DECLARATION OF MICHAEL PALMA

- 1. My name is Michael Palma. I have been a business member of the Ocean Drive business community since 2002. I have been an Ocean Drive business owner since 2007. I have lived in Miami Beach and the Greater Miami Area for the past 18 years.
- 2. I am the Executive Vice President, Southeast United States, for Jesta Hotels and Resorts. Jesta Group owns The Clevelander, located at 1020 Ocean Drive, as well as The Essex House (located at 1001 Collins Avenue) and The Stiles Hotel (located at 1120 Collins Avenue).
- 3. I hear from guests from these properties on a weekly basis. They are constantly complaining about getting hawked and attacked while walking down Ocean Drive. They tell me that they find it very annoying, and it creates a terrible experience having to deal with it.
- 4. Employee hawking dumbs down the customer's experience on Ocean Drive, and degrades the customer's entire experience on Miami Beach. It turns off the customer base and it is tacky. People have told me that they are reluctant to come back to the area because of this atmosphere.
- 5. Guests who stay at The Clevelander, for instance, will walk along Ocean Drive during their stay. By the time they leave, they have been hawked 20-30 times and will not come back.
- 6. I am also the Chairman of the Ocean Drive Association. We have a Code of Conduct that our members of sidewalk cafes must agree to the terms of and sign in order to be a part of the Association. Unfortunately, we do not have the authority to police and enforce our Code of Conduct and some operators continue to perform the hawking and aggressive selling.
- 7. Addressing the hawking practices on Ocean Drive has been an on-going conversation for the past 15 years.

- 8. When you try to have a conversation with some of the owners of the places that have a reputation for hawking, the first thing they will tell you is, "The guy next door is doing it, so we have to do it as well." They refuse to acknowledge the negative consequences of this behavior.
- 9. The hawking of these "deals", "discount specials" and "freebies" disrupts the entire business community on Ocean Drive. Every customer is now looking for a "deal" or "discount" and they will not sit down and enjoy your café unless you offer one.
- 10. The bad actors on Ocean Drive need to stop playing games and focus on the quality of the experience they are offering. If you have to hawk, you aren't providing a quality customer experience, rather, you are dependent upon price points and confusing the guests who pass by. The sidewalk cafes on Ocean Drive need to focus on their food and beverage offerings (getting away from the giant fishbowl drinks made with cheap liquor), and most importantly they need to focus on the service they are providing. We want all guests of Ocean Drive to share positive experiences with their friends and family.

I verify under penalty of perjury that the foregoing is true and correct.

Executed on July 8, 2019.