Carmen's Group 77 James Street North, Suite 300 Hamilton, Ontario L8R 2K3 Spectra Venue Management 10 Mac Nab St South Hamilton, Ontario L8P 4Y3

Good Day Mayor Eisenberger and Members of Council,

On February 5, 2018, Carmen's Group submitted a letter to Hamilton City Council expressing interest in operating the convention centre and the Core Entertainment venues, inclusive of FirstOntario Centre, FirstOntario Concert Hall and The Studio. Subsequently, Hamilton City Council recommended that city staff develop a process for Carmen's Group and Spectra / Live Nation to provide options to: A. Continue to operate the venues each presently manage on the city's behalf, and/or B. Operate all venues, including those presently managed by the other operator.

Over the course of the past few months, our two organizations and the city have met to explore potential collaborative working arrangements for the operation of the three venues. In the end, we all agree that it is in the best interest of the City of Hamilton, as well as our two organizations, for each of our companies to focus solely on our present operations. Subsequently, our companies would prefer to negotiate multi-year extensions to our current management agreements.

By forgoing the RFP process, Carmen's Group will continue to focus on aggressively driving convention, trade show and new event activity at the Hamilton Convention Centre. Concurrently, Spectra / Live Nation will use their unparalleled expertise and reputation within the entertainment industry to continue to grow the industry profile of the Core Entertainment venues, and further drive first-class entertainment and live events for audiences in Greater Hamilton.

Moving forward, Spectra / Live Nation and Carmen's Group also intend to explore potential collaborative opportunities between our respective organizations and venues, as well as reinforce our mutual commitment to work with the City, to ensure that the entertainment and convention venues are utilized to their full potential.

We trust and are hopeful that this decision meets with your approval, and we look forward to continuing to do great work that will improve the cultural and social vibrancy of this community now and long into the future.

Most Sincerely,

Tim Murphy Regional Vice President Spectra Venue Management

Riley O'Connor Chairman Live Nation Canada

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PJ Mercanti Chief Executive Officer Carmen's Group