collected through food is higher at the BH shops than at the F&B outlets at the hotels.

Resort tax allocation - FY2023



In terms of operating budget, Beautification & Greenspace Maintenance and Tourism & Marketing are the main activities funded. In addition, there is a fund balance to be used to capital projects.

FY 2022 was a record year in terms of resort tax collection driven by increase in rooms sold and rates in Greater Miami driven by growth in preference for unique luxury experiences



Key Findings & Observations – Visitor profile and destination performance



Key Findings: Bal Harbour sees an estimated annual visitation ranging from 1.8 to 2.1 million. Over 85%, are daily visitors arriving mainly for dining and shopping, with peak hours observed from 4 pm to 8 pm on weekends.

A significant portion of domestic overnight visitors originate from areas where the power elite is concentrated. In terms of international visitation, marketing efforts are strategically targeting key markets.

Key Observations



Data is limited when it comes to discerning visitor profile and visitation trends which represents a challenge strategic decision-making.



The Bal Harbour Shops attract more repeat visitors than other luxury retail malls in the region, such as the Miami Design District and Brickell City Center.



Greater Miami area is a destination for European visitors; however, Europe is not a significant source market for Bal Harbour.



Bal Harbour earns the highest Average Daily Rate in the Greater Miami area alongside Surfside.



The seasonality of Bal Harbour's tourism creates an opportunity, particularly from August to October, when there is a notable decrease in visitor numbers at the same time that the Greater Miami area experiences more consistent visitation.



While FY 2022 marked a record year for resort tax collection, represented by an increase in rooms sold and rates, driven by growth in preference for luxury experiences.



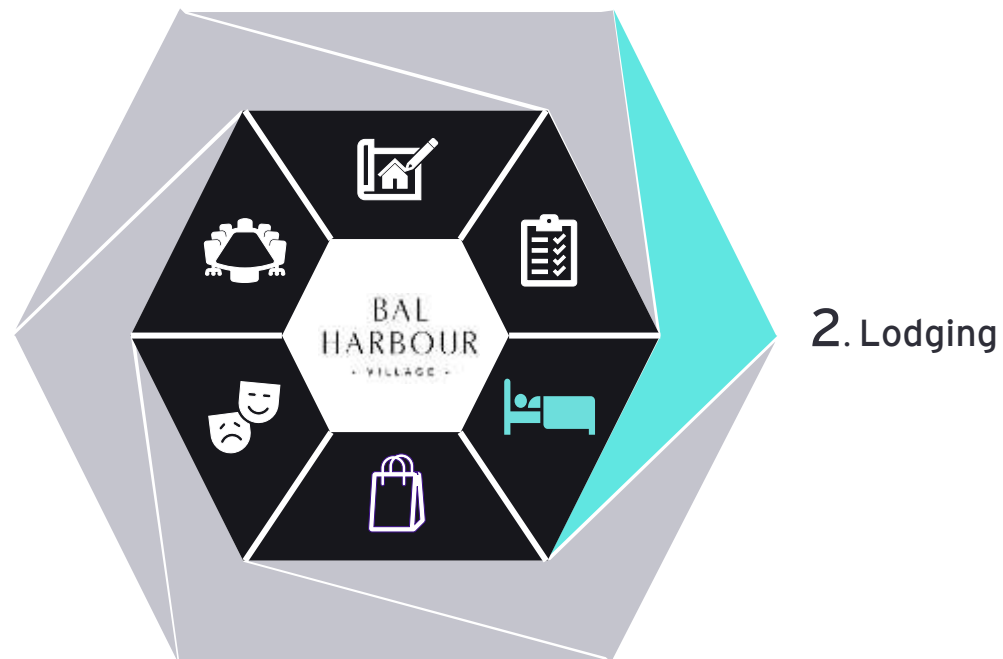
Lowest visitor count is usually observed on Tuesdays, while Saturdays and Sundays are the peak days of the week.



Bal Harbour Hotels play a pivotal role in resort tax, driving over 70% of tax collection, with rooms being the primary revenue source.

Market Assessment Overview - Lodging

EY has assessed the current state of the lodging in the Village as well as compared it with the offering in neighboring communities alongside the beach within Greater Miami. EY has leveraged various data sources such as GMCVB, Costar, hotel websites, guest reviews from various platforms and stakeholders' interviews. Additionally, EY conducted site visits to Bal Harbour hotels as well as Surfside, Sunny Isles and Miami Beach properties.



Bal Harbour's pristine beach setting, private address and renowned retail offerings present a desirable ecosystem for globally recognized luxury lodging options

Bal Harbour Lodging

Bal Harbour accommodates a wide range of preferences with its diverse price points and service levels. Additionally, amenities like the restaurants, bars, spa and cabanas, are accessible to both guests and non-guests, enriching the overall experience.

Bal Harbour boasts the highest Average Daily Rate (ADR) in the Greater Miami area alongside Surfside.



- ▶ **The St. Regis** has been described as Bal Harbour's "crown jewel" luxury lodging property.
- ▶ **The Ritz-Carlton** offers a reclusive stay for guests with luxury amenities.
- ▶ **The Sea View** is a historic property built in 1947 with beach access and outdoor pool. The property is partially residential, and as a result does not operate as a typical hotel.
- ▶ **Beach Haus** operates as an extended stay. The property features 33 and 63 units in two towers. A third tower will be completed in Q1 2024, adding 36 units.



Key Strengths

Bal Harbour's hotels have key selling points that distinguish them in the market.



Beach



Location



Address



Brands

- ▶ The pristine beachfront setting offers a luxurious and tranquil retreat due to low visitation as public parking is limited.
- ▶ The prime location, coupled with proximity to the renowned Bal Harbour Shops, provides guests with convenient access to upscale shopping and dining.
- ▶ The Bal Harbour address denotes exclusivity, seclusion and privacy
- ▶ The brand recognition associated with Bal Harbour's hotels contributes to their appeal, ensuring guests are drawn to trusted names that align with the destination's reputation for sophisticated luxury.



Short term rentals such as Airbnb and VBRO are not allowed in Bal Harbour Village. This decreases competition for existing lodging in the Village.

While Bal Harbour's location and amenities offer hotels a market advantage, visitors indicate there are opportunities for improving the luxury lodging product and experience

Bal Harbour Lodging



Guest Reviews

"This place changed and has deteriorated. I've been coming here every year since the second year they opened." - Google review, May 2023

"This is one of my least favorite fine hotels and resorts because of the service. The location is great and the rooms are spectacular. But the service is not in line with the category of this hotel. You have to make a line standing up for check in. The whole process of obtaining a room and then checking out is far from streamlined. Also, in-room dining starts after 5pm so good luck getting ice or anything if you are stuck in a conference call and cannot leave your room..." - Google review, March 2023

"Nice hotel but doesn't feel like a 5-star... it is not even slightly competitive with service levels at genuinely 5-star groups like Mandarin Oriental or Shangri-La." - TripAdvisor, Sep 2023

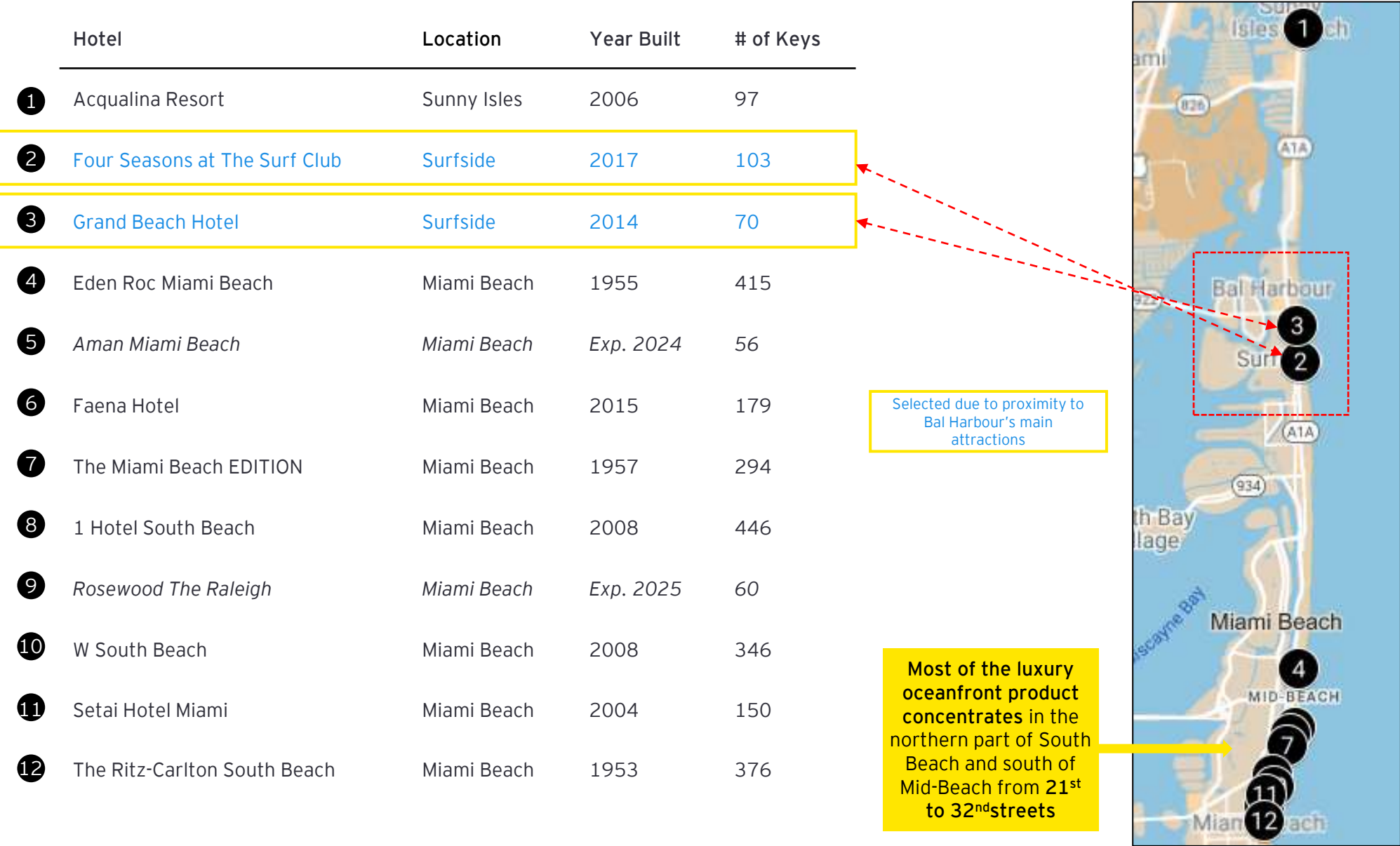
"The hotel itself is nice, but definitely needs a facelift." - TripAdvisor, Jan 2023

"We were very disappointed that the food served at The Ritz was very poor. Modernizing the hotel amenities and adding more restaurants and bars to give guests other options would certainly help the hotel be competitive. If asked, 'Would I stay here again?'... unfortunately, will have to say no because there are much better options." - Expedia, Nov 2023

"This hotel is overpriced. The location is fantastic. Restaurants are ok, (nothing more) and service is mediocre. It was a cold front and heater was needed (not usual for Miami) but with the price paid the hotel, should have a functioning heater! (Didn't work) Many small details didn't work, overall way below the 5-star standards." - TripAdvisor, Feb 2023



The Greater Miami Beach oceanfront has a robust and expanding selection of luxury hotels, with two leading options located within walking distance of Bal Harbour's key tourism drivers



The luxury room product in Bal Harbour competes with modern, highly-rated Surfside hotels in close proximity to the Village and its amenities

Competitive Lodging in Surfside

As a destination, Bal Harbour is missing out on crucial occupancy in its hotels, covers in its restaurants, and resort tax dollars to such guests that choose to stay at these properties over Bal Harbour hotels.



- The Four Seasons at The Surf Club is located less than a mile from Bal Harbour and markets itself for having close access to the Shops. The hotel has four robust F&B outlets that draw outside visitors and hotel guests.
- The property has been consistently mentioned in interviews with stakeholders and even by guests while reviewing Bal Harbour hotels in online platforms. One guest who visited the Ritz-Carlton commented:



"Unless a renovation occurs, we won't be back. Four Seasons Surfside is probably a better bet." – TripAdvisor, Jul 2023

Visitors can take advantage of Bal Harbour's key attractions and amenities without actually staying in the Village and contributing to the resort tax.

- The Grand Beach Hotel located at 0.4 miles from Bal Harbour Shops (10-minute walk) offers a product at a similar price point than the Sea View. However, the hotel was built in 2013 and features a modern design and décor, exemplary guest service, a spa, various F&B options and meetings and event space.
- Further analysis of reviews indicates that many guests who stay at this property take advantage of the proximity to BH and visit the Shops.

Key Takeaways

The above properties have a significant competitive edge over BH hotels given their robust F&B programs, modern guest rooms, amenities and competitive nightly rates.

The current inventory of luxury accommodations along the beach offers state-of-the-art amenities and experiences

Properties Proximate to Bal Harbour

1. Four Seasons Surfside



\$1,101 to \$3,045 per night



Located 0.7 miles from Bal Harbour



Michelin-starred restaurant, sunrise beach picnics, mixology experiences, excursions

2. Acqualina



\$700 to \$1,499 per night



Located 3.8 miles from Bal Harbour



Curated experiences including scuba diving, painting classes, 4.5 acres of beach



Miami Beach Properties

3. Faena



\$791 to \$1,439 per night



Two-award winning restaurants, bar with live music, cabaret theater, beauty salon, holistic healing space, decadent interiors and art pieces, event space, fashion boutiques

4. The Setai



\$788 to \$1,440 per night



Elevated culinary experiences including beachfront restaurant, three infinity pools, venue spaces, Palm Angels x Setai bath amenities



Key Takeaways

Based on EY's insights into the Miami market, stakeholder discussions, and online guest reviews, the properties above excel due to their strong F&B programs, contemporary guest rooms and extensive amenities. As a result, there is an opportunity for Bal Harbour's oceanfront hotels to enhance their appeal, possibly through renovations and programming updates, to better compete with the neighboring properties that boast modern features.

Note: EY selected the lowest rate available on the internal booking platforms for the following four dates in 2024: February 1, May 1, August 1 and November 1 for each hotel above. The search was conducted on 12/6/23. No discounts or special rates were utilized.

Bal Harbour luxury hotels offer a variety of experiences, but feedback and customer reviews suggest they lack competitiveness with new product in the market

Market research indicates there are better experiences offered at comparable beachfront hotels. Given that Bal Harbour is positioned as one of most elegant and luxurious areas in Greater Miami, there is an opportunity to bring new experiences such as a state-of-the-art spa or culinary activities to cater not only the target BH visitor but also the growing population of affluent individuals in Greater Miami.

Bal Harbour Spas

- ▶ **The Spa at the St. Regis** - full-service spa with 11 treatment rooms, sauna, steam room offering signature services in a serene atmosphere.
- ▶ **Exhale at the Ritz-Carlton** - waterfront spa offering a suite of private therapy rooms, and men's and women's sauna and steam rooms.

Guests' reviews indicate that spa facilities in both properties are not meeting expectations when considering brand standards. Additionally, both spas do not feature mixed-amenities, meaning that couples visiting the spa cannot spend time together if enjoying the facilities.

"In comparison to other spas I've visited, the difference in quality and value was staggering. I can confidently assert that, given the choice between this spa and another, I would not consider returning to this establishment." - The Ritz-Carlton Bal Harbour, TripAdvisor, Sep 2023

"What needs immediate attention: The Spa – The spa is transactional and nothing about it is special... I would compare it to Massage Envy at a mini mall. The Lounge was the most uncomfortable sterile, spa lounge I've ever seen... There is nothing relaxing, cozy or memorable about it." - The St. Regis Bal Harbour, TripAdvisor, Aug 2022

Competitor Hotel Spas in Miami

- | | |
|---------------------------|------------------------------------|
| 1 The Standard Spa | 3 Tierra Santa Healing House Faena |
| 2 The Spa at Four Seasons | 4 Carillon Wellness Resort |

Bal Harbour Experiences

- ▶ **The St. Regis** - Oceanfront day villas, private dining, Champagne Sabering ritual, live music at the St. Regis Bar (Thursday, Friday and Saturday)
- ▶ **The Ritz-Carlton** - Cabanas, Couture Concierge, Photography Concierge, Cigar Pairings, live music at ocean front restaurant (Saturday)

Guests' reviews indicate that services and experiences in both properties are not meeting expectations when considering brand standards. Additionally, experiences such as live music at the bar are not well-promoted, not driving external visitation which prevents a lively and entertaining atmosphere to be reached.

"Live band in the St Regis bar on Sat night was a nice touch.." - The St. Regis Bal Harbour, TripAdvisor, July 2022

"We expected the fancy bar in the lobby like other Ritz Carlton's but not at this one. The bar is hidden down a hall and seemed quite small." - Ritz-Carlton Bal Harbour, TripAdvisor, March 2022

Luxury hotel experiences



Invitation only bar with live music

Dining under the stars



Beach activities

The luxury lodging product in Bal Harbour will face challenges with the arrival of new luxury hotels that will cater to the increasing demand for personalized and unique experiences



Aman Miami Beach: The Aman Miami Beach hotel will be completed in 2024. This property follows in the footsteps of the Aman New York - which was a highly anticipated hotel that currently earns one of the highest ADRs in NYC. The Aman brand has generated significant buzz with recent openings in iconic spaces through the world.



Rosewood The Raleigh: The Raleigh will join Rosewood’s collection of luxury hotels and resorts. The concept will include restoration of the property’s iconic swimming pool, the famed gathering places - the Martini Bar and Tiger Room and a modern spa.

The strength of the Rosewood brand in concert with the tasteful restoration of historical F&B establishments is expected to garner great excitement in the Miami market.

Luxury travel is experiencing a global upsurge, characterized by an increasing demand for exclusive, personalized, and unique experiences. Discerning travelers are seeking more than just opulent accommodations; they crave tailored journeys that cater to their individual preferences and desires.

Stretching north from 32nd to 36th streets between the Atlantic Ocean and Indian Creek, **Faena District** is one of the up-and-coming areas in Greater Miami. The area has become a cultural destination with the Faena Hotel and Branded Residences, as well as culinary, art, culture and fashion offerings.

	Exp. Completion Date	# of Keys	Distance from BH
Aman Miami Beach	2024	56	5.6 miles
Rosewood The Raleigh	2025	60	6.8 miles

The proposed hotels will offer new, ultra-luxury lodging product. Bal Harbour risks losing room nights to these properties. If Bal Harbour loses guests to these new accommodations, it misses out on critical resort tax dollars.

If guests no longer stay in Bal Harbour hotels, this could create a domino affect. Visitors who do not stay in Bal Harbour hotels may not spend as much time in the Shops and may not visit the restaurants.

Key Findings & Observations - Lodging

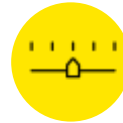


Key Findings: Bal Harbour's oceanfront hotels may benefit from modernization to align more closely with the offerings of properties in neighboring areas. Construction of new luxury properties in Miami Beach could introduce increased competition, potentially impacting demand for existing accommodations in Bal Harbour.

Key Observations



Bal Harbour boasts a strong collection of luxury lodging brands, which enhances its appeal to discerning clientele.



Bal Harbour accommodates a wide range of preferences with its diverse price points and service levels.



The luxury hotels face a challenge stemming from the need for renovation. Addressing this aspect is crucial to ensuring a modern and appealing room product.



The private beach location further elevates the desirability of the area, providing guests with a unique and premium experience.



When compared to newer product in neighboring areas, guest reviews indicate facilities the luxury hotels do not meet the expected standards - specifically for the brand they carry.



The F&B programming at the luxury hotels mainly caters to hotel guests and has limited appeal to outside visitors.



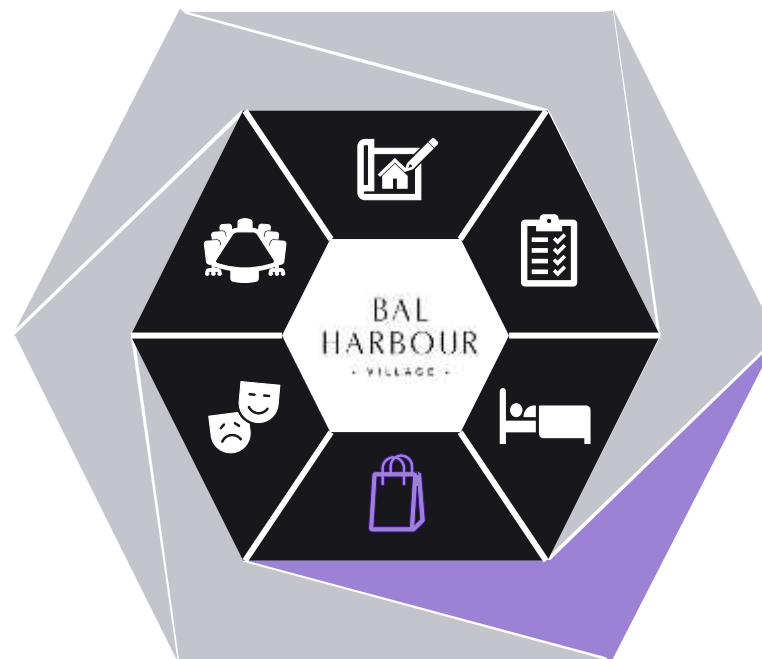
The utilization of the beach, a key asset, is currently limited. Enhancing beach activation strategies could unlock the full potential of this luxury coastal location.



There are limited entertainment amenities and services to extend dwelling time for guests (i.e., lounge, renovated cocktail bar, paddle boards).

Market Assessment Overview - Retail and Food & Beverage

EY has assessed the current state of the Retail and Food & Beverage offering in the Village as well as compared it with the offerings in selected communities within the Greater Miami region. EY has leveraged various data sources such as GMCVB, guest reviews from various platforms, Michelin Guide and stakeholders' interviews. Additionally, EY conducted site visits to Bal Harbour Shops, the restaurants as well as to other luxury shopping destinations within Greater Miami.



3. Retail and Food & Beverage

The Shops at Bal Harbour, characterized by dozens of iconic high-fashion brands, are the Village's key driver of visitation

Bal Harbour Shops is the only retail outlet in the Village and is a nationally and internationally renowned luxury mall, anchored by two major tenants: Saks Fifth Avenue and Neiman Marcus. The open-air shopping mall opened in 1965 and over time has seen multiple expansions, the most recent one to be completed in 2024 will add 241,600 SF of retail space, 12 new restaurants and expanded parking garage.

- ↖ • The latest expansion was driven by the evolution of brick-and-mortar luxury retail which has shifted towards offering “experiential” spaces, thus requiring larger retail areas and a more diverse F&B offering.
- ⌚ • The expansion comes at a crucial time, as Miami has recently seen the development of the Miami Design District (MDD), a new luxury retail destination sharing a relatively similar tenant base and F&B programming, including Michelin-starred restaurants, upscale bars and lounges.
- 📍 • MDD's strength lies in the larger retail spaces available and high TI allowances which have led it to become one of the US' retail destination with the most flagship stores along with Rodeo Drive in LA and Madison Avenue in New York.
- 💎 • The expansion will strategically position Bal Harbour Shops to remain a leading luxury retail and F&B destination, as it will increase its offering and enable retailers to have larger physical footprints.
- 🚧 • The expansion project was and remains contentious among residents as they fear potential increased visitation would further congest traffic.



Key Takeaways

- ▶ Bal Harbour has become an iconic retail destination in Miami and the US, widely popular for its pleasant, lush environment, koi ponds, protected open-air lay-out, and approximately 100 luxury retail tenants.
- ▶ Bal Harbour Shops is the main demand driver, attracting local and international visitors for its upscale shopping experience and F&B outlets. The Shops' tenant-base feature international global fashion, jewelry, accessory, and home and lifestyle retailers.



Sample Store Directory



The Shops at Bal Harbour curate elegant events to broaden and strengthen the brand and bring unique thematic experiences to the shops and restaurants

Events and Branding at Bal Harbour Shops



- ▶ **Large-scale, international events** such as the annual Fleur de Villes show, which partners with major cities around the world and top local florists, designers, growers and nurseries.
- ▶ **Branded events and dinners** in partnership with tenants such as the Ferragamo Dinner to celebrate its fall collection, or the annual “A Taste of Bal Harbour Shops” showcasing the mall’s F&B outlets.



- ▶ **Membership and loyalty program** (“Access”) offering exclusive offerings, bespoke benefits, specialized luxury experiences, awards and more. The program allows the Shops to keep track of its loyal client base. Access has organized intimate luxury experiences such as exclusive viewings of fashion collections for brands and retailers such as Balmain, Pinko, and Neiman Marcus’ Pegasus fashion show.



- ▶ **Access Pop-up**, a traveling luxury retail pop-up activation to increase awareness to various cities in the Southeast identified as lacking an upscale retail footprint.



- ▶ **Branded merchandise collections** produced exclusively for Bal Harbour Shops including the Illustrator Collection, a limited edition of t-shirt series designed by celebrated artists and illustrators as well as the 1965 Collection celebrating the Shops’ legacy. The launch of the 1965 collection has seen an effective PR and influencer campaign, contributing to increasing and reinforcing Bal Harbour Shops’ brand awareness.



Key Takeaways

- ▶ Retail in Bal Harbour Village is mainly located at the Shops. Visitors looking for day-to-day retail outlets such as pharmacy, grocery store typically go to the adjacent town of Surfside.
- ▶ Bal Harbour’s perceived exclusivity is often qualified as “aspirational” and “intimidating” due to the luxury-positioning of the Shops, which market participants have noted may deter potential visitors from coming to the area.
- ▶ Bal Harbour Shops is well-positioned to retain its market share in the wake of the emergence of the Design District and other retail destinations.

Food & beverage offerings at the Bal Harbour Shops remain strong, while offerings at the Village's luxury oceanfront properties have room for improvement

F&B outlets in Bal Harbour Village are located at the Shops and the hotels. While the Shops offer a variety of high-end restaurants that are very popular among residents from BH and neighboring areas as well as visitors, the hotels lack strong F&B offerings.

Bal Harbour Shops F&B



The F&B offering at the BH Shops is diverse not only in terms of cuisines (Japanese, Italian, French, Mediterranean, American and European-style all-day café) but also in terms of pricing. Guest reviews are generally positive. However, offerings such as a grab and go and late-night bar or lounge are lacking.

Hotel F&B



EY sources indicate that hotel F&B is only utilized by guests staying on property - it does not draw outside visitors. However, most guest reviews criticize menu offerings, service, prices, and the food itself. Regarding F&B at the St. Regis and the Ritz-Carlton, many guests feel that the F&B does not live up to the expectation for these brands.

Missing Components

- **Highly-regarded chef or restaurant brand** (e.g., Michelin-starred). Individuals that stay at luxury hotels and shop luxury retail expect the food offerings to be up to the same standard. Additionally, Miami has experienced a rapid evolution of its high-end culinary scene. In 2021, the Michelin guide came for the first time to Florida. As of December 2023, 12 Miami restaurants were awarded one or two Michelin stars. Thus, there is an opportunity for Bal Harbour to get on board with the growing popularity of the Miami restaurant/culinary scene by partnering with a highly-regarded and/or famous chef or restaurant brand.
- **Late night bar/lounge** - A place for guests, visitors, and locals to go after dinner or after shopping. The St. Regis Bar, although it offers cocktails, is not an exciting space that draws external visitation. According to market participants, visitors typically go to the Surf Club bar after dinner due to the lack of product in the Village.
- **High-end kosher restaurant** - According to market participants, an important percentage of Bal Harbour (overnight) visitors eat kosher. However, due to the lack of options, these visitors dine in Surfside where there are plenty of kosher restaurants to choose from. Bal Harbour could revert those visitors back to the Village with a kosher offering as well as attracting an affluent population residing not only in Bal Harbour but also in neighboring communities (i.e. Aventura).

Key Takeaways

At the Shops, restaurants are performing well. However, hours of operation has stunted activation of the F&B. Through expansion of the current programming, BH can capitalize on the demand that exists from its shoppers, hotel guests, residents and visitors - and ultimately attract greater visitation.

At the hotels, F&B offerings have room for enhancement. To enhance the guest experience at BH hotels, the hotels must elevate and expand their F&B programming.

Travelers seek immersive, authentic connections with destinations and cultures and nearby luxury hotels offer exceptional culinary experiences that excite locals and out-of-town visitors

Experiential travel has emerged as a dominant trend in the tourism industry, with travelers seeking immersive encounters that foster deeper connections with destinations and cultures.

Superior Hotel F&B Concepts



Pictured above, The Surf Club at the Four Seasons is a dining concept that weaves iconic dishes with Chef Thomas Keller’s world-renowned standards of culinary excellence in a historic, yet modern atmosphere. The restaurant was recently awarded a Michelin Star and is touted as Keller’s first venture in the state of Florida. The Infatuation, a New York-based restaurant recommendation website writes in review of The Surf Club:

“In a city where so many restaurants promise a dose of old school glamour, The Surf Club is one of the few that truly delivers... The menu reads like a greatest hits of dishes your grandparents probably loved. But the Surf Club makes them feel (and taste) exciting.”

Characteristics of Strong Hotel F&B Concepts



Culinary expertise



Ambience



Exciting menu



Late night options

- In addition to The Surf Club, the Four Seasons also has additional F&B offerings that extend the party for the guest. The hotel has a champagne and raw bar where guests can grab an afternoon pick-me-up or nighttime cocktail.
- Interviews with stakeholders indicate that locals and out-of-town visitors also frequent these bars given their superior menu offerings, as well as the incredible ambience. Bal Harbour hotels lack an upbeat, exciting bar for guests, residents, and visitors to enjoy.



Threat for BH Hotel F&B - Based on guest reviews, individuals who dine at the Ritz-Carlton and St. Regis restaurants complain that the menu is not exciting or appropriately tailored to the target audience. From a hotel F&B standpoint, BH hotels are currently being outshined by their competitors.

Threat for BH as a destination - Guests want to stay at hotels where they can dine in-house. Without competitive F&B offerings inside the BH hotels, this massively impacts BH’s strength as a destination against its competitors.

Michelin Starred Restaurants in Miami 2023	Design District	Miami Beach	Coconut Grove	Surfside	Wynwood	Brickell	Buena Vista
12	3	3	2	1	1	1	1

Hyper-exclusive hospitality concepts that cater to elite clientele and offer insights into the existence of potential unique experiences within Bal Harbour

Hyper Exclusive Concepts

Restaurant Table Ownership - Rao's NYC

Rao's is one of the New York city's most exclusive restaurants and one of its most coveted reservations. The tables are "owned" by a select group of New York power brokers, insiders, and celebrities. The table can only be used by its owner and/or their invitees. If the owner or invitees are not using the table one evening, the restaurant owner will allow reservations at their discretion. This concept creates a hyper-constriction of supply and the feeling of scarcity and exclusivity.



Formula 1 Grand Prix - Amber Lounge Monaco

Known as "The World's most Exclusive Party" - for more than 15 years, the Amber Lounge has maintained its reputation as the most sought-after party during the Grand Prix in Monaco. The venue features charity fashion shows, exclusive live performances, gourmet dining and houses the F1 drivers' post-race celebrations. Amber Lounge is an essential part of the ultimate VIP Grand Prix experience and allows high-paying VIPs the opportunity to rub elbows with celebrities, F1 drivers and other members of elite society.



Invitation-Only Fashion Show - Louis Vuitton at Pérez Art Museum Miami

Louis Vuitton brought its women's 2023 spring-summer line to the Pérez Art Museum in Miami with a trunk show. The show was by invitation only with top clients, key local press and influencers. As part of the trunk show format, after each of the two viewings, guests had the chance to purchase the clothes previously worn by the models. Previously, the brand hosted a show in the Louvre, Paris.



How Exclusivity is Created



History of
exclusivity



Hyper-constrained
supply



Attended by
celebrities/drivers



Pricing only
accessible to elite



By invitation only



Early access to
products

Key Findings & Observations - Retail and Food & Beverage



Key Findings: While the F&B scene at the Bal Harbour Shops is robust, there is an opportunity to expand the offerings to further strengthen the programming. Additionally, there is a significant opportunity to elevate the hotel F&B offerings. This enhancement could position the properties to compete more effectively with other luxury establishments that currently provide superior F&B experiences and attract not only visitors but also residents.

Key Observations



Bal Harbour stands as an iconic retail destination, drawing local and international visitors for its upscale shopping experience, driven by a tenant-base of globally renowned fashion, jewelry, accessory and others.



The expansion of the Bal Harbour Shops will allow the Shops to further curate a holistic brand assortment that caters to the target demographic.



The F&B scene at the Bal Harbour Shops demonstrates strength, attracting a diverse audience that includes hotel guests, visitors, shoppers, residents, and nearby Miami locals.



Restaurants within the Shops, particularly Makoto and Carpaccio, receive glowing reviews, reflecting the high regard expressed by visitors for their dining experiences.



Bal Harbour's restaurants do not have a presence on the Miami Michelin Guide.



The Shops lack a late evening establishment such as a cocktail bar or lounge. They also lack a grab and go store for guests to have a refreshment during the hot summer days.



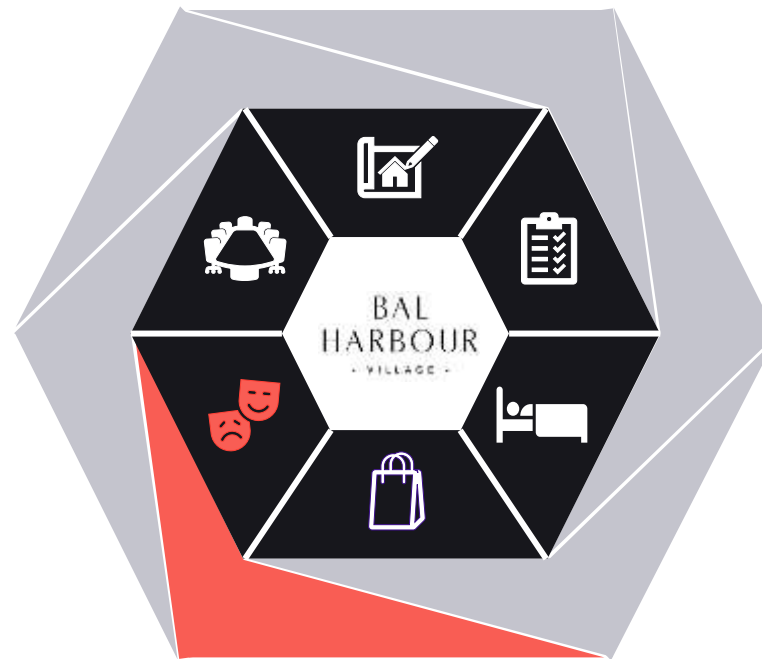
The absence of critically-acclaimed chefs or restaurant groups in the hotel F&B programming contributes to a lack of recognition.



Guest reviews for The St. Regis and Ritz-Carlton restaurants highlight dissatisfaction with the menu, dishes, service, and overall quality.

Market Assessment Overview - Attractions, events and experiences

EY has assessed the current state of the tourists' attractions at the Village. Additionally, EY has collected information on events and experiences at the Village as well as the offering in comparable destinations domestically and internationally. EY has leveraged various data sources such as GMCVB, guest reviews from various platforms, and stakeholders' interviews. Additionally, EY conducted a site visit to Bal Harbour main attractions.



4. Attractions, events and experiences

The Village offers visitors an intimate and secluded beach, a luxury shopping experience and various dinning options accompanied by two new public space assets under development

Tourist Attractions

Bal Harbour has four main tourists' attractions:

- 1. Bal Harbour Shops - The biggest tourism draw for BH visited by residents, hotel guests, and visitors.
- 2. Restaurants - Attract mostly daily visitors from nearby areas as well as residents and hotel guests.
- 3. Hotels - Overnight visitors and limited daily visitors to the spa, even spaces or pool/cabanas.
- 4. Beach - Used by residents and hotel guests. Very limited daily visitation due to lack of parking.



Hoteliers expressed they have encountered difficulties at the time of communicating with the Village authorities to request certain permits or seek approvals when planning experiences or special events around their properties or the beach as well as adding certain signage or amenity (i.e. deck) to their properties. However, the Village is not responsible for certain regulations that are established at county and state level.

Key observations

- The Village does a notable job on the beautification and maintenance in the areas visited by tourists. Many stakeholders have highlighted the beauty throughout Collins Avenue due to the trees and the landscaping.
- For those visiting the Village, the landscape creates the sense of arrival, however, signage is subtle and there is minimal branding, which aligns with the Village's identity of privacy and security.
- Currently, there is no beach infrastructure such as lifeguard towers or small cabanas serving drinks and snacks outside of any hotel service.

Other Public Spaces



Jetty and Cutwalk: located at the northern tip of the Village, this public space is a well-used but unrealized amenity that provides unique ocean views. The Village has approved plans to renovate with construction slated to start in 2024.



Waterfront Park & Community Center: Opened January 2024, this space features an outdoor playground for kids and indoor space for events and other activities such as yoga. This space is planned to remain solely for residents. However, paddle boards and kayak rentals will be available for the public directly from the pier.

~ 5,000 (10/1/22 to 9/30/23)

The events organized by the Village primarily cater to residents. Based on EY's conversations with stakeholders, these events do not appear to be driving overnight visitation, even though the events are a distinctive addition to the offering.

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graph LR; A[Fitness & Wellness] --- B[Arts, Culture & Culinary]; B --- C[Movies & Concerts]; C --- D[Holidays]
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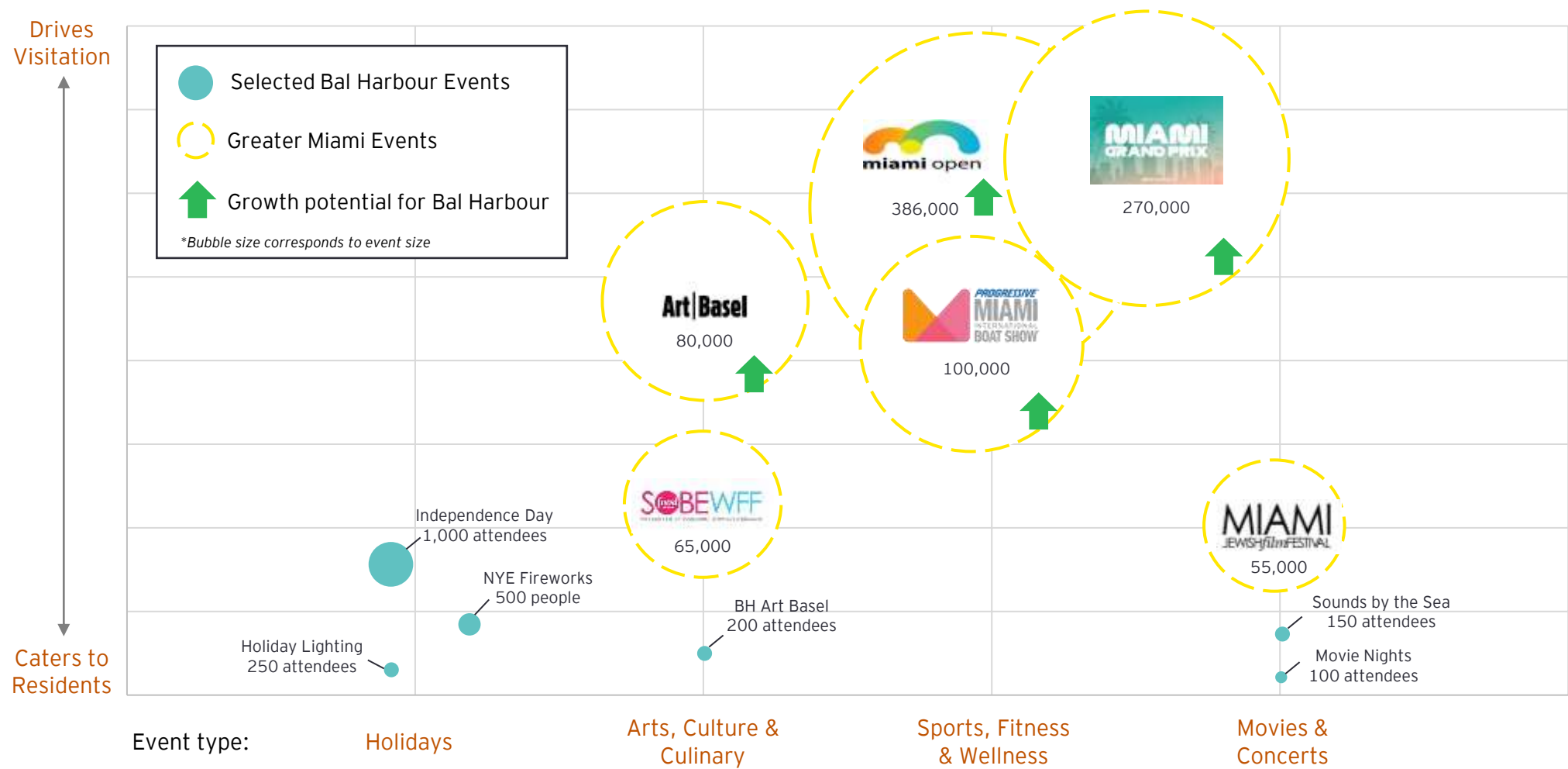
Top Events*	Time	# per year	# of Visitors	% of residents**	Event Type
Independence Day Celebration	July	1	1,000 (2023)	79%	Holidays
Art Basel Events/Fairs	December	1	200 (2022)	89%	Arts, Culture & Culinary
Holiday Lighting Ceremony	November	1	250 (2023)	NAV	Holidays
NYE Fireworks	December	1	500 (2022)	NAV	Holidays
Farmer's Market	October to May	60 (30 weekends)	NAV	NAV	Arts, Culture & Culinary
Sounds by the Sea	Monthly	10	150 per event	NAV	Arts, Culture & Culinary
Movie Night on the Beach	November to April	6	100 per event	72%	Arts, Culture & Culinary

**According to survey sponsored by Bal Harbour Village

Provides funding to activities and events with yearlong tourism promotion and programming. For example: promotions, special events, activities and festivals that stimulate tourism by increasing hotel occupancy and achieving significant media impact. **Major One Time Special Event Grant for organizations with a new or one-time event** that have the potential to become recurring.

- Events organized by Bal Harbour are primarily positioned towards residents.
- Market representatives indicated that there has been a challenge in consistent promotion of past events, and there is room for improvement in maintaining year-to-year consistency
- Feedback recorded about the events is limited.
- The availability of meeting and event space is currently restricted, and the upcoming recreational center is anticipated to cater solely to residents.

There is an opportunity for Bal Harbour to grow its event offerings by leveraging the existing platforms of large-scale events in Greater Miami that cater to a similar demographic



Bal Harbour has the opportunity to leverage key signature events hosted in Miami by strategically integrating them into its own offerings. By aligning with established events, Bal Harbour can create unique and tailored experiences that not only complement these occasions but also serve as compelling attractions, driving visitation to the area and overnight guests that would otherwise stay somewhere else. This approach will capitalize on the existing vibrancy of Miami's event scene and allow Bal Harbour to carve out its distinctive niche within the larger cultural and entertainment landscape.

Key Findings & Observations - Attractions, events and experiences



Key Findings: The oceanfront hotels present an opportunity to contribute significantly by utilizing their existing meeting spaces, potentially establishing Bal Harbour as a destination for hosting elegant, ultra high-end events. This strategic move could enhance the area's reputation and attract a discerning clientele, fostering a new dimension of prestige. Bal Harbour has the opportunity to monetize public spaces such as the Waterfront Park & Community Center and the Jetty by creating experiences to cater both visitors and residents alike.

Key Observations



While the Greater Miami area hosts large signature events that draw global visitation, Bal Harbour actively executes a full calendar of smaller events focused on residents and some visitors.



Events put on by the Village primarily attract residents and locals, however, events such as Fleur de Ville succeed in drawing international attention. We note visitors have the opportunity of experiencing the local lifestyle of Bal Harbour by participating in these events.



A key natural asset for Bal Harbour is its beach, yet activation of this outdoor venue for larger scale events has been limited.



Currently, Bal Harbour's oceanfront hotels' meeting spaces are not typically utilized for hosting exciting gatherings, such as larger events or ultra high-end events.



Tourism staff is adequate for current operations but will need supplemental resources to execute on a strategic growth plan.



Hotels and amenity operators have expressed a lack of transparency in working with the city to put on events and create experiences for visitors. However, many of the limitations are imposed by county or state restrictions.



The dwelling time of visitors may be short given the Village lacks outlets tailored to different parts of the day, such as a coffee stand, lounge or sophisticated cocktail bar.



The entertainment/experiential offerings for children are limited, which may influence parents and families to spend less time at the destination if their children are not entertained. We note the Museum Access program gives hotel guests free or discounted tickets to museums with children's programming.

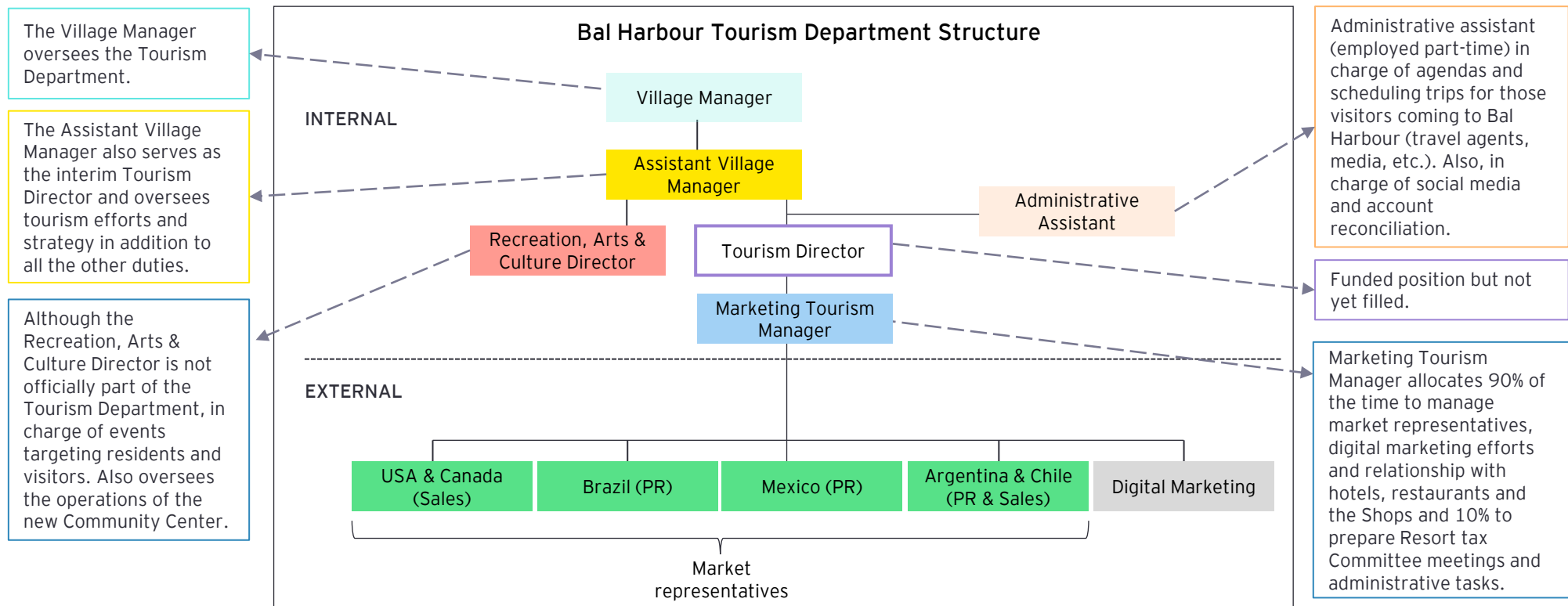
Market Assessment Overview - Governance

EY has assessed the structure and operations of the Village's Tourism Department as well as collected information of tourism governance at comparable communities. EY has leveraged various data sources as well as had conversations with members of the tourism department at the Village and neighboring communities as well as third party vendors.

5. Governance



The Tourism Department structure is dynamic when it comes to day-to-day activities but on the other side, informal and unsystematic.



- A unifying factor among team members is their shared passion and excitement for Bal Harbour, creating a cohesive and motivated group. However, the two key members of the Tourism Department are not fully-dedicated (Assistant Village Manager) is in charge of other activities and Marketing Tourism Manager works part-time).
- After annual budgets are approved, the Marketing Tourism Manager executes day-to-day decisions on spend.
- The tourism team is connected with other aspects of the Village governance (e.g., Public Works & Beautification, Capital Program), which are relationships that can benefit the tourism agenda.
- The Bal Harbour tourism team has solid connections with marketing professionals and representatives in international markets, which allows for transparent communication. Additionally, bringing all reps together once a year is a great best practice that Bal Harbour already employs.
- Bal Harbour tourism team has strong relationships with the destination (hotels, shops, restaurants) and the local area (GMCVB and neighboring cities).

EY observation

Operations are running smoothly but structural and organizational changes are necessary to implement the strategic plan. Implementation will require at least one dedicated resource to take ownership of the plan and drive efforts forward as well as monitor ongoing progress. These responsibilities could be part of the role of the Tourism Director.



The Tourism Department has deep connections within the destination and the Greater Miami region as well as strong relationships with market reps in key international markets

Sister cities International



A sister city is a broad-based, long-term partnership between two communities in two countries. Building strategic partnerships with “sister” cities that have similar characteristics and identity and target similar visitors is beneficial from a tourism perspective, among other aspects, to share marketing/branding, jointly plan events, visitors exchange, etc.

Steps to establish a relationship

- Planning process
- Research phase
- Develop communication line
- Correspondence phase
- Develop partnership agreement
- Signing ceremony
- Implementation and evaluation

Regular meetings organized by the Village

- Resort Tax Committee Meeting (once a month)
- Hotel General Managers / Condo Managers Village Informational Update Meeting (bi-weekly)

Formal communication with key stakeholders is critical

- With market representatives, digital marketing provider to understand progress, trends, needs.
- Regular communication with hoteliers and restaurants to facilitate the implementation of new initiatives, providing a clear timeline and required steps to receive approvals. Additionally, formal procedure to obtain data from visitation at hotels.

GMCVB Strategy

- In recent years, GMCVB started to promote Greater Miami & Miami Beaches as an urban destination and not solely a beach resort by fostering and then advertising the culinary, fashion and event scenes within the Greater Miami (e.g., bringing Michelin Guide to Miami.). As a result of this strategic move, in 2023 Miami was in the list of the Best Cities in the US: Readers' Choice Awards.



Relationship with GMCVB

- Bal Harbour Village has built and maintained a strong relationship with GMCVB.
- Typically, once a year, the Village partners with GMCVB on certain marketing initiatives to target the luxury market.
- Additionally, the Village Manager sits on the board of the GMCVB.

Data collected by the Tourism Department:

- Insights from hotels (no formal collection of data but informal feedback)
- Google analytics: where are people based when they enter the Bal Harbour website
- GMCVB data (not analyzed at city level)
- CallRail: where are people based and for how long they are in the line

Tourism data providers offer a variety of dynamic visitation data accessed by destination managers through a customized interactive dashboard



Key Findings & Observations - Governance



Key Findings: The team dedicated to tourism development in Bal Harbour Village works in concert with market representatives, hoteliers, restaurateurs, digital marketing professionals and other third parties to accomplish key initiatives around tourism marketing. The team does well with the resources it has, however, there is room to enhance the suite of tools/resources available to the Village through greater emphasis on data collection and other strategic initiatives. These enhancements are critical to opening up opportunities for growth and optimization of the destination going forward.

Key Observations



Bal Harbour's tourism team is small, which limits implementation of larger strategic priorities.



The Bal Harbour tourism team has developed strong relationships with marketing professionals and representatives in key international markets through cultivation of long-term relationships.



A unifying factor among team members is their shared passion and excitement for Bal Harbour.



The value of the relationships with marketing and sales representatives is not clear without the quantitative data necessary to track and monitor ROI.



Bal Harbour has strong partnerships in the destination (hotels, city officials, shops, restaurants) and the local area (GMCVB and neighboring cities).



Limited data is shared by the hotels. However, this data could be helpful to understand the visitor, source market, and the performance of the destination.



Bal Harbour faces several challenges in data collection, highlighted by the need to leverage key data points for informed decision-making around investments in the operations and marketing of Bal Harbour.

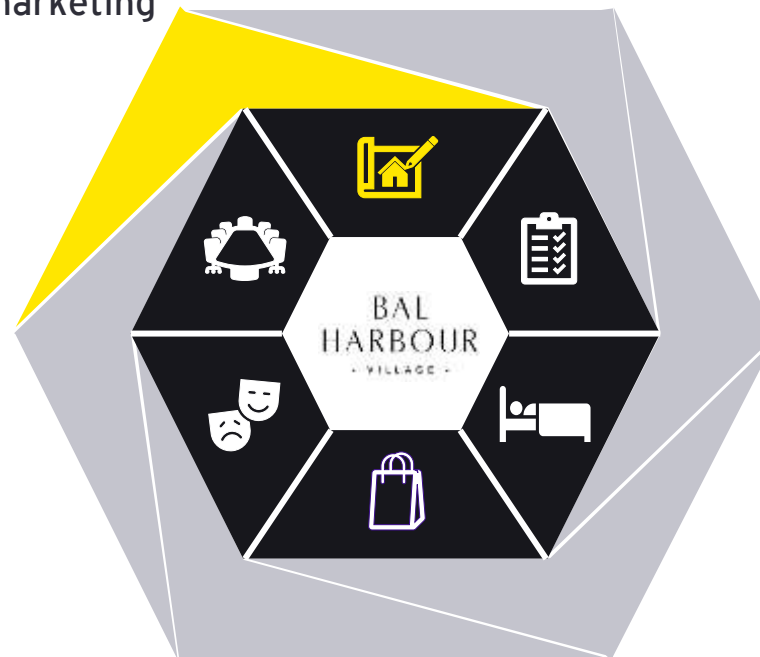


The make up of the existing tourism development team appears adequate based on current initiatives, objectives and operations, however, implementation of the strategic plan and pursuit of growth and new initiatives will require reassessment of personnel and likely new team members.

Market Assessment Overview - Identity, branding and marketing

EY has assessed the Village's identity as perceived by residents, visitors and stakeholders alike as well as the branding and marketing efforts of the Tourism Department. Additionally, EY collected information on in-destination marketing best practices. EY has leveraged various data sources as well as had conversations with members of the tourism department at the Village, third party vendors and tourism authorities at neighboring communities.

6. Identity, branding and marketing



Bal Harbour maintains its identity as an ultra-luxury, tranquil oasis near Miami with world-class high-end shopping

The Bal Harbour Brand

The brand identity of Bal Harbour should remain a key focal point for the Village as it continues to develop as a destination. EY has spoken with BH locals, market participants and other stakeholders to understand how the BH brand has evolved and what the cornerstones of its identity are.



Ultra-luxury

- World-class shopping, 5-star luxury hotels
- Manicured grounds, pristine beaches, beautiful environment
- Elegant, sophisticated



Private

- Private, elegant experience
- Secluded, but still has access to a major city nearby
- The destination is still relatively unknown to the general public



Memorable

- Visitors create an emotional connection with the destination
- Icons within the Village such as the swinging palm trees, koi fish
- Visiting Bal Harbour is an annual tradition for many visitors


"Everything here is about emotional connection, connection with the customers. The emotional connection will bring the customer back ..."

"International destination where you can have a relaxing beach experience, world-class dining and shopping while enjoying the beauty of the city"


Bal Harbour uses market representatives in key source markets to harness key relationships, attend industry events and engage with travelers to promote Bal Harbour as a destination

Key Players


Personal Relations (PR) Representatives:




Maintain relationships with the media (magazines), influencers



Spread awareness about in a specific market (e.g., Brazil)




Create PR campaigns to strategically promote the destination




Work with influencers to reach the destination's target audience on social media


Sales Representatives:




Attend travel/tourism fairs, trade shows, assist travel agencies



Work with salespeople who can market directly to their clients








Organize meetings with travel agents in a specific market (e.g., NYC)



Leverage contacts/network to promote hotels and destination

Countries with PR and Sales Representatives:

Measuring Success:

- Representatives indicate that the primary way they can measure the success of their efforts is with the third parties they work with (travel agents, influencers, etc.), rather than the hotels or stakeholders in BH.
- The BH hotels do not share any booking data with these representatives, so they are unable to tell when they successfully converted a marketing / campaign exposure to a booking.

KPIs:

- The BH Tourism Department ensures that the market representatives communicate outcomes such as social media reach, published articles, etc.
- Representatives that work with influencers will report ROI on the influencer engagement in terms of number of postings, the reach, the followers, etc.

Bal Harbour Tourism Department Structure

INTERNAL

Village Manager

Associate Village Manager

Recreation, Arts & Culture Director

Tourism Director

Administrative Assistant

Marketing Tourism Manager

EXTERNAL

USA & Canada (Sales)

Brazil (PR)

Mexico (PR)

Argentina & Chile (PR & Sales)

Digital Marketing

Market representatives

Marketing Channels:

The market representatives leverage a variety of promotion channels to raise aware about the destination:

- Luxury travel agents
- Local media
- Influencers
- Brand partners (international luxury brands)
- Direct-to-consumer channels

Key Takeaways

Due to the lack of data transparency from the hotels to the marketing / PR professionals, it is difficult for these representatives to track success of their efforts and campaigns.


Increased data transparency would greatly benefit these market representatives.

23 February 2024 | Version 1.2 (Draft) | Strategic Tourism Plan - Bal Harbour Village | Prepared for: Bal Harbour Village

Page 58


Bal Harbour allocates resources to digital marketing efforts through Google Ads and receives data on clicks and conversion rates

Google Ads Marketing Process




Identify target audience

Understand who the destination wants to attract - demographic information, location, etc. In the case of Bal Harbour this is typically affluent clientele aged 40+.




Develop campaigns

Based on the characteristics of the target audience and the destination, select search terms, or keywords, that the ads will show for (e.g., "luxury shopping, "beach destination"). Develop advertisements that will be shown to the consumer when the search terms are entered.



Determine budget cap on campaigns

Users must set a maximum spend per day while the campaign is active. Google will do its best to get enough clicks to fill the budget, but it will not overspend. The budget can be changed dynamically daily if the user would like to allocate funds differently towards the campaign.



Track campaign results

Following the implementation of the campaigns and budget cap, the user can track campaign analytics and performance. Metrics might include clicks or campaign conversion rate.

Current Cost* (Jan 1 - Nov 30, 2023)

\$282,070

**The current cost reflects the spend made strictly towards running Google Advertisements.*

Avg. Campaign Conversion Rate*

14.02%

Top Conversion Rate* - Hotels

18.79%

**Conversion rate is the percentage of user actions taken after total clicks on a display ad.*

Key Takeaways	Outcome
<p>There is an opportunity to reach a greater audience through digital marketing. There are several ways to approach this:</p> <ol style="list-style-type: none">Investing further in existing campaigns will enable Bal Harbour ads to get in front of a larger audience. The more the target audience is aware of Bal Harbour, the more likely they are to book a trip. If the target audience is not seeing Bal Harbour when they are searching for luxury beach destinations, Bal Harbour will likely lose visitation to its competitors.Enhance the emphasis and direction for the digital marketing strategy. For example, ads in LATAM are in English. There should be an alignment between the digital media campaigns and what will resonate in that market. An initial plan should be set in place with regular touchpoints to monitor progress against the goals and objectives of the plan.Access to data through a 3rd party vendor and greater data transparency from the hotels would further aid the process of tracking success of campaigns from digital marketing efforts.	<p>Based on EY research and conversations, increasing spend in existing digital marketing efforts by 25% to 35% will increase exposure to the desired audience, which could yield favorable outcomes for the Village.</p>

Leading destinations use market representatives in key source markets, but monitoring and tracking the benefits of those relationships is difficult

It is commonplace for destinations to deploy marketing representatives (“reps”) in key source markets. Reps are tasked with promoting the destination in a variety of ways as each destination is different and so it is the agreement between the parties (destination’s authorities and reps).

Typical tasks performed by market reps



Attending conferences, tradeshows, summits and networking events



Connecting with travel agents and platforms



Developing marketing collateral (brochures, banners, fact sheets)



Strengthening online presence (website, social media content kit, working with influencers, online ads)



Establishing trade partnerships (tour operators and agents, sales calls, familiarization trips, educational webinars, follow-up surveys and interviews)



Generating earned media coverage (list of publications and media contacts, media outreach, news updates, press kit, media clips)

“Every year is a different approach or strategy because the market is always evolving so we must do the same”

Monitoring progress and ROI is not at an easy task

- When tour companies are involved, the destination can push the reps to increase stops and overnights within their destination, which can be monitored, and visitor spending can be assessed to meet goals and objectives as well as established milestones.
- For destinations that do not rely on tour companies, the responsibility for tracking ROI and monitoring the progress of the source market reps falls on the destination itself. This is typically done by leveraging a consistent data set or data platform to establish baseline of KPIs (visitation, spend, length of stay, etc.) from which goals are established. The destination can then monitor and assess progress of the reps through these metrics.

Key Takeaways

Bal Harbour Tourism Department does a robust job when it comes to relationship building by brining all reps together once a year as well as being in constant communication.

Bal Harbour is directly responsible for establishing KPIs, tracking the return on investment of each market and monitoring the progress of the work done. In order to do so Bal Harbour should establish a baseline for each market rep, for example:

- Level of visitation: XX number of visitors
- Visitor spend: XX spend

However, in order to measure whether the baseline is reached or not, Bal Harbour would require external data sources (i.e., data provided by hotels or vendors with access to credit card data).

Key Findings & Observations - Identity, branding and marketing



Key Findings: The Bal Harbour brand has the opportunity to grow beyond the immediate Miami market into a globally-recognized, iconic luxury destination. However, Bal Harbour runs the risk of missing out on potential visitors due to the lack of alignment in marketing efforts across players, highlighting the need for a more coordinated and integrated approach to maximize outreach and impact.

Key Observations



Bal Harbour's brand identity is robust, epitomizing sophistication, luxury and a refined coastal lifestyle, which fosters an emotional connection with visitors.



Bal Harbour is home to two widely recognized luxury hospitality brands. Both properties fall under the Marriott brand, providing access to Marriott's global network of proprietary marketing channels and booking platforms.



The Bal Harbour tourism team has cultivated strong connections with marketing professionals and representatives in international markets, facilitating transparent communication.



The hotels in Bal Harbour do not share their data with marketing representatives, making it challenging to comprehensively assess the outcomes and effectiveness of marketing efforts.



Currently, Bal Harbour does not have any global partnerships with other destinations or tourism organizations. These partnerships could help the Village achieve greater exposure, share best practices for destination management and marketing, as well as visitor exchange.



Even though the Bal Harbour Tourism Team organizes a retreat once year, regular meetings throughout the year will help to align the strategies of marketing professionals operating in different markets.



When it comes to digital marketing, the campaigns featuring Bal Harbour's luxury hotels have been the most successful.



Target metrics and goals are not in place in the relationships with in-destination marketing and PR reps, so the Village has no insight into what they get for their investment in these services.

The background of the slide is an aerial photograph of a coastal city. In the foreground, there is a sandy beach with some people and umbrellas. The water is a vibrant turquoise color. Behind the beach, there is a dense line of high-rise apartment buildings and hotels. In the distance, more city buildings and a body of water are visible under a clear blue sky.

6 Competitor Leading Practices

Competitor Leading Practices

In order to identify key leading practices, we researched comparable resort destination benchmarks relevant to Bal Harbour, located in Europe, the Caribbean and North America. The benchmarks were selected based on a variety of factors including:

- | | | | | | |
|---|---|---|---------------------|---|-----------------------------------|
|  | ◦ Destination positioning |  | ◦ Seasonality |  | ◦ F&B offering |
|  | ◦ Historical significance |  | ◦ Demand generators |  | ◦ Retail offering |
|  | ◦ Development strategy and involvement of public/private sector |  | ◦ Demand sources |  | ◦ Lodging and residential product |
| | |  | ◦ Visitor profiles |  | ◦ Events calendar |

We note these destinations are not directly comparable as whole, but there are certain shared characteristics that make them relevant for this analysis.

We selected two iconic, well-recognized destinations as benchmarks for Bal Harbour: Aspen, the ski resort in Colorado and La Croisette, in Cannes, France.

Aspen, Colorado



- While Aspen is widely known as a luxury ski destination, popular among the wealthy American and global elite, it has recently developed into a year-round destination through the development of the city's cultural programming and events calendar.
- Aspen is positioned as a luxury destination and features 5-star hotels, high-end real estate and chalet rentals, as well as luxury dining and entertainment including the F&B's industry most notable names such as Matsuhisa.
- Aspen is also a premium luxury retail destination featuring the most in-demand luxury fashion brands, as well as highly-localized offering. Despite its isolated location in the mountains, Aspen provides a diverse array of outlets to keep visitors engaged year-round throughout the day and night.

La Croisette, Cannes



- Cannes is one of the most popular resort destinations in Europe and has historical significance as a leisure destination dating back to the 1900's frequented by European nobility and wealthy individuals. Cannes is also widely known for its namesake festival, the Cannes Film Festival, and has taken advantage of the festival to develop into one of Europe's largest event destination, hosting other festivals, industry awards, concerts etc.
- La Croisette in Cannes, is a beachfront strip of the city, where many 5-star branded hotels, iconic buildings, luxury retail, beaches and entertainment are located. Similar to Bal Harbour, it is an exclusive enclave in the city where locals, French and international tourists alike can enjoy the beach, dine, shop and stay.
- The promenade on La Croisette, significantly improved the destination's attractiveness, with the city undertaking major infrastructure investments to drive visitation and create an iconic waterfront.

Competitor Leading Practices

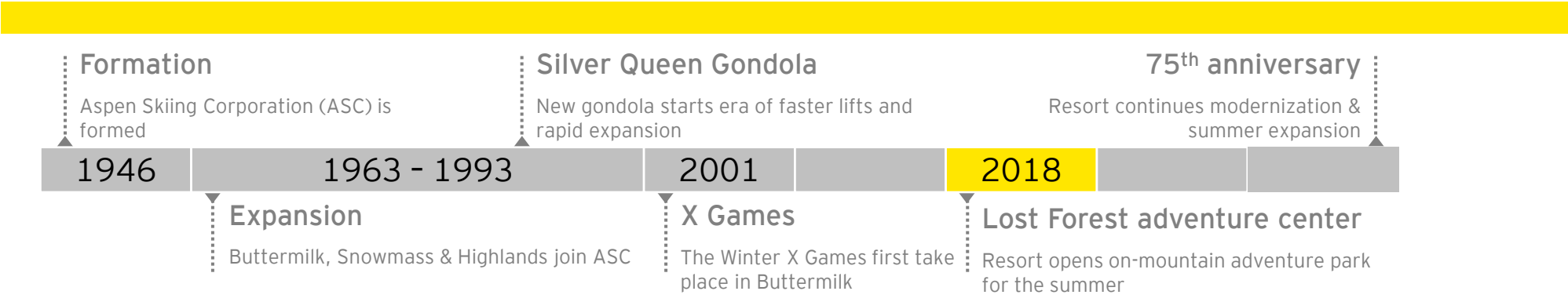
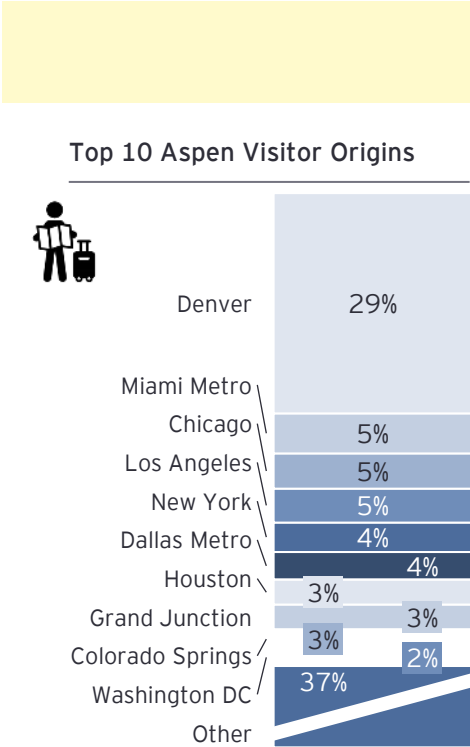
Focused review - Aspen

History

- ▶ Founded during the Colorado Silver Boom in 1870, Aspen thrived as a bustling mining town in the late 19th century.
- ▶ Aspen faced a downturn due to silver's decline in the early 20th century, yet transformed into a thriving ski resort, sparking its revival by the late 1940's.
- ▶ By the 1980s, Aspen became popular for celebrities as an exclusive retreat due to its anonymity, natural beauty and skiing opportunities.
- ▶ Over the past 2 decades, Aspen has evolved into a year-round destination, enhancing its summer infrastructure and tailored marketing campaigns, making it a mountain town where nature, luxury, and culture unites all-year.

Culture

- ▶ Outdoor recreation: Majestic peaks surrounding the town makes it the perfect playground for outdoor enthusiast. **Besides outstanding skiing, activities extend to hiking, biking, kayaking, and fishing.**
- ▶ Arts and Humanities: With a rich cultural scene, **Aspen embraces a diverse range of arts and hosts events** such as the Aspen Music Festival and School, and Food & Classics.
- ▶ Intellectual Engagement: Known as a **hub for intellectuals**, the Aspen Institute facilitates discussions among thought leaders since the 1950's.



Competitor Leading Practices

Focused review - Aspen (cont.)

Tourism Infrastructure

Location & Transportation



- Located in the Rocky Mountains, Aspen is one of the premier outdoor recreation centers in Colorado. With non-stop flights from ten major U.S. cities, the mountain town is easily accessible via the Aspen/Pitken County Airport (10 min away from downtown Aspen).
- The town offers free ground transportation from the airport and in town, allowing car-free transportation.

Outdoor infrastructure



- Winter:* With four ski resorts (5,600 acres of terrain and 2nd highest vertical drop in the US), the town provides a high-end skiing experience for everyone. The mountains in Aspen have it all - challenging back-country skiing, wide runs for families and terrain parks. Other experiences in the winter include snowshoeing, cross-country skiing, sleigh rides, tubing, and snowmobiling.



- Summer:* Nestled in the Elk mountain range, Aspen provides world-class hiking with a variety of trails. Further, the resort offers an adventure park (zip-lining, ropes course, alpine coaster, etc.) and a mountain bike park for outdoor enthusiasts and families. With music shows and a vibrant local art scene, the town becomes a center for arts & culture in the summer as well.



Key Stakeholders

ASPEN CHAMBER

CITY OF ASPEN

ASPEN SNOWMASS

Lodging, Dining & Shopping

5 * Hotels	Michelin Restaurants	Shops
3	4	150+

- Luxurious, newly renovated resorts with world-class amenities (such as Hotel Jerome, The St. Regis Aspen Resort, The Little Nell) and vacation rentals (private homes, estates, ski chalets, condos, etc.)
- Vibrant food scene on par with nation’s largest cities (such as Bosq, Matsuhisa, Casa Tua, Prospect, Element 47 and Mawa’s Kitchen)
- Up-scale, luxurious shopping with high-end boutiques and stores

Events

Main Events	Avg. # of Occurrences	Total Annual Event Visitors
10	~ 48	~ 238 k

- Year-round high-end events attracting a diverse group of visitors (Winter X Games, Aspen Music Festival, Food & Wine Classic, Jazz Aspen, etc.)
- Long-standing events with a cult following; X Games and Aspen Music Festival and School as main events drive over 200k in visitors
- 19% increase in occupancy rate and \$218 increase in revenue per room during main event season in the last twelve months

Sister cities & other partnerships

Abetone

Bariloche

Chamonix

Davos

Garmisch Partenkirchen

Queentown



Shimukappu

SAN MOULIS DE ALLIER

COLORADO TOURISM OFFICE

Competitor Leading Practices

Focused review - Aspen (cont.)

Event Overview		
		Oldest annual, week-long gay ski event in the nation.
	105,000	X Games is considered the world's best action sports events and showcases the biggest names in skiing and snowboarding.
	N/A	Aspen welcomes the best alpine skiers in the world as they go head-to-head in slalom and giant slalom on Aspen Mountain.
		Music festival with multiple venues across downtown Aspen and the option to view as many as eleven acts in one night.
	100,000	One of the top classical music festivals in the United States (8 weeks including concerts by five orchestras, solo music performances, etc.).
	5,000	Theatre Aspen offers musicals, plays and family-friendly shows, which take place at the Hurst Theatre located in the heart of Rio Grande Park right next the Roaring Fork River.
		Premier three-day culinary event run by world-class chefs and wine experts.
		Aspen Ideas Festival brings together thought leaders together to the Aspen Institute for a week of lectures, debates, and conversations.

Tourism Investments		
Winter Infrastructure Upgrades	Summer Infrastructure Upgrades	Mobility
<ul style="list-style-type: none">▶ "Less waiting, more skiing": improving out-of-base capacity & overall mountain capacity▶ "Let's Eat! (And Have a Place to Sit)": adding restaurant capacity & adding two restaurants▶ "Make it snow": adding snowmaking capacity in higher elevation zones▶ "Same Boundary, More Trails & Glades": adding more trails to the existing ski area	<ul style="list-style-type: none">▶ Provide more and better hiking trails: New trails will have multiple lengths and difficulties and "platform walks"▶ Expand Lost Forest Adventure park for kids and mountain bike trail network:	<ul style="list-style-type: none">▶ Improve and expand our efficient, multi-modal, and integrated transportation system to reduce vehicle miles traveled (VMT)

Competitor Leading Practices

Focused review - La Croisette, Cannes

History

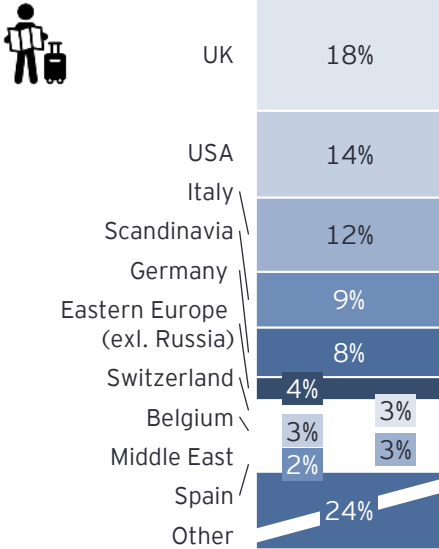
- ▶ Constructed in the 1850s, the three-kilometer-long Boulevard de la Croisette is situated along the picturesque seafront of Cannes on the French Riviera.
- ▶ In the late 19th/early 20th century, the building of luxury hotels along the boulevard drew affluent guests, setting its reputation as an elite destination.
- ▶ The Cannes Film Festival, inaugurated in 1946, turned the global spotlight on the town as a hub for global film industry and has been attracting celebrities from around the world ever since.
- ▶ Today, the Boulevard de la Croisette, is known for its luxurious hospitality, exclusive shopping, and outstanding year-round events.

Culture

- ▶ **City of events:** La Croisette is not only the venue of the film festival; famous events around dance, games, and pyrotechnics take place all-year.
- ▶ **Flair of the French Riviera:** Amplified by the charm of the French Riviera, la Croisette provides a glamorous ambience, offering a unique blend of Mediterranean culture and upscale lifestyle.
- ▶ **Shopping hub:** With most major European designers represented in high-end boutiques and flagship stores, the promenade attracts fashion enthusiasts and contributes to its cosmopolitan atmosphere.



Cote D'AZUR Visitor Origins



Construction

The Boulevard de La Croisette is constructed

1850s

1871

First Luxury Hotel

Hôtel Splendid is opened as one of the first luxury hotels

Cannes Film Festival

The innagural Film Festival was hosted at the Palais Croisette

1946

1960s

Redevelopment

Boulevard undergoes major redevelopment

New Design

Boulevard approves redevelopment starting in 2024

1982

Palais des Festivals

The construction of the Palais des Festival is completed.

Competitor Leading Practices

Focused review - La Croisette, Cannes (cont.)

Tourism Infrastructure

Location & Transportation



- ▶ Located in Southern France, Cannes is known for its international film festival, luxury hotels and sandy beaches. With the third busiest airport in France 30 min away (Nice Côte d’Azur airport), the beach town is easily accessible.
- ▶ The town offers a robust bus system with its city palm shuttle service and fully walkable promenade.

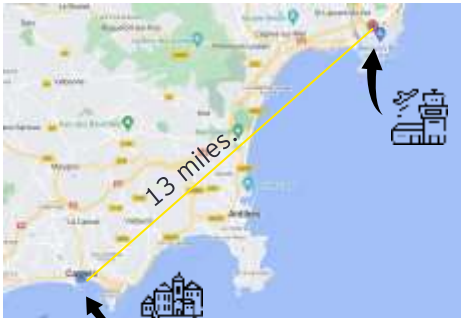
Outdoor infrastructure



- ▶ *Palais des Festivals*: The Palais des Festivals is the primary venue for the annual Cannes Film Festival, the Cannes Lions International Festival of Creativity and other major events. It is a state-of-the-art technical facilities for tailor-made events located at the top of Blvd. de la Croisette with a size of 35,000 square meters.



- ▶ *Beach & promenade*: Located in the French Riviera, Croisette offers a sandy beach with crystal-clear turquoise water. The area offers two small public beach areas (Plage de Casino & Plage Mace) and various private beach clubs, which serve high-quality food and have been recently renovated. The walkable promenade allows to stroll around, eat, and shop.



Key Stakeholders



Lodging, Dining & Shopping		
5 * Hotels	Michelin Restaurants	Shops
6	7	120+

- ▶ Luxurious, newly renovated grand hotels with beach views (such as Hotel Barrière Le Majestic Cannes, Carlton Cannes & Hotel Martinez)
- ▶ Up-scale seafood establishments, Michelin-starred fine dining, and diverse international cuisines, all overseeing the Mediterranean
- ▶ Luxurious open-air shopping with high-end boutiques and flagship stores

Events		
Main Events	Avg. # of Occurrences	Total Annual Event Visitors
6	~ 48	~ 1.1 M

- ▶ Year-round high-end events attract a diverse group of visitors (Cannes Film Festival, Cannes Lions, International Games Festival, Pyrotechnic Art, etc.)
- ▶ Iconic events with celebrities coming from all around the world

Twin cities

 Madrid  Kensington Chelsea  Beverly Hills  Shizuoka  Acapulco  Sanya  Gstaad

Friendship pacts

Tel-Aviv, Turin, Quebec, Papeete, Florence, 11th Dist. Budapest, Gstaad Saanen, Moscow

Competitor Leading Practices

Focused review - La Croisette, Cannes (cont.)

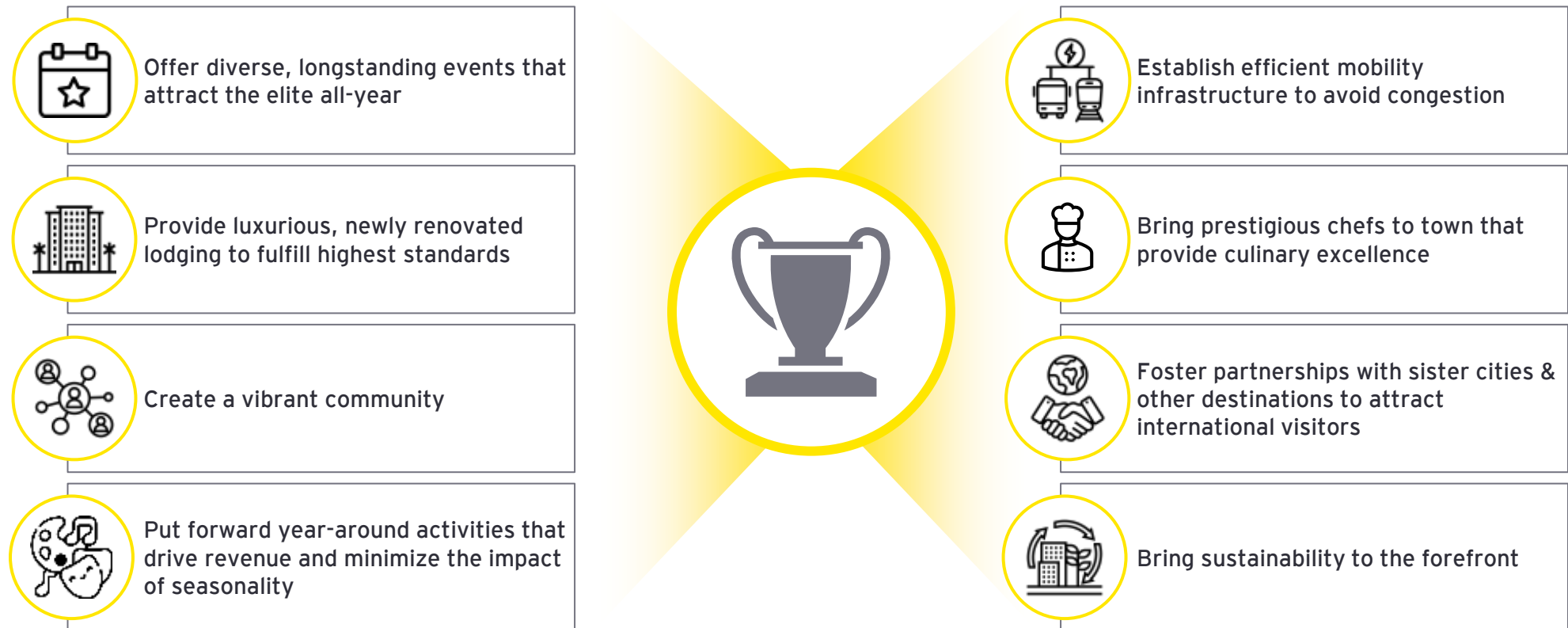
Event Overview		
	Number of Visitors	Descriptions
		The Palais des Festivals hosts a three-day games festival. The event features exhibitions of classic and cutting-edge games, board games, and simulations, offering a fun day of exploration and adventure.
	155k	<p>The Cannes Film Festival is one of the major European film festivals. Renowned for its glamorous evenings held on the fringes of film screenings, the galas draw global movie stars, providing a platform for industry professionals to gather and celebrate.</p> <p>Cannes Lions International Festival of Creativity is a global event for professionals in creative communications, advertising, and related fields, considered to be the largest gathering in the industry.</p>
	700k spectators	<p>Each summer, Cannes hosts one of the world's premier Pyrotechnic Art Festivals in its bay. The Vestale d'Or is the grand prize as expert pyrotechnicians gather on the Croisette for six dazzling shows, showcasing their pyro-musical fires.</p> <p>Europe's top in-water boat show, and the world's leading showcase for large sailing boats. The event offers VIP programs and a luxury gallery dedicated to excellence and craftsmanship.</p> <p>The Cannes Dance Festival is a key gathering for contemporary dance worldwide, rooted in the city's enduring connection with the dance community.</p>

Tourism Investments		
<h3>Boulevard de la Croisette</h3> <ul style="list-style-type: none">Major redevelopment program planned to begin early 2024 	<h3>La Malmaison art centre</h3> <ul style="list-style-type: none">Major ongoing redevelopment program completed in 2024 	<h3>Les Allées de la Liberté</h3> <ul style="list-style-type: none">Major redevelopment of Allées de la Liberté boulevard 

Competitor Leading Practices

Focused review - Aspen & La Croisette

Key Success Factors



7

SWOT

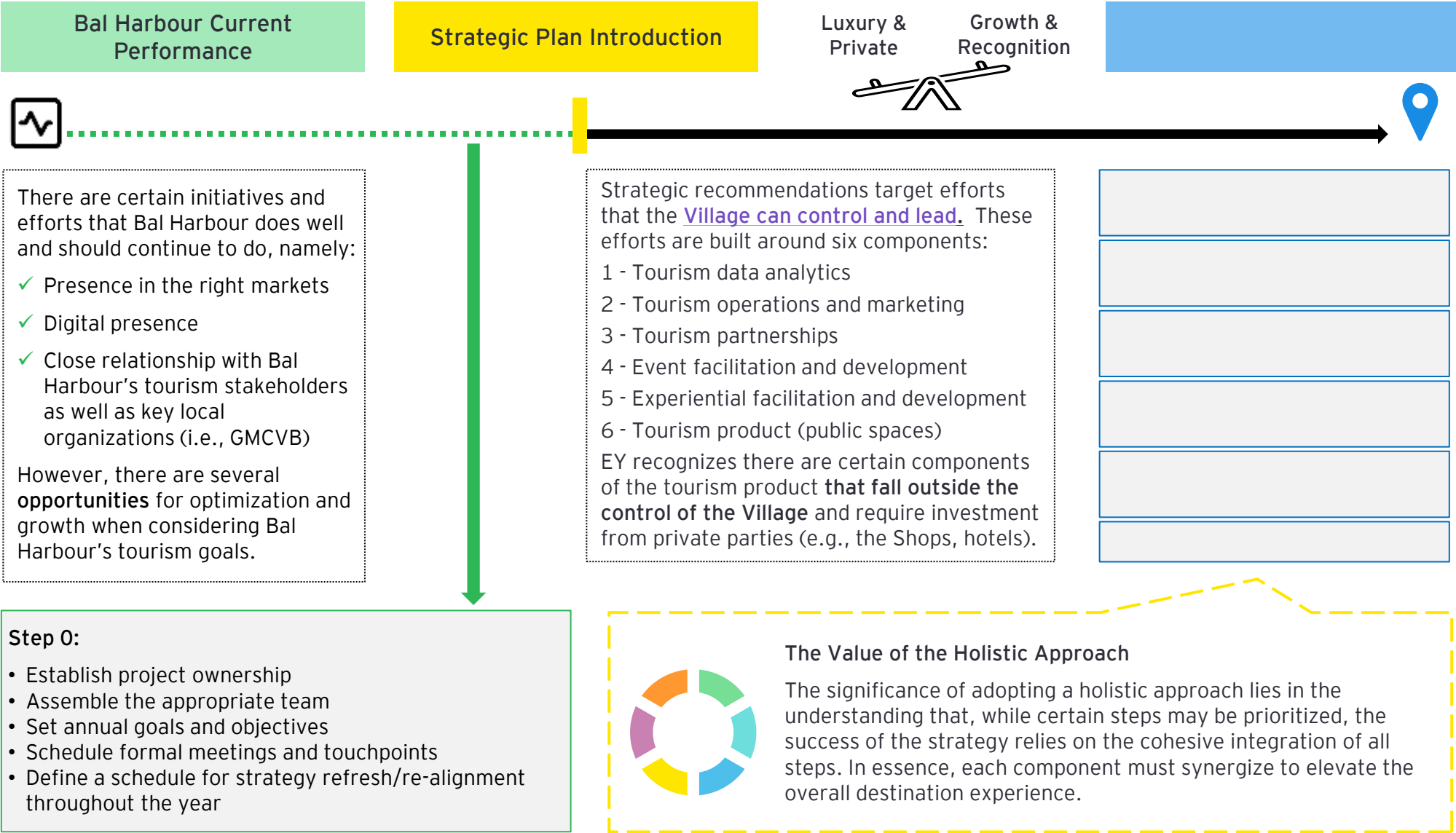
Summary of Key Findings - Destination SWOT Analysis

S	STRENGTHS	O	OPPORTUNITIES	W	WEAKNESSES	T	THREATS
	<ul style="list-style-type: none"> ➤ Bal Harbour's brand identity is robust, epitomizing sophistication, luxury, and a refined coastal lifestyle, fostering an emotional connection with visitors. ➤ Bal Harbour features a captivating outdoor venue with its beautiful beach and well-manicured grounds, creating a natural and enchanting setting. ➤ Bal Harbour is undergoing new developments, including public spaces like a Waterfront Park and Community Center, a Jetty/Cutwalk and the new Village Hall. ➤ Bal Harbour has established strong partnerships within the destination (hotels, city officials and restaurants) as well as the local area with key organizations (e.g., GMCVB) and neighboring cities. ➤ The Greater Miami area hosts large signature events, and Bal Harbour actively executes a full calendar of events to contribute to the region's vibrant cultural scene. ➤ Bal Harbour is home to two widely recognized luxury hospitality brands. Both properties fall under the Marriott brand, providing access to Marriott's global network of proprietary marketing channels and booking platforms. ➤ The Bal Harbour tourism team has cultivated strong connections with marketing professionals and representatives in international markets, facilitating transparent communication. Additionally, convening all market representatives once a year is a valuable best practice already implemented by Bal Harbour. ➤ Bal Harbour Shops features a compelling food & beverage scene that appeals to guests, visitors, shoppers, Bal Harbour residents, and Miami locals alike. ➤ Bal Harbour stands as an iconic retail destination, drawing local and international visitors for its upscale shopping experience, driven by a tenant-base of globally renowned fashion, jewelry, accessory, and home and lifestyle retailers. 		<ul style="list-style-type: none"> ➤ Utilize a data analytics vendor to enhance data-driven decision-making processes. ➤ Leverage data analytics to establish target metrics for market representatives. ➤ Open public spaces to hotel visitors to activate and monetize this asset effectively. ➤ Focus on improving the liaison between hotels and the city, aiming to enhance communication and collaborate during the approval processes for various activities such as those on the beach and signage (even if approvals come from other offices). ➤ Leverage existing Miami events to host and promote an exclusive signature event in Bal Harbour, strategically aligning with lulls in the visitation calendar to drive overnight visitation and enhance the brand. ➤ Establish partnerships with sister cities to foster collaboration and mutual benefits. ➤ Explore additional key source markets for targeted marketing and public relations efforts, potentially focusing on the UK and other areas of Europe. ➤ Implement a grant program to support events and initiatives, fostering community engagement and enhancing the overall visitor experience. ➤ Continued promotion and marketing of the Village to encourage private investment. 		<ul style="list-style-type: none"> ➤ Limited data analytics capabilities to guide strategic decision making and support investment and understand the return on that investment. ➤ New Community Center not open to hotel visitors. ➤ Target metrics and goals are not in place in the relationships with in destination marketing and PR reps, so the Village has no insight into what they get for their investment and even represent only a single asset in a destination. ➤ Hotels and amenity operators express difficulties working with the city to put on events and create experiences for visitors. ➤ Greater Miami area is a destination for European visitors which are not a significant source market for Bal Harbour. ➤ Events primarily attended by residents and locals. ➤ No global partnerships with other destination or tourism organizations. ➤ Tourism staff is adequate for current operations but will need supplemental resources to execute on a strategic growth plan. ➤ Limited activities for children at the hotels and the shops. ➤ The hotel F&B offerings struggle to attract external patrons, limiting its reach beyond hotel guests. ➤ Based on guest reviews, the oceanfront properties need renovations. Additionally, when compared to newer product in neighboring areas, facilities do not meet the expected standards. 		<ul style="list-style-type: none"> ➤ Bal Harbour luxury lodging products face increasing competition from a deep pipeline of exclusive luxury products along Miami Beach from globally recognized brands such as Aman and Rosewood. ➤ Seasonality of Bal Harbour (visitation sees a higher decreases when compared to other areas in Greater Miami). ➤ Bal Harbour has a reputation of being slower paced or sleepy as described by some stakeholders. It may struggle to have that same liveliness, or excitement factor as other destinations that is increasingly needed to attract a younger crowd. ➤ Residents do not want the Village to become too congested or commercialized with excessively large events. ➤ EY has analyzed hundreds of guest reviews for Bal Harbour hotels. Negative reviews propose a serious threat, as many prospective guests rely on reviews before booking. ➤ No unilateral control over influencing the development and curation of new amenities and attractions (e.g., culinary).

The background of the slide is an aerial photograph of a coastal city. In the foreground, there is a wide, sandy beach with some people and umbrellas. The water is a vibrant turquoise color. Behind the beach, there is a dense line of high-rise apartment buildings and hotels. In the distance, more city buildings and a body of water are visible under a clear blue sky.

8 Strategic Plan

The strategic recommendations were developed using a holistic approach and leveraging the strengths of the destination to identify key areas for optimization that the Village can lead



Prioritization of and investment in strategic recommendations should consider level of effort, overall destination benefit and the impact on other downstream initiatives

Following EY's site visit to the Village, analysis of available data, collection of supplementary data, primary and secondary research and conversations with more than 40 stakeholders, EY has identified key findings, opportunities, and priorities as presented throughout the report. Based on these findings, EY built six strategic recommendations around six components that the Village can lead.

Tourism data analytics



1. Engage with a tourism data analytics vendor

Event facilitation and development



1. Leverage existing Miami events to host a related signature Bal Harbour event
2. Enhance promotion of smaller events

Tourism operations and marketing



1. Consider return on investment (ROI) on existing efforts
2. Identify new source markets
3. Enhance digital marketing campaign

Experiential facilitation and development



1. Increase communications between key tourism professionals (e.g., hotels, market reps, etc.)

Tourism partnerships



1. Explore national and global partnership opportunities
2. Continue to engage with local and regional partnerships (particularly the GMCVB)

Tourism product (public spaces)



1. Activate existing public spaces
2. Prioritize the visitor experience in future developments
3. Continue marketing and promotion of key assets



Tourism Data Analytics



Current state

Bal Harbour currently has limited access to visitor and destination performance data, relying on an incomplete combination of data from digital marketing efforts, the GMCVB and resort tax collection.



Strategic recommendation

1. Engage with a tourism data analytics vendor: Invest in a robust set of recurring and dynamic visitor data related to key performance indicators necessary to make strategic decisions and track and monitor progress against goals and objectives (e.g., spend, source market, length of stay, visitor profile).



Detail support

1. Leading destinations leverage a diverse set of dynamic and real-time data to understand the nuances of the destination and the visitor, and ultimately drive metric-based strategic decision making. These various data sources help destinations target source markets more narrowly, define existing visitor profiles and align targeted marketing not only to their existing visitor but aspirational visitors. This use of data analytics can also provide insights into visitor spend by source market and type of spend - identifying the most lucrative source markets and destination itineraries. Data can also help inform events and experiences to target the right visitor at the right time to optimize attendance and engagement. There are a variety of ways in which to acquire this data, from the most robust recurring subscription-based dashboards to a more piecemeal approach of acquiring data at certain intervals (quarterly, annually).

Ad Hoc

Benefit: Could be a cheaper financial commitment that would allow some flexibility.

Drawback: The data is gathered more infrequently at certain intervals (quarterly, annually) and may require more analysis and visualization on Bal Harbour's part. Infrequency may result in lack of consistency.



Outsourcing Vendor

Benefit: establish a relationship with a vendor such as Arrivalist or Zartico to provide consistent and frequent data presented in a dashboard format for Bal Harbour. This form of relationship typically involves access to vendor reps and the opportunity to develop bespoke data sets and formats based on specific needs

Drawback: Could more expensive, may require new software



Tourism Data Analytics (cont.)

Desired outcome

Bal Harbour's role/investment

Prioritization & sequencing

The Village receives real time data about visitors - key source markets, spend, length of stay, etc. presented in a format that allows Bal Harbour to leverage the data to make strategic investment decisions and track progress related to investments, partnerships, events, operations and marketing.

Bal Harbour leads this effort and engages and collaborates with the selected vendor.

The acquisition of data should be highest priority, as it will drive analysis and decision making related to future strategic decisions around marketing, events and partnerships. For example, in future negotiations and contract discussions with marketing reps, baseline data should be in place to establish a starting point from which progress against goals and objectives is measured and tracked.

Example Data Vendors:

Analytics

Partnerships

Marketing

Events

Data supports decisions around timing and audience

Enhances the analysis and selections of partnerships

Critical to tracking and monitoring KPIs and identification of new source markets

Suggested Initial Tactical Steps

BH performance against leading practices

- 1 Compile a list of tourism data and analytics providers.
- 2 Identify data needs such as spend, source market, frequency, etc.
- 3 Schedule and interview each of the providers to understand their offering and format and determine which works best for Bal Harbour.

How EY can support:

EY can help suggest data analytic vendors/providers and assist during the selection process.



Tourism Operations and Marketing



Current state

Bal Harbour's use of in-destination marketing representatives for key source markets aligns with best practices in the industry, but currently there is no mechanism to understand the impact of these efforts and the return on the investment. Additionally, while most marketing reps are promoting the entire destination, in at least one instance they only market specific assets. On the digital marketing side, the Village is currently running ad campaigns which gather data on total impressions (views) and conversion rate (actions taken after viewing the ad).



Strategic recommendation

1. **ROI on Existing Efforts:** Establish ROI parameters by utilizing data analytics to establish baseline visitation metrics across identified KPIs. Use these KPIs to develop goals and monitor progress against these goals. Hold frequent touchpoints to discuss progress.
2. **Source Markets:** Explore new source markets and identify the right approach to tapping into those markets.
3. **Enhance Digital Marketing Campaign:** Invest further in existing digital marketing campaigns to broaden exposure with the intended audience. Engage with digital media provider to refine the strategy and understand the value of expanding the budget (ROI and how it will be tracked).






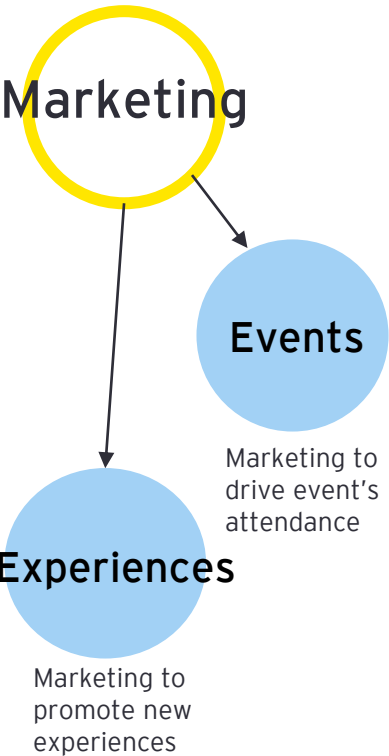
Detail support

1. Retain market representatives and continue to hold annual meetings. There is opportunity to optimize relationships with market reps by establishing measurable quantitative KPIs so Bal Harbour can quantify the return on investment from these relationships. By streamlining the data collection process and analysis, the Village can make data driven decisions on where and how much to invest. Additionally, holding more frequent touchpoints with the reps will allow the Village to closely monitor progress.
2. There is an opportunity to drive visitation from new source markets (UK, France, Germany and Middle East) using a targeted approach. Existing data indicates that European visitors travel to Miami but choose to stay in neighboring areas. Further refined data analytics can identify these new markets and specifically identify key submarkets where demographics align with the Bal Harbour visitor profile. Similarly, since the St. Regis is already exploring direct marketing to the Middle East, the Village should proactively understand these efforts and, where appropriate, supplement these efforts in support of the entire destination.
3. In digital marketing, Google Ads dynamically allocates the budget to campaigns based on their success, among other factors, so there is evidence of room for growth in the Village's digital marketing strategy. Investing 25%-35% further in digital marketing would increase ad exposure and could yield favorable results. An expansion of the campaign will allow for Bal Harbour ads to get in front of a larger audience. In an era where online presence influences travel decisions, consistent digital marketing to the intended audience is a best practice.



Tourism Operations and Marketing (cont.)

 Desired outcome	Bal Harbor will have the ability to measure ROIs on the relationships with market representatives, identification of new markets for outreach, determination of best marketing tools (digital) and optimization of investments.
 Bal Harbour's role/investment	Bal Harbour tourism team will lead this effort to engage with 3rd party market representatives in existing and potential markets.
 Prioritization & sequencing	The determination of KPIs to measure the return on investment in market representatives is of high priority given almost 30% of the marketing budget is allocated to efforts in key markets. Additionally, the Greater Miami area is already receiving visitors from certain markets (i.e., Europe) meaning the opportunity of capturing those visitors should be prioritized over other new markets.



Suggested Initial Tactical Steps

BH performance against leading practices



Tracking ROI for Existing Source Markets

- 1 Establish KPIs that align with and reflect the goals and objectives of the Village (e.g., spending, overnights)
- 2 Communicate KPIs to the market reps and agree on a strategy to achieve KPI targets (e.g., certain trade shows, market tactics, relationships)
- 3 Establish formal regular touchpoints to track progress and evaluate efforts and strategic direction
- 4 Monitor and evaluate ROI of each market rep by routinely checking progress against KPIs

Identification of New Markets

- 1 Identify key market indicators to filter, sort and establish potential markets
- 2 Leverage existing relationships (e.g., GMCVB) to make connections with the destination
- 3 Develop key questions and understand visitor profile to engage with destination reps to understand visitation potential

Digital Marketing Investment

- 1 Meet with digital provider to understand opportunities and potential outcomes of investment
- 2 Explore making an additional investment of 25%-35% in existing digital efforts

How EY can support:



EY can support the Village in identifying KPIs that will be used to measure the ROI on these market initiatives.



Tourism Partnerships



Current state

Bal Harbour has strong local relationships with destination stakeholders as well as a collaborative relationship with the GMCVB. Additionally, the Village is currently exploring a potential Sister City relationship with a town in Israel.



Strategic recommendation

- 1. National and Global partnerships:** Pursue and engage in collaborative relationships and partnerships with other domestic and global destinations, leveraging programs such as Sister Cities International to help facilitate the process.
- 2. Local and Regional partnerships:** Continue to strengthen Bal Harbour's relationship with the GMCVB and explore additional opportunities to collaborate.



Detail support

It is a common practice for destinations to create partnerships that lead to the sharing of marketing and branding, collaboration of joint events, exchange of visitors (particularly with those cities that have offsetting high seasons) and sharing of best practices related to destination management. These partnerships are cultivated locally, domestically and globally and exist between destinations and between destinations and other tourism organizations. The Sister Cities program provides a framework to create and cultivate those relationships.

Potential City Partners



- Carmel by the Sea, California, USA
- East Hampton Village, New York, USA
- Beverly Hills, California, USA
- Scottsdale, Arizona, USA
- Cannes, France
- Porto Cervo, Sardinia, Italy
- Forte dei Marmi, Lucca, Italy
- Monte Carlo, Monaco






Evaluation Criteria and Destination Characteristics

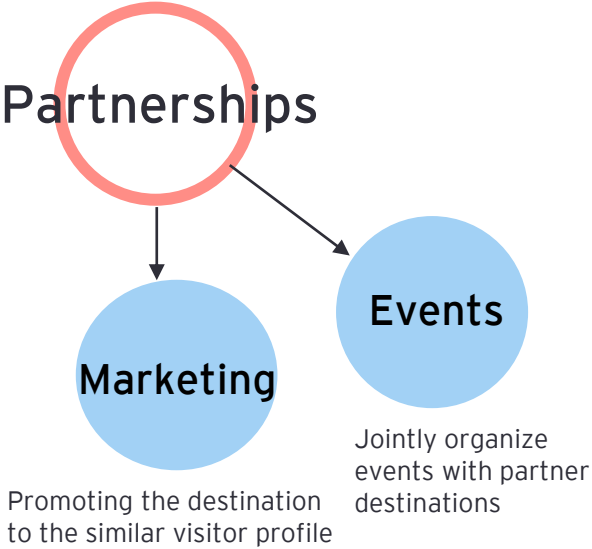
- Similarly established, wealthy visitor and resident
- Reverse seasonality
- Similar size - geography, population and visitor numbers
- High-end retail, shopping and fashion identity
- Seclusion, privacy, flying under the radar
- Proximity to major metropolitan area and international airport




Tourism Partnerships (cont.)

 Desired outcome	Bal Harbour would have several domestic and global destination partners to leverage for best practices, event and visitor promotion and collaboration on marketing efforts resulting in new target markets and repeat visitation.
 Bal Harbour's role/investment	Bal Harbour takes the lead role in establishing the process, identifying destinations and initiating outreach to targets.
 Prioritization & sequencing	The creation of strategic partnerships with domestic and international destinations is of high priority given the outcome of the relationship. However, the selection of optimum partners is of high importance in order to obtain a benefit in terms of attracting the right visitor and fomenting opportunities when it comes to hosting events.

Aspen has, in addition to 7 sister cities, a cultural partnership with San Miguel de Allende (Mexico) to collaborate and exchange experiences in the tourism sector including best practices in destination management, challenges and successes and to promote each other's cities as destinations and participate in joint activities.



 **Suggested Initial Tactical Steps**

BH performance against leading practices

1

Understand the Sister City program, its process, any costs and any required short-term and long-term commitments

2

Identifying Bal Harbour's goals and objectives for the Sister City relationship (e.g., sharing best practices, joint marketing)


3

Leveraging Sister City protocol and database to identify potential Sister City partners

4

Initiate outreach through the Sister City program using proper protocol

How EY can support:



EY can support the Village in identifying potential partners based on similar visitor profile as well as recent successful initiatives (i.e., marketing campaigns and events to promote the destination all-year round).



Event Facilitation and Development



Current state

Bal Harbour Village hosts and promotes a full calendar of events occurring in the Village, additional events are held and promoted by the Shops and the hotels. Most of these events target residents or local Miami visitors and do not drive significant interest or spend from the broader domestic and international communities. However, the Greater Miami area is host to a number of globally recognized annual events that drive overnight visitation.



Strategic recommendation

1. **Large, signature event:** Curate an annual signature event during off-peak times designed to drive overnight visitation and align with and promote Bal Harbour's identity. Such events can be achieved either through an affiliated event with one of Miami's existing global events or through the full curation of an entirely new event.
2. **Smaller events:** Enhance promotion of smaller events to draw local hotel visitors and attract broader intentional visitation from the greater Miami region.



Detail support

1. Leading destinations use events to drive repeat visitation and reinforce their brand identity. The option exists for Bal Harbor to conceive, develop and facilitate its own curated event. However, with several globally recognized annual events occurring in the Greater Miami region, Bal Harbour could leverage the existing brand, marketing and promotion of these events to host an affiliated event during the larger event (e.g., hosting an exclusive fashion event as part of Art Basel). In determining the most beneficial approach, the Village must weigh the benefits of the opportunity against the privacy of the destination, and given the destination's size, available amenities and visitor infrastructure (e.g., parking, venues) as there are fundamental limitations on the scale and format of an event hosted in the Village. Regardless of approach, the Village should use the opportunity to collaborate with key tourism stakeholders, including the hotels and Bal Harbour Shops to promote and enhance a unique signature experience. Further consideration should be given to the timing of such an event, as availability of hotels is more difficult during peak-season and the event creates an opportunity to partially mitigate visitor seasonality by drawing in visitors during the low season.
2. Bal Harbour effectively facilitates a full calendar of events, however, there is room to increase non-resident participation/engagement. Greater promotion of such events could support higher attendance and engagement from hotel guests and visitors in the greater Miami area.

Creation of an event affiliated with an existing Greater Miami event held in Bal Harbour

Luxury and private






Global Recognition

The selection of opportunities needs to consider the balance between Bal Harbour's identity as luxury and private versus global recognition and visitation enhancement.

Curating a new signature Bal Harbour event with global appeal that aligns with Bal Harbour's identity and scale

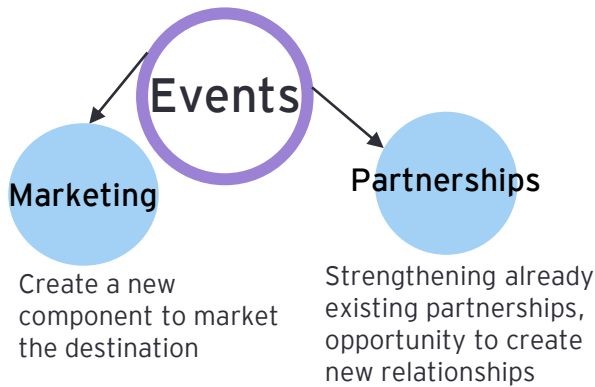


Event Facilitation and Development (cont.)

 Desired outcome	An annual event held in Bal Harbour that drives recurring visitation, increases spending during off-peak times and generates excitement among attendees while strengthening Bal Harbour’s global brand and identity. Additionally, higher attendance and engagement from hotel guests and visitors in the greater Miami area during smaller events.
 Bal Harbour’s role/investment	Lead role coordinating internal stakeholders, identifying and designing the event/concept, collaborating with partners and planning the execution.
 Prioritization & sequencing	Curating and hosting an independent signature event can strengthen Bal Harbour’s brand, but limited venues, infrastructure, cost and resources could make this option nonviable. However, hosting an event tied to one of Greater Miami’s larger events (Art Basel, F1, Boat Show) could be a viable alternative to drive overnight visitation, enhance the brand and expose new visitors to Bal Harbour while limiting investment and commitment. In parallel, assessing the existing distribution/marketing of smaller events and explore collaboration with hotels to market these events (Bal Harbour hotels as well as others such as Surf Club, Acqualina).

Grant Program:

Bal Harbour could create a grant program to partially fund events. By doing so, the Village could be involved in the event and engaged with the organization but not required to allocate significant resources to planning, orchestrating and hosting the event.



Example Event:

MONTE-CARLO FASHION WEEK



Suggested Initial Tactical Steps

Leverage existing activity in Miami

- 1 Collect data on the main events occurring in the Greater Miami area to understand strongest alignment with Bal Harbour visitor profile
- 2 Determine theme, what component of Bal Harbour’s identity should define the event (e.g., fashion)
- 3 Initiate conversations with event organizers to understand the opportunity and how to integrates with the larger event
- 4 Understand capacity restrictions within the Village (e.g., parking, venues) and explore potential partnerships (e.g., the Shops, hotels)

How EY can support:



EY can support the Village in identifying events and opportunities for Bal Harbour that align with identified goals and objectives and reflect the destination’s brand and reputation.

BH performance against leading practices



Increase attendance at small events

- 1 Hold conversations with the hotels to understand what might draw their visitors to events (what are their interests?) and improve joint marketing so guests know what is happening before arriving.
- 2 Explore the opportunity of broadening geographic marketing by expanding event promotion to hotels in neighboring areas (i.e., Surfside, Sunny Isles)
- 3 Explore opportunities to comarket events with Bal Harbour hotels (Bal Harbour could sponsor events at the hotels),



Experiential Facilitation and Development



Current state

Hotel operators express difficulties working and communicating with the Village when trying to create an experience or event for visitors – frequently dealing with a lengthy and inconsistent approval processes and limited transparency and consistency with Village rules and restrictions.



Strategic recommendation

1. Increase Coordination and Communication: Establish and facilitate purposeful recurring in-person meetings to foster collaboration and communication between the key tourism assets (e.g., hotels), and the Village. This will allow for greater transparency around restrictions and permitting, streamline approval processes and increase broad collaboration to create unique experiences for the Bal Harbour visitor.



Detail support

1. Destinations curate unique and exclusive experiences to differentiate their visitor experience and build interest, intrigue and demand in the destination. These experiences cover a broad spectrum and can include promotion of natural wonders as well as the curation of man-made experiences. In most instances the destination is not the creator of these experiences, but rather supports the development through approvals and promotion of the end-product through various marketing and communication channels. Ideally, these experiences are aligned with the destination's identity and help further and strengthen that identity. The Bal Harbour tourism team has an opportunity to harness their local connections and partnerships with hotels, the Shops and Village officials. By bringing these stakeholders together, they can foster an environment for open communication to find ways to enhance experiences while maintaining the existing culture and feel of Bal Harbour. This approach will enable the Village to understand the stakeholders' needs, exchange insights, maintain transparency regarding regulations and collectively explore the development of unique experiences throughout the destination.

Support private parties

- Bring team together and serve as main point of contact for issues or petitions to the Village






Collaborate on experiences

- Opportunity for exclusive experiences unique to Bal Harbour
- Consider new concepts and experiences within their assets (e.g., spa, pool deck, bars).





Experiential Facilitation and Development (cont.)

 Desired outcome	Open lines of communication and collaborative efforts between the hotels, shops and Village officials resulting in more unique experiences for Bal Harbour visitors.
 Bal Harbour's role/investment	Lead role, driving the recommendation and aligning with stakeholders during this process.
 Prioritization & sequencing	The establishment of a formal position to support the creation of unique experiences for the visitors is of high priority given the needs of the assets (hotels and the Shops) to satisfy the demands of travelers and keep up with growing competition not only with other destinations but also within the Greater Miami.

Example experiences where Bal Harbour could assist:



Culinary



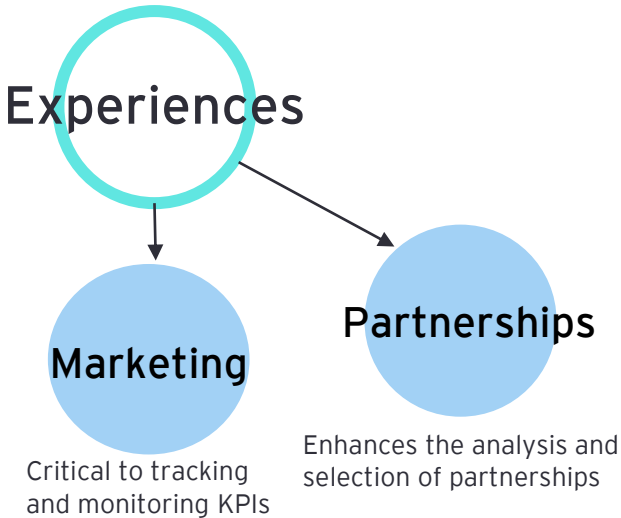
Beach activation



Wellness



Entertainment



Suggested Initial Tactical Steps

- 1 Meet with each of the hotels individually to understand what the issues are that they face and start the dialogue on improving transparency and streamlining the process for any permits/approvals
- 2 Organize and facilitate quarterly meetings with hotel general managers to discuss upcoming events and planned experiences and identify any permitting requirements or Village approvals
- 3 Educate key members of the Village, to understand the unique perspective of the lodging community and what their goals and objectives are and how the city can support to enhance overall experiences within the Village

How EY can support: EY can support the Village by preparing a communication plan with guidelines to follow to promote participation and transparency.





Tourism Product



Current state

The Village has limited input on investment in the Shops and hotels. However, Bal Harbour has control over the new Community Center space and the proposed Jetty renovation. The Community Center offers a valuable amenity to the Village, but limits access to residents only. The Jetty, yet to be constructed is designed to beautify and activate the public access point of the beach.



Strategic recommendation

- 1. Activating Public Spaces:** Explore opportunities to better activate Bal Harbour's public spaces, drawing in visitors and building stronger tourism products and marketing opportunities to drive visitation to the hotels, the Shops and restaurants.
- 2. Prioritize the visitor experience in future developments:** Visitor experience should be a crucial part of the discussion for all public space developments, including the Jetty and other future public space projects.
- 3. Marketing and promotion of key assets:** While the Village does not control key tourism products (e.g., hotels, the Shops) continued marketing and promotion of the destination will encourage continued investment by ownership in these assets.



Detail support

Bal Harbour has developed or is developing key public assets within the Village, notably the Community Center and the approved but-yet-to-be constructed Jetty renovation. Both offer the Village opportunities to further activate and promote the destination to visitors.




Waterfront Park & Community Center: The Community Center offers a tremendous benefit to the community, with outdoor activities for kids and indoor space for events and rainy days. However, the space remains solely for residents, leaving guests of the hotels without access to one of the key Village assets. Bal Harbour should open the space to hotel guests, allowing families to use the amenities for entertainment as the hotels have limited entertainment for children. Additionally, offering this amenity to hotel guests gives the Village the opportunity to market this amenity. With future projects on the horizon (new Village Hall and new amenity in the existing Hall) the approach taken here for existing assets should be considered and incorporated into future projects and amenities.




Jetty and Cutwalk Renovation: The Jetty and Cutwalk located at the northern tip of the Village is a well-used but unrealized amenity that provides unique ocean views. Currently used daily by walkers, bicyclists and fishermen, it was most recently renovated in 1986. The Village has already approved plans to renovate with construction slated to start in 2024. The Village should secure partnership opportunities with F&B vendors (possibly a local hotel) to activate and monetize the space by offering coffee, drinks and snacks to visitors, beach goers and residents.




Tourism Product (cont.)

 **Desired outcome**

Bal Harbor will have the ability to measure ROIs on the relationships with market representatives, identification of new markets for outreach, determination of best marketing tools (digital) and optimization of investments.

 **Bal Harbour's role/investment**

Lead role. Assess how and to what extent each of the public assets can be activated and monetized for visitors.

 **Prioritization & sequencing**

There needs to be ongoing efforts around the activation of public spaces. Initial conversations around opening the Community Center should start immediately as well as how the Jetty can be activated with its construction planned to start in 2024. The Village should also consider the inclusion of visitors in future projects (i.e., City Hall).

Examples of public space activation:



Malibu, California



Pier 15, New York City

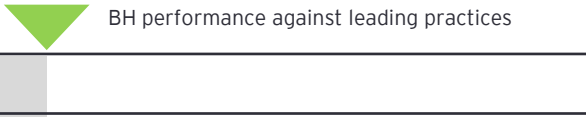


South Point, Miami Beach



Suggested Initial Tactical Steps

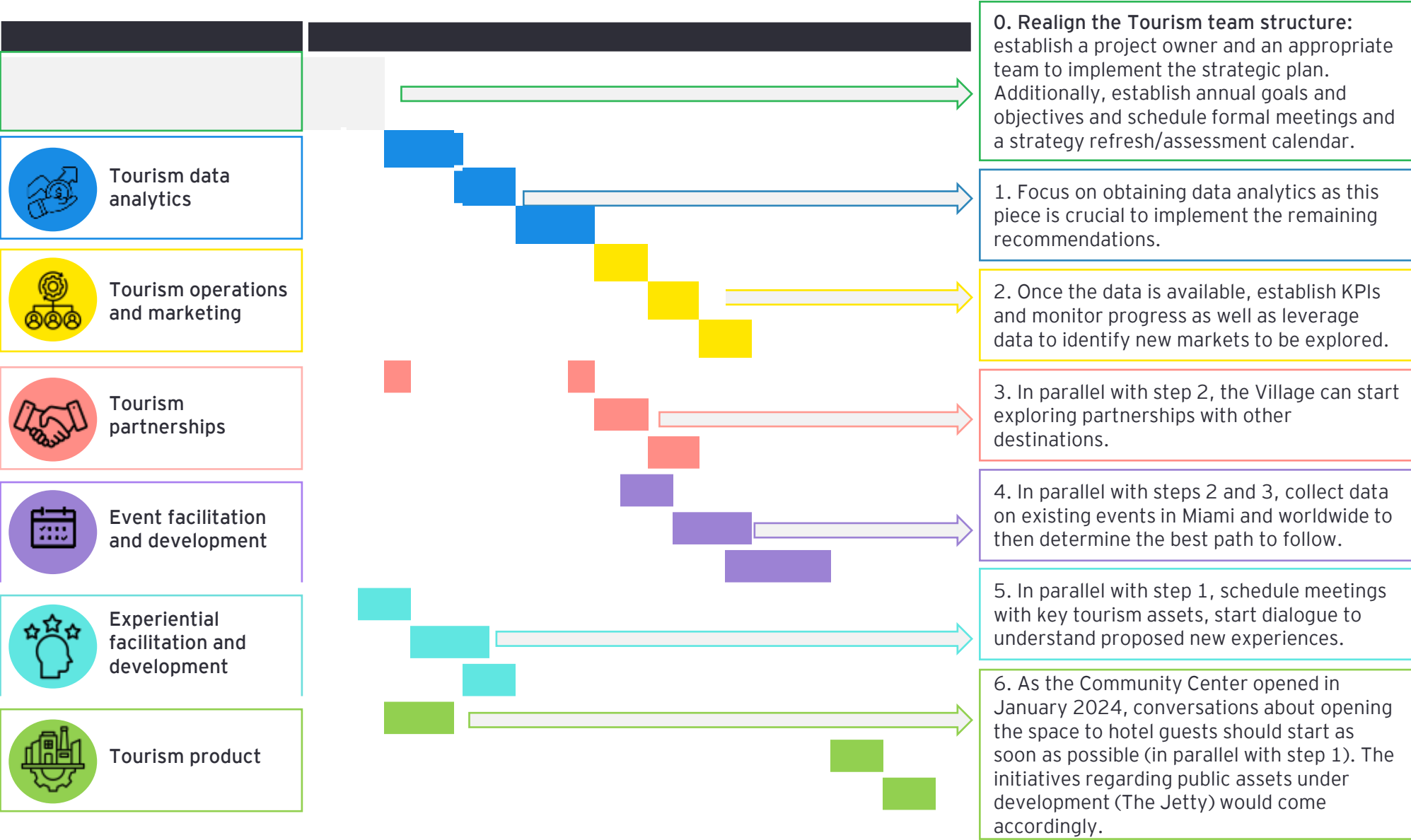
- 1 Gather potential use data around the value of opening the community center to hotel guests and how would hotels promote this space
- 2 Facilitate formal discussions around the value to the whole Bal Harbour experience if the Community Center is opened to hotel guests to complement the hotel offering and offer a family friendly activity
- 3 Explore opportunities to drive visitation and monetize the amenities (e.g., discuss F&B options with potential vendors)
- 4 Build out marketing campaign that promotes the amenities and attracts the target visitor



How EY can support: EY can support the Village in understanding areas for growth and monetization; and identification of potential ROI in order to target strategic investment.



Tactical steps timing relative to the implementation of each recommendation



The background of the page is an aerial photograph of a coastal city. In the foreground, there is a sandy beach and turquoise water. A large, semi-circular pier extends into the water. Behind the beach, there are several high-rise apartment buildings and a line of palm trees. In the distance, more city buildings and a body of water are visible under a clear blue sky. A large, semi-transparent number '9' is overlaid on the left side of the image.

9

Appendix - Pending

About EY

EY is a global leader in assurance, tax, transaction and consulting services. The insights and quality services we deliver help build trust and confidence in the capital markets and in economies the world over. We develop outstanding leaders who team to deliver on our promises to all of our stakeholders. In so doing, we play a critical role in building a better working world for our people, for our clients and for our communities.

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