



## MERCHANDISE MART PROPERTIES, INC.

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March 18, 2009

Commissioner Timothy F. Hagan, President  
Commissioner Peter Lawson Jones  
Commissioner Jimmy Dimora  
Board of County Commissioners  
1219 Ontario Street, 4<sup>th</sup> Floor  
Cleveland, Ohio 44113

Dear Commissioners Hagan, Jones, and Dimora:

This morning *The Cleveland Plain Dealer* ran an editorial that asked six questions about the suitability of the Mall site for the proposed Medical Mart and Convention Center. We believe you should know our response to those questions.

1. Is There Really Enough Exposition Space?

Yes. The Greater Cleveland Partnership report in August, 2008 indicated that the ideal size of exposition space should be 300,000 square feet. Conventional Wisdom, a recognized convention center expert hired by the County, advised that the Cleveland marketplace should have a facility that is 250,000 sf to 300,000 sf in size.

Our proposed plan at Mall B and C will provide 268,542 square feet of exhibition space. Forest City has proposed that their site can also provide 270,000 sf. But as our March 17 letter points out, they are calculating the area by including the support spaces required. That is wholly inappropriate and inadequate. Our figures for the Mall site do not include the support spaces. The attached drawings clearly indicate these differences. We are calculating the Forest City exhibition area at 226,687 square feet.

2. Does The Need For Lower Ceilings Under Lakeside Avenue Fatally Compromise Some Of That Space?

No. The impact of the Lakeside Avenue crossing over the convention space has been incorrectly described by Forest City. The area of impact currently is only 62 feet wide, not the 108 feet as erroneously depicted by Forest City. The existing ceiling height is 19 feet 6 inches, not the 17 foot figure also erroneously depicted. In addition, this

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condition only impacts 6% of the floor area, not the 11% Forest City has described in its public presentations.

Our plan potentially will allow the floor elevation to be lowered, so the height could be increased in this limited area to 20 to 21 feet. We have researched the issue and believe that the existing conditions under Lakeside Avenue will have no impact on the marketability and use of the facility. Conventional Wisdom has also confirmed that this condition will have no impact on the use of the facility.

This issue was also researched by The Cleveland *Plain Dealer* reporter Joe Guillen who reported on March 14, 2009 that this was not an issue:

"Two nationally renowned convention-industry insiders from Cleveland dismissed the notion that the swath of dropped ceiling would be a problem.

Mike Julian, national sales executive for a Cleveland-based conventions general contractor called George E. Fern Co , says it is "not a deterrent."

"I've been in the business for 40 years, and I do not believe that would have any impact," said Julian, whose firm produces roughly 1,000 shows per year around the country.

Chris Fassnacht, president of Expositions Inc. in Cleveland, agreed. His company produces consumer shows - such as the last 16 Greater Cleveland Home & Garden Show events. "

### 3. How Would The Interior Of Public Hall Be Changed?

The interior of Public Hall will be renovated and all new life safety systems installed. The facility is structurally sound and in excellent condition, and it will be restored to its original condition. It was suggested by Forest City in their presentation that we would install a truss and a suspended ceiling in order to "demise" the auditorium. That concept is false and misleading and a product of their fertile imagination. We are keeping the ceiling heights as they currently exist. By way of comparison, one of the most outstanding and highly used ballrooms in Chicago is the Grand Ballroom at Navy Pier. Those ceiling heights are over 100' and it has not been a deterrent to holding events in the space. The space is spectacular, and we fully expect the auditorium to remain a vital and vibrant component of the new Medical Mart and Convention Center.

### 4. If Almost 300 parking Spaces Under The Mall Are Eliminated, Where Will Those Vehicles Go?

There are almost 7,000 existing parking spaces within a 5-minute walk of the existing Convention Center and over 21,000 parking spaces exist within an easy 10-minute walk. The loss of 300 spaces is insignificant to the total available parking today. In addition, those out-of-town attendees to conventions, conferences, and tradeshow who

chose to drive are far more likely facility to park at the hotel parking lots where they will stay.

It should be noted that available parking spaces near the Forest City site are 25 to 30% less than near the Mall site.

5. Would Mall C Be Raised So Much That The Pedestrians On Lakeside Could No Longer See The Lake?

No. Once again, the renderings developed by and publicly presented by Forest City incorrectly show the impact the raising of Mall C will have on the views from Lakeside Avenue.

Yes, Mall C will be raised. The existing level of Mall C was never raised as was Mall B. To level the floors and maintain the necessary 30 foot ceiling heights both Malls will have to be the same elevation. Because we are keeping Lakeside Avenue at its existing elevation, there will be a one block area where the Mall will be terraced along the street. Views from the Mall will *not* be eliminated. The viewing plane will be raised but the overlook and the lake vista from the Mall will remain. The only area where the view will modified is at street level for approximately 300' in the one block area between City Hall and West Mall Drive. The renderings shown on the front page of *The Cleveland Plain Dealer* and in the Forest City web site represented as being supplied by MMPI were, in fact, created by Forest City and are not accurate, and do not reflect the actual images shown by MMPI to the Planning Commission on March 13, 2009.

In addition, the new glass curtain wall on the north end of the Convention Center will give it a view of the lake and one of the most spectacular views from any convention center in the United States. The natural light will provide a tremendous ambiance for any show.

6. What Will Differentiate A Rebuilt Hall From The Current, Antiquated Convention Center, Which Meeting Planners Shun?

The new Convention Center will be a state of the art, modern and efficient facility; it will be totally different. The column spacing will be increased from 30 feet to 90 feet. The ceiling heights will be improved from less than 20 feet to 30 feet. A fully accessible truck dock will be available to all sections of the facility. The Center will feature state of the art audio visual equipment in all meeting rooms as well as fully renovated theater spaces that are part of the adjoining Public Auditorium building. Connection to the new Medical Mart that will house permanent medical showrooms will help drive business to the facility and provide a dramatic and dynamic focal point to the facility. The new glass curtail wall will provide natural light and spectacular views.

The current Convention Center is not being selected by meeting planners because of column spacing, height restrictions and tired finishes, all of which will be corrected with the new facility. The new entry pavilion and surface amenities will serve to create a new entrance to raise the visibility level of the entire complex. If the objection is to the facility being located below grade, that is the same situation that exists at the proposed Forest

City site. Their convention center space is located 50' below street level and visitors will have to escalate down to the convention floor. We are at a loss to explain how this can be itemized as a "mall site" deficiency when Forest City's site has the same issue.

The Mall site also offers a unique opportunity for aboveground construction to generate opportunities for the surrounding area to be renovated and upgraded in the future. This will help to jump-start the Cleveland economy. There is no such opportunity at the Forest City property, as the site is basically "landlocked" by the river and existing developments.

Our recommended plan for the Mall site will ensure the integrity of the Burnham plan, includes an appropriate and historically sensitive restoration of Public Auditorium, and incorporates the necessary requirements to provide Cleveland a state of the art and highly competitive facility. The Mall site and Public Auditorium also provide a critical first-mover advantage, and the medical market place will come to Cleveland first. This gives us a great competitive advantage versus other cities which may seek to host a medical mart.

Best regards,

A handwritten signature in black ink that reads "Mark Falanga" followed by a stylized flourish or initials.

Mark Falanga  
Senior Vice President