

TO: Board of Governors of Exhibition Place And Chief Executive Officer, Exhibition Place

FROM: Cerise Fine Catering

DATE: January 28th, 2018

Subject: OBJECTION TO THE PROPOSED CONCEPT OF AN ELEVATED BRIDGE CONNECTING HOTEL X AND BEANFIELD CENTRE

The following is a summary justifying some of the reasons for our objection to approve the concept of an elevated bridge:

- 1. The past 5 years have been difficult to operate the Beanfield Centre largely due to the ongoing construction of the Hotel X and the related noise, look and feel surrounding Beanfield. Delays after delays continued to mount with no explanation given to Cerise or Cerise's clients. The disruption that occurs during construction has been stretched from the initially expected 2 years to now more than 5. Finally Cerise and it's clients can hopefully see the construction end only to now have it begin again.
- 2. The proposed construction of an angled bridge will be again disruptive especially as penetration of Beanfield is required with all of the related noise and construction consequences. Inside of Beanfield will therefore be effected and thus further negatively impacting on our ability to operate.
- 3. The location of the proposed connection is such that it will permanently eliminate the best and most often used conference room at Beanfield. The lost revenue that will be associated will detrimentally affect Cerise as well as Exhibition Place. Cerise pays Exhibition Place a percentage of its revenue and Exhibition Place further charges other fees, including room rentals; all of which will be lost if this is allowed to go forward. While cost estimates seem to have been done on the actual design and construction, the lost revenue to Exhibition Place and Cerise have not been reflected in these figures. As a result the total cost of the bridge is currently unknown. Accordingly, we urge that this figure be calculated before consideration to building the bridge gets advanced any further.
- 4. The report suggests that "the bridge will allow these two facilities to meet the industry requirements". Industry requirements have not changed in the past 5 to 10 years, being the period when Beanfield and Hotel X have been constructed. If the presence of the bridge is so crucial then it would have been addressed By Norr Architects when they rebuilt Beanfield and/or by Exhibition Place when they



- approved the design of both Beanfield and Hotel X. Yet no such was deemed necessary.
- 5. Currently Beanfield is closed unless there is an event and then access is restricted to the areas where the event takes place. This provides a safe and secure environment to the guests attending Beanfield events. The proposed connection is such that it will open access to entities and to areas outside of Beanfield thereby requiring additional costs to staff, maintain and operate Beanfield. This too needs to be considered and included in determining the total cost of the bridge.
- 6. Given that both Beanfield and Hotel X are now virtually complete, why not wait and see if the use of Beanfield and/or Hotel X actually requires the bridge at all. Given that the bridge was not part of the design of either of the buildings, clearly adhering to an industry requirement is merely a speculation of a need, at best. Why not wait and see if it is actually the case?
- 7. One of the selling features in our marketing of the Beanfield Centre is its wonderfully maintained heritage status. Many events were very much swayed to Beanfield simply because of the historical integrity of the property. Clearly the proposal will negatively impact this and the only unknown is the degree. This too needs to be studied and lost revenue ascertained in order to get a handle of what the actual cost of this bridge is.
- 8. It appears that the cost of this bridge is being wholly absorbed by Exhibition Place yet Hotel X, which is a private enterprise, presumably is the benefactor and thus supporter. Is this the best way to use public funds?
- 9. Cerise, during its tenure at Beanfield, has had to absorb a number of operating challenges which were either a surprise to it or were in direct contravention of what Cerise was able to rely on when it entered it's agreement with Exhibition Place. These include:
  - Muzik was allowed to operate events and now have been allowed to fully directly compete with Cerise, while Liberty Group was given preferential contractual treatment by Exhibition Place
  - Cerise has had to suffer through years of Hotel X construction delays and forced to operate in the noisy and often unsightly environment as a result
- 10. With Hotel X construction finally being largely limited to indoors, Cerise has finally been able to operate Benfield in 2017 with only limited disruption. As a result, and with its full and unwavering commitment, Cerise has been able to have its best year yet. The result has been that Cerise has paid Exhibition Place over \$1,000,000 in commission fees alone in 2017. Exhibition Place benefited further by its ability to charge room rental and other fees in addition. Put simply, with the physical disruption finally being minimized, Exhibition Place received substantial income from Cerise. To



now jeopardize that on nothing more than a speculation that a bridge is required, and to do so without even knowing the other costs beyond direct construction, is unfair and certainly not in the best interest of Exhibition Place or Cerise. For this reason we urge the Board to either turndown the bridge proposal or, at the very least, delay the decision until all the costs are known. In addition, even if the Board turns down the decision but the Chief Executive Officer is able through actual use and actual experience establish the need for the bridge, the Board is able to reconsider, once the need has actually been established.

We would welcome the opportunity to present our thoughts at the upcoming Board meeting.

Sincerely.

Mateus De Campos General Manager Cerise Fine Catering

c.c: George Friedmann Greg Fender Hadi Monavar Jason Hougard