

**MINUTES OF THE PATERSON BOARD OF EDUCATION
SPECIAL MEETING**

November 23, 2020 – 5:39 p.m.
Remote - Zoom

Presiding: Comm. Kenneth Simmons, President

Present:

Ms. Eileen F. Shafer, Superintendent of Schools
Ms. Susana Peron, Deputy Superintendent
Khalifah Shabazz-Charles, Esq., General Counsel
Boris Zaydel, Esq., Board Counsel

Comm. Vincent Arrington
Comm. Jonathan Hodges
Comm. Manuel Martinez, Vice President

Comm. Nakima Redmon
Comm. Corey Teague

Absent:

Comm. Oshin Castillo-Cruz
Comm. Joel Ramirez

Comm. Simmons read the Open Public Meetings Act:

The New Jersey Open Public Meetings Act was enacted to insure the right of the public to have advance notice of, and to attend the meetings of the Paterson Public School District, as well as other public bodies at which any business affecting the interest of the public is discussed or acted upon.

In accordance with the provisions of this law, the Paterson Public School District has caused notice of this meeting:

**Special Meeting
November 23, 2020 at 5:30 p.m.
Remote - Zoom
90 Delaware Avenue
Paterson, New Jersey**

to be published by having the date, time and place posted in the office of the City Clerk of the City of Paterson, at the entrance of the Paterson Public School offices, on the district's website, and by sending notice of the meeting to the Arab Voice, El Diario, the Italian Voice, the North Jersey Herald & News, and The Record.

REPORT OF THE SUPERINTENDENT

Ms. Shafer: Thank you, Mr. President. Good evening, Board members and Paterson community. I just have a couple of announcements. Starting November 30, which is Monday, we will now be able to distribute meals seven days a week. We have been distributing meals since March for five days a week. Starting the week of November 30, we'll be distributing meals on Mondays and Thursdays. We changed from Wednesday to Thursday. Parents will pick up meals on Monday for three days and Thursday for

four days. Children will get meals seven days a week. The times and the sites are the same. They are on our website. It's 10:00 o'clock to 1:00 o'clock. Our Thanksgiving game is Wednesday night. At 4:45, we are starting with the king and queen of the high schools. Then we are moving into senior night where the parents will come with their children who are seniors. Then we'll move into game time which is 6:00 o'clock. You must have a ticket for the game. You'll have your temperature taken. You must wear a mask and social distance. We'll have our security folks in the bleachers making sure that there is social distancing and no gathering together. I want to thank all of our staff and administrators for all of their hard work during the pandemic. We have been remote since September. I also want to thank our parents and our students who are logging on every day and our parents for supporting us as we continue to move through these trying times. I want to say Happy Thanksgiving to everyone out there, including our staff, our administrators, our parents, and families. I know that during this difficult time, there is something that we can all be thankful for. Happy Thanksgiving to everyone! Please enjoy the time off, but be safe. Wash your hands, wear your mask, social distance, and please no gatherings so that no one gets sick. Thank you all and God bless you.

DISCUSSION ON THE HINCHLIFFE STADIUM PROJECT

Ms. Shabazz-Charles: Obviously, we've had some discussions at length about what's on the agenda today. But being a Paterson resident, I realize how important and significant this is to the School Board and to the residents. I thought this would be worthy of a discussion. Basically, what is on the agenda today is the Hinchcliffe Stadium project and the amended lease agreement. As you all know, there was a lease agreement passed about a year ago. However, in an effort to try to move forward with the project and after some review by different financial institutions, it's been required that there be some amendments. With that, I'm going to turn this over to my law partner, Calvin Souder, who heads our real estate and redevelopment division and who has significant experience in development of this nature. For the benefit of the Board members, although we've discussed this in committee, but also for the residents who I know take an interest in this, I thought it would be a good idea for him to go through the lease and some of the changes, to give some insight into his opinion about the lease and the deal, and just an overall explanation for the benefit of the entire Board, but also the public. With that, if someone can unmute Mr. Souder he can begin to outline for everyone what documents are before the Board and maybe give a brief synopsis to the community at large. Thank you.

Mr. Calvin Souder: Thank you. As Khalifah noted, we've talked about this at length. I know that on various occasions and through different forums, the members of the Board have made significant comments and asked a plethora of questions on what is happening here and really understanding the ins and outs of this deal. It's really been a pleasure working with everyone on it and I think we've gotten to what I would say is the interim goal line, if you will, for this project. As I've explained to everyone before, and I guess this is somewhat more for the public than for the sitting Board members, this particular scenario is what we will commonly refer to as a P-3, or a Public/Private Partnership. The three parties at the top are the School Board, the City of Paterson, and RPM Development, which is a local development company that specializes in building low-income housing throughout the State of New Jersey. They are in other states as well, but New Jersey has been a focus of theirs for the last 15 plus years. They particularly specialize in developing in low-income areas and providing a quality product at a price point that otherwise most developers just don't put the effort into getting. I'm going to do my best to simplify it, but I also think that in order to do the project justice, I need to explain some of the complexities of the project as well. In order

for this project to happen the way that it's happening, there's an intention of transfer of property from the School Board to the city. That transfer of property is really just an exchange that is happening in order for the stadium to be rebuilt. The leasehold interest that we will be talking about, which will be a lease by the city and the developer to develop the land, will be the transfer of a piece of property which is where low-income senior housing will be built. There's also a parking garage that will be built that will help pay for all of these different items. It's important to think that we need to pay for all of these items at some point. If folks have been paying attention to the news, you'll see that the Governor has just extended what we commonly refer to as earned tax credits in order to make this project happen. There is something called low income housing tax credits that are being utilized in this project as well as new market tax credits, which is just simple phrasing for a very complicated tax structure that is being used in order to make this project a reality, which then requires the different banks to come into play in order to pay for this deal. I think it's also important to note that a stadium like this would not be built or utilized by anyone other than typically high schools, elementary schools, and municipalities. They really don't have any value outside of that. It's really hard to build these stadiums, let alone take a structure such as Hinchcliffe Stadium that is roughly 100 years old and do the renovation that is needed in order to preserve that stadium. Just so that everyone is clear, no other municipality in the State of New Jersey has been able to accomplish that. Every other stadium of this grandeur, when the municipality or the School Boards have gone and tried to save them, the structural deficit was so significant that it became impossible and those relics became rubble. We have something different here. We will be rebuilding this particular property and adding onto it. Some folks may have heard that there is a goal here for the Negro Leagues to have some sort of historical significance that remains here on this site. The New Jersey Hall of Fame is being pushed to go onto this site as well. This is really a major win for the people of Paterson. I have to give kudos to the School Board and the Superintendent for having the foresight to be able to put a deal like this together and working with all of the political minds out there. We have to give kudos to the Mayor and his administration for working with the School Board in getting this done and all of other parties that are part of this particular project. Back in 2009, there was a shared services agreement between the School Board and the City of Paterson in order to deal with some of the School Board's assets that were not being properly utilized. The focus of that is mainly the Hinchcliffe Stadium deal. It's taken 11 years to get to the point of finding a developer who can do the project, finding the money to put all of this together, and working with the state in order to make this particular project happen. That's a very high-level explanation of what's happening here. I'm welcome to take any questions from anyone if there are any gaps to fill out. I will note that we did work on the project to make sure that a couple of things happen. Folks may see things like the lease term appears to go out to 2065. The reality of it is the option to purchase leasehold interest allows for us to come back in after roughly 15 years and purchase the leasehold interest. It's important that we refer to it as a leasehold interest because the School Board is not selling the stadium. They are creating a legal mechanism to be able to rebuild the stadium. A big part of that is a vacant lot that has been vacant for the entirety of the time the stadium has been there, using that as leverage to rebuild the stadium. At that particular point in time, the School Board will be able to go back in and take over the stadium themselves. I think that's very important for folks to know. I think it's also important to know that the way the agreement is written, the School Board will be the main user of the facility. In this world that we live in, people throw out what I like to refer to as red herrings and they may say the School Board only gets to use the facility for a portion of the time. The reality of it is that on June 1 every year, the School Board gets to choose 180 days in order to utilize the stadium. Any days beyond that between them and the redeveloper where the School Board will want to utilize the stadium, the School Board will have the right to do so. They just need to provide some

sort of notice. The weight room would be utilized by the School Board in its entirety. There is no limitation on the weight room. The use is intended for the School Board so that for the next 100 years, we can continue to see more children run down those tunnels, which we don't get to see anymore. I had the good fortune of running down that tunnel as a young kid and glad to know that potentially one day my own children will be able to run down that tunnel. Although some people would refer to it as the house that Ron Dame built, we get the opportunity for a lot of other kids to put their stamp on the stadium. I think this is a great deal to represent the School Board on this deal. It's a pleasure to be a part of this. As I noted at the last meeting that we had with the School Board members, this is really something that we should be championing through the community. This will be an example that they use throughout the country in order to save otherwise dead or dying significant facilities over time.

Comm. Simmons: Are there any questions from Board members?

Comm. Hodges: Would you go over the various parts of this agreement please, the sale of the Jasper Street property and then the actual terms to the lease?

Mr. Souder: I can get into it in different levels. Please feel free to throw other questions at me about that. There is a vacant lot that sits adjacent to the property. It's never been utilized by the city or by the School Board. We refer to that as Lot 7. The School Board will be transferring that lot to the city who will then be selling that lot to RPM Development for the purposes of building a low-income housing senior project. That's the sale portion of it.

Comm. Hodges: The property on Jasper Street?

Mr. Souder: The vacant lot. I just want to make sure before I go on that there's no confusion about that particular piece or if you want me to go more in depth about the sale of that particular lot.

Comm. Hodges: Go ahead. I just want to make sure that we are talking about the same thing.

Mr. Souder: Then there is the leasehold interest which is what you're looking at. You should look at it as the amended and restated lease. That document is a 75-year lease term. However, the lease term goes back to 2009 when the original shared services agreement was written between the School Board and the City of Paterson. You need to read the lease agreement with the option to purchase leasehold interest agreement because they'll be addendums to each other. Let me go through the lease and then I'll go into the option to purchase. That lease agreement requires RPM Development to maintain the property on behalf of the School Board. By maintain the property, we should be thinking of the larger ticket items, such as the plumbing, the snow removal, and things of that nature, including the larger maintenance and upkeep items. The average day-to-day use is going to be utilized by the School Board. The School Board will be responsible for cleaning up after and before itself. If they need to utilize it for something, they need to leave it clean when you leave. You'd have the keys. You'd be responsible for cutting the lights on and off. The private developer would then have the ability to utilize the land to rent it out to try to help offset the cost of maintaining the property. After all the bills are paid, they'll do what we commonly would refer to as profit sharing. We will call it additional rent for legal purposes. There's additional money from the leasing out of the facility. Let's say the city leases it to have a carnival or there's a small band that comes to town or something of that nature and they rent it out and make money off of it. They would be responsible for keeping it clean, maintaining it through

that process, and after all of the bills are paid for the property, you would sit down at the end of the year and you would split that. Any additional funds after all of the bills are paid would be split. Half of the money would go to the School Board as additional rent and then the redeveloper would keep the other half of those funds. There're really not many other uses for this type of land. It's highly unlikely, with the exception of some of the personal uses, that we would get anything else on the land during that time period.

Comm. Hodges: Who determines what the actual costs are going to be for various venues? As we know, this is how businesses write off profits, by determining what the costs are. What is the district's role in monitoring the actual cost for each of these events?

Mr. Souder: There is a committee in the lease that is formed. That committee would consist of representatives from the School Board, the Superintendent being one of them, as well as members from the city. The administration would have someone, as well as the City Council and the redeveloper. That committee would meet quarterly to go over any decision-making in reference to the property.

Comm. Hodges: Okay.

Mr. Souder: I talked a little bit about the 180 days. That brings us to the option to purchase leasehold interest. Once all of the tax credits are paid for, which is a very complicated tax structure, it's about a 15-year period that goes into making sure all of the tax credits are paid for. At the end of those tax credits, there's going to be less restriction on transferring the property. At that point in time, the option to purchase leasehold interest is a mutual option between the developer and the school district to sell the property back to the School Board. The developer can say they want you to buy it, the School Board can say we want to buy it back, and then it goes to a mutually agreed upon price for you to be able to buy the leasehold interest or fair market value. The reality of it is there's only one user for this type of facility and that would be the School Board. Absent another entity being able to buy it, the fair market value is basically zero at that point in time. It will be a seamless transition back to the ownership with the leasehold as well as the fee simple which are different ways in which we look at ownership for the School Board to have full control of the property back. At that point in time, the School Board would then be fully taking over the maintenance responsibilities of the facility. That's the three agreements. I can answer any additional questions in reference to any of those three agreements if you'd like.

Comm. Hodges: What if there's somebody else that comes in and decides to bid against the school district?

Mr. Souder: What do you mean bid against the school district?

Comm. Hodges: They can think of another reason to use the stadium and they want to purchase it.

Mr. Souder: You would have an agreement. The purpose of having the agreement in place now is to significantly limit any other entity's ability to come in and do something like that. The other part of this is that they only have a leasehold interest. The leasehold interest that you'd need to deal with, you'd have the financial structure that is put in place here. You have about five other partners on the financial side that would need to agree. That could throw off the tax credits and the use ability of those tax credits. That would be highly unlikely. It would need to go through the committee and then the Board would need to vote to relinquish its right to buy the property. Then you

would have to come up with a mechanism for the actual sale. That is an extremely unlikely scenario.

Comm. Hodges: I'm very concerned about those unlikely scenarios. That's my problem. My question is the cost they'd want to charge the district for the rights. What would that be?

Mr. Souder: What do mean charge the district for the rights?

Comm. Hodges: When it comes time to purchase the rights.

Mr. Souder: Are you referring to the option to purchase?

Comm. Hodges: That's right.

Mr. Souder: We get there. And what's the concern?

Comm. Hodges: We're chronically underfunded. What would be the price?

Mr. Souder: One of the things we did in the document is we tried to deal with that. Obviously, most of what I would refer to as Abbott school districts, we rely on funding from the state heavily. Typically, you don't have the ability to say that we are going to write a \$600 million check or whatever it may be. In that vein, what you want to be thinking of is the School Board needs to be able to afford it. Also, the parties have to agree to a price. Then we go out and look at fair market value in the event that you can't agree on a price. All of that said one of the linchpins to this is that the School Board needs to be able to afford it.

Comm. Simmons: When you say afford it, you mean afford the purchase? Or are you referring to maintenance?

Mr. Souder: The purchase, because the maintenance can be dealt with in many different ways by different entities. The cost of maintenance is subjective.

Comm. Hodges: If we can't agree on the price, what happens at that point?

Mr. Souder: You'd go out and get some appraisers.

Comm. Hodges: Say we can't afford the price.

Mr. Souder: We start there. If you go through the option to purchase leasehold interest, step one is the School Board needs to be able to afford to purchase it. They can't force you to buy it if you cannot afford to purchase it.

Comm. Simmons: That just leaves us locked into that longer period.

Ms. Shabazz-Charles: I was going to jump in to address that. I think what we are glossing over is these things are if we want to exercise an early option to go in and say we want to purchase the remaining leasehold interest that we gave you. Basically, we want to buy back some of the time that we agreed to. If we don't have the money, then we won't go forward and request to get the property back early.

Comm. Hodges: We'll wait the 65 years and then it will revert to us.

Comm. Simmons: Correct. During that time period, if we don't exercise that option, does the development company still maintain the property?

Mr. Souder: Yes. Just so everyone is clear, once we hit the option period you can invoke that option at any time. Let's say that in 2040 you look at it and say you want to purchase it now but you can't afford it. You're able to squirrel away a couple of chips and in 2045 you can go to the developer and say now you're ready to buy it.

Comm. Simmons: Any other questions?

Comm. Teague: I hate to keep going back to the other point with the 180 days. There's still a lot of people out there who still don't understand completely what that means. They still feel like they're going to be subjected to a short period of time or not allowed to use the facilities. They're still not clear on that so if you can just rehash that really quickly again.

Mr. Souder: Not a problem. If you read the agreement, the agreement relies on a 180-day use period for the School Board. On June 1, there's an expectation that the committee we spoke about would meet. The School Board would say here are the 180 days that we are going to use the stadium for. That doesn't include the weight room because the weight room you will be able to use every single day of the week. It's just the stadium portion, if you will. Given that particular piece, you have absolute first right on those 180 days. After the 180 days, then the developer gets to say they want to use these dates. If there is any overlapping in dates, the contract is very clear that the School Board gets first choice. If there are days where things come up, that committee can reconvene and the School Board can say they didn't know they were going to win the state championships in football and soccer. We're going to have a ticker tape parade that starts at the stadium, goes around town, and goes back to the stadium. There's a mechanism to do that here. The underlying intent of the document, and we tried to actually directly draft it as best we can, is that the School Board has first priority and right to use the stadium.

Comm. Teague: Okay.

Comm. Simmons: Someone just texted me a question about the profit-sharing portion of it. I understand that if the development firm does events or hosts a carnival or concert or something and they take that profit to offset, I know there is some profit-sharing in that. What if it's something like a football game where the district is charging an entrance fee and doing concessions? Does that profit get shared also?

Mr. Souder: No. It would only be funds that the redeveloper would be making at that time.

Comm. Simmons: Do we have someone representing the development firm?

Mr. Souder: I don't see anyone on the screen here representing the redeveloper.

Ms. Shabazz-Charles: We may be able to get in touch with someone if need be. Would you like to start with the question with us to see if we can answer it?

Comm. Simmons: There have been some rumors about a funding gap. I wanted to know if there is a funding gap, how it affects the project. Initially, when this first came to us, we were getting an eight-lane track. Then it came back that we can only get six lanes. I wanted to make sure that if there is a funding gap, number one, if that's true,

and how it affects the project. Is anything else going to be cut? I know that there is supposed to be the restaurant and the museums. Are any of those in jeopardy of being cut to fill the funding gap?

Mr. Souder: Here's what I know and unless there are some other things that are happening, then we would need to get them on the phone.

Comm. Teague: I have a question.

Comm. Simmons: Hold on, Comm. Teague.

Mr. Souder: It's my understanding that some of the things originally thought of were more design issues than cost issues. Adding two lanes to a track to go to eight from six significantly reduces the playing surface in the area between say the football or soccer field and being able to use the field for multi-purposes. It's extremely limiting the uses. To give you an example, a football field and a lacrosse field are far narrower than a soccer field. If you want that use and not have kids going from grass or turf to a track, which would be very dangerous, you have to take some of those things into consideration. There were rumors of a funding gap that became evident upon the expiration of the earned tax credits. When I started off this discussion, I spoke about the fact that the Governor and the state legislature extended the earned tax credits just for this property, which would have left a \$20 million gap in the project. It's my understanding that that's been resolved and all of the other amenities like the Hall of Fame are all being worked out from a configuration standpoint within the LYTEC property that is going up next door. The last conversation I had with the developer, those things were still happening. Again, the way the documents are written we protected mainly the stadium to be built. We pulled back some additional land to make sure that the stadium is ADA-compliant. As much as we wanted to make sure that we could write those types of additional amenity spaces into the project, because of the various types of tax credits which we are using we needed to make sure that the main structures got built so we couldn't write them into each of these agreements.

Comm. Teague: Mr. President, can you see the chat there? I believe the BA had a question about the snow blowers as to how long they can leave the equipment at the stadium.

Ms. Shabazz-Charles: I've been seeing the chat and I've also had a conversation about that. Unfortunately, that would be something that I couldn't answer today because that was an issue that was just raised. I'm sure from a practical standpoint the developers have been shown a willingness to work with the district. If it's practically possible, I'm sure they'd be willing to work with us. If it's going to create an issue for what they need to do to move forward, then obviously we're going to have to address that. Unfortunately, I wouldn't be able to give you an answer or anything specific as to the timeline because this issue was just raised.

Comm. Arrington: What happens if the funding runs out during the rehabilitation of the stadium? Does the project just stop half-built?

Mr. Souder: Could you restate that question for me, please?

Comm. Arrington: What happens if for some strange reason the funding runs out on this project halfway through the building of the stadium? Does the project just stop?

Mr. Souder: That's highly unlikely because it's a tax credit deal. Once we get the closing that means the money is there. These aren't unskilled home flippers who don't really know the cost of cabinetry or don't utilize the risk appropriately. They've built in all of the appropriate safeguards. More so than anything else, what should be comforting to the folks on this call and the community as a whole is that there's requirement for them to bond the cost of the deal. The entire cost of the deal will be bonded in very beginning. There is a company out there that will have to pay for the project one way or the other.

Comm. Arrington: Okay, that makes sense. What about cost overruns? What if that happens? Would that bonding protect us also?

Mr. Souder: What you should look at from your standpoint is the cost of all these things doesn't affect you. It's on the redeveloper to get it done. As we go into the bonding space, that's where we are protected and the key is making sure at this stage we've done this thing right and it's been drawn up the way that everybody wants it drawn up. Change orders for the longest have become the reason why municipalities and quasi-governmental institutions don't build things. We look to the P-3 so that we can have these experts put together these projects in the way that we know will work. There's a general contractor that will be utilized. There's a contract that's put in place and we really shouldn't deviate from that. If there are some bells and whistles that folks want, they need to make sure we discuss those before the project is fully financed. It's a common thing in the public sector that we go back and say we didn't think of that 90,000 square foot Megatron that we wanted because we wanted our stadium to be like the Dallas Cowboys' stadium. Then we spend five years searching for a bid for somebody to do it. They lie to us about the price and then the cost keeps going up and up. The beauty of having a P-3 is that they go and get a general contractor. They use a contract that limits the ability for them to come back and ask for any more money significantly. You have a contractor who then loses out if they can't get everything done. Once we start looking at change orders, unless there are change orders that are being specifically requested by the school district, the redeveloper has to figure it out.

Comm. Arrington: When would be the planned completion date of this project? Do we know? Has that been determined yet?

Mr. Souder: I believe the estimated completion date is December 2022, but they usually build in additional time. I don't see it as being more than an 18-month buildout once we get started.

Comm. Arrington: 18 months once everything is signed?

Mr. Souder: I don't want to say once everything is signed. I'd say once we close.

Comm. Hodges: Is the restaurant part of the project?

Mr. Souder: The restaurant would be a component of the low-income housing in the senior building. That's a part of the new market tax credits. You have to have 20% commercial retail space in the residential. That's where we get the restaurant and the Hall of Fame.

Comm. Hodges: That's not going to be part of the profit sharing?

Mr. Souder: No.

Comm. Arrington: The restaurant and the Hall of Fame are not in the stadium. They are in the housing.

Mr. Souder: Right.

Comm. Arrington: I thought they were part of the stadium.

Mr. Souder: You can't put it into the stadium. Think of the facility and what it is. The city's Historic Commission, which you guys have a member here, would never allow for the demolition of a portion of the stadium to put a restaurant into that facility. You'd have to do some really massive renovations in demolishing of the stadium to accomplish that.

Comm. Arrington: I thought the restaurant was for our use and purpose. It sounds like it's different. The restaurant will be a commercial restaurant for a vendor.

Mr. Souder: Yes. I think that's what you want. I know it sounds good to let us do it, but I don't think you're going to be able to sell cafeteria food to the general public. You want to generate traffic to the site. Part of what this will do is it will make this a vibrant site for people to come and entertain themselves as people go to the Great Falls and you have the new parking deck over there creating an amenities package that has them spending money there. Think of activating the community and not just the school. There are other aspects to this that we should be thinking about. You're creating a walkable area. Right now, you have a lot in the falls in an abandoned stadium.

Comm. Hodges: The money from the lot - where does that go?

Mr. Souder: What money from the lot?

Comm. Hodges: When the lot is being used, I'm sure they're going to charge a price for parking cars. Where does that money go?

Mr. Souder: That lot is owned by the city. It has not been our purview to have anything to do with that particular lot. That's part of an agreement between the redeveloper and the city.

Comm. Hodges: I'm just trying to get the parameters of what we have available here. We don't have the restaurant and we don't have the funds from the parking lot.

Mr. Souder: I can tell you how to look at this differently. It's not necessarily a question of whether or not this thing is generating funds. You're getting close to \$100 million renovation of your stadium for free. That's what you're getting. And it will be maintained by all of these other activities that are going on. If you are looking at this and not necessarily understanding the full dynamic, it may seem like the developer is getting a restaurant and they are going to make money off of this. You're getting a stadium. I don't want to understate that right there. You guys have the last one left and you have a developer coming in who is going to redevelop it and has spent close to \$1 million to be able to come in and help you do it.

Comm. Hodges: I appreciate all of that, but I want to make sure that all of the terms are very clear to us.

Mr. Souder: That's fine. I can make sure the terms are clear, but if you're trying to see where fund are going to come in, when the stadium is utilized for something and there's

a cover charge that is being used by the developer, once all of the costs are paid off if there's something there. That's the revenue stream if any.

Comm. Hodges: The reason the stadium went into disrepair is because the district couldn't afford to repair it and maintain it. What I have to worry about going down the line is where the funds are going to come from for maintenance of that stadium once we have control.

Mr. Souder: I think you should look at it from a standpoint that if there is no revenue, they're required to maintain it.

Comm. Redmon: Dr. Hodges, in our last committee meeting about this, I think we asked the district to start trying to set aside some funds so that if we ever obtain this property again we'll start having funds that will be needed for repairs for the stadium.

Comm. Hodges: But when the decision comes between education versus recreation, education will win out. That's the concern.

Comm. Redmon: I understand that. We asked the Superintendent and the BA to start looking at some fund resources so that we can always try to keep that line item for that.

Comm. Hodges: Again, in 20 years we won't be here. If we are facing a situation where we are laying off teachers and increasing class sizes versus updating, repairing, or maintaining a stadium, that's going to be a very difficult conversation to have. That's why I'm trying to find out what the actual parameters are, what's available to us, and what isn't. I'm just putting it on the table.

Mr. Souder: I think you should also look at it as that if you had those revenue streams coming in and for whatever reason there was not enough tax revenue being generated in the City of Paterson to cover a large onslaught of students coming into the community or something of that nature, whoever is sitting as Board members, whoever the Superintendent is at the time, there's going to be tough decisions that need to be made. That's going to happen whether you have the stadium or not. I think you should also remember that the stadium is not costing you anything. You'll get this asset that's back in play that, realistically, you may be able to use to help you. You have a venue unlike any other venue that would exist. You can make the decision to say that you need to do a couple of carnivals or call Ringling Brothers and get them back in business or something to that extent and get a full onslaught of events where your students may not use the 180 days, but it becomes a revenue generator to help you prop up the education in the district.

Comm. Hodges: I understand that. The problem was that in the past they did not find the funds, which is why the stadium went into disrepair.

Mr. Souder: But I think there should be a level of understanding that there used to be a world where folks thought a magic bullet would come along. As we talked about this at the last Board meeting, what we discussed was a real need to sit down and look at the budget and say what it takes to run this. If we are going to run it and maintain it, we need to make sure that we put the appropriate budget in place. Far too often, if you go back and you look at those budgets from the 1970's and 1980's, particularly after we had a flight from certain communities, the money was just not put there. There was not even an attempt to maintain these properties. By the time you turn around and look to the state for the money, then some really difficult decisions needed to be made. We have to plan better and there's no way around that. Even if you put a restaurant there,

for all intents and purposes it could become an empty space if nobody comes to that side of town to go into a restaurant. If murders are happening around the stadium, nobody is going to go to the Hall of Fame. It's not going to be a destination that people go to. Just because you build it doesn't mean that people are going to come into those revenue-generating things. I can tell you as a real estate attorney that the biggest asset that has lost its value is retail space right now. The lack of demand for restaurants is unbelievable. To put one of those on your asset sheet really wouldn't help you much. It wouldn't help add value and you don't know if it would be something that would generate the type of revenue that you would need to run the stadium anyway. I highly doubt that of any restaurant. You can put Cipriani's in there. You're talking about millions of dollars needed to run a stadium appropriately. You are going to have to have other funding mechanisms to do it. You're going to need to, as a group, sit back and say "How are we going to make sure every year in the budget?" We know that we need to put an extra half a million dollars aside so that 20 years from now we're in a position to leverage our assets in a way that we can make sure that the major renovation that needs to happen at that point can happen, such as the re-haul of the bathrooms and the resurfacing of the fields. You have to plan for it. There's just not going to be a way around that and a restaurant would not give you that.

Comm. Hodges: Hence, the reason for this discussion is to detail what we do have financially.

Mr. Souder: Yes, but I would be remiss if I didn't say that you as a Board need to plan for it. Whether it's this Board, the next Board, or three Boards down the line, it needs to be something that if I was the Superintendent and the chair of the Board, I'd put significant focus on in my strategic planning for next 15 to 20 years. You have the ability to do that now. You have the ability to put that strategic plan together and then whoever comes along will have to live with it or either change it for better or for worse. That would be within their purview and the people who would have elected them to do so.

Comm. Redmon: Mr. President, your BA is giving some suggestions through the chat.

Comm. Simmons: Is he talking about the baseball game tournaments and things like that?

Comm. Redmon: That also. He also asked a question about the equipment. If this deal is going to go forward, how long will the students be able to leave their equipment in the stadium at this point?

Comm. Simmons: General Counsel answered that earlier. She would have to have a conversation with the developers.

Ms. Shabazz-Charles: Just as an FYI, I want to just go back. For some of the questions, Mike Powell, the Director of Economic Development for the city, is now on the call. I believe there were some questions regarding the funding gap. Perhaps some of these other issues can be at least raised to him and then we will do a follow up regarding the location of equipment. But Mr. Powell is on the call to address other questions regarding the funding gap. It is in fact accurate what modifications will happen to the stadium. I believe that's where we left off.

Comm. Simmons: The question was that there are rumors about funding gap. If that is the case, how is this project affected? Will we not get the restaurant? I know Dr. Hodges just had a conversation about the restaurant. I know he said that it's part of the

housing portion of it. I also thought that the restaurant would be in the space where we actually keep our equipment. At least that's what I remember seeing.

Mr. Michael Powell: I'm here. Thank you so much for continuing to partner with us and making this project possible. Yes, there is a funding gap. This is tied in with construction costs that are happening across America tied in with COVID and a whole bunch of other challenges. We got some terrific news last week that the Governor has basically, in a nutshell, ensured that the projects that we put forward are going to happen. Most of the funding gaps that we have right now are happening and are tied in with a veto that he's ultimately put \$20 million back into the Paterson area in particular, which is a testament ultimately to Hinchcliffe and I think the partnership that the city and the School Board has put forth. I think all the Board members here deserve a huge round of applause in terms of being able to help us make the case that the Hinchcliffe Stadium is one of the largest public-private partnerships that hopefully we can get some national recognition around. I think we're going to be able to fill that gap.

Comm. Simmons: If you can't?

Mr. Powell: We will.

Comm. Hodges: How large is that gap?

Mr. Powell: The gap is about \$9 million now. That was part of the challenge that we had when the construction costs came back in terms of some of the things that went on with concrete and some other things. Yes, there is a funding gap. It's tied with construction costs, with prevailing wages, and other elements that have changed over time and again, mostly because of COVID.

Comm. Martinez: Vince, maybe you can type your question into the chat because there's a bit of a delay and echo. We can't really understand very well. Mr. President, while we're waiting for Vince, quick question. It was our understanding in preliminary renderings that we saw that the restaurant component and the potential add-on for the museum space were going to be connected to the stadium. I'm not sure if it's in the interior. From the renderings, if I'm remembering correctly, it was on the outskirts.

Comm. Simmons: It's on the outside. It's actually in the space where we store our equipment. That's why there are questions about the equipment.

Comm. Martinez: Right. Mike, could you provide a little clarity? The restaurant and the museum components, are they still slated to be where the equipment is held? Is it going to be attached to the residential component?

Mr. Powell: It's to be connected to the side that's closest to Mary Ellen Kramer Park. We have been working with the district. Eileen and the entire facilities folks have been fantastic in finding a way for us to joint venture with our DPW department as well as the facilities folks at the school district to find a home for all that stuff so you guys aren't burdened with it and we find a real solution that's going to help us bring an exhibit hall and ultimate restaurant to the area or some combination therein that will help us ensure that we can build some testament to the reality of civil rights in America and to the separation of race and class that we really want to lift up in terms of what the significance of the stadium is nationally.

Comm. Martinez: Got it. As you're walking from Mary Ellen Kramer up the hill towards the stadium, it will be right there. It will be connected to the stadium itself, not on the

opposite side where the residents are. It's in keeping with the renderings as we saw them.

Mr. Powell: Correct.

Ms. Shabazz-Charles: Mr. Powell, I just want to make sure that I'm clear because I do know that this was asked by several Board members. At this point, the Governor has approved funding.

Mr. Powell: Yes, there's a conditional veto that the Governor has provided that provides us an extension to ensure that all of the projects Paterson put forward are going to get done. He put an additional \$20 million into the pot in terms of ensuring that because of the reality of COVID and beyond that there's going to be some construction overruns. I would like to say that the majority of the focus has been on Hinchcliffe Stadium's basic significance. I think it's also one of the more complicated projects in the State of New Jersey, which is also part of what the Governor sees as important. I don't want to belittle the work of the legislature and our delegation in particular. We got this done in a month. Between Benjie, Shavonda, and Nellie Pou in particular, the fact that we're able to get the extension and all of this stuff worked together, it really shows an importance in terms of the significance of the project, the importance of the partnership between the city, the state and the school district to do something important. Yes, that's currently where we stand now and we're excited about it.

Ms. Shabazz-Charles: At this point, there isn't any concern about the project being modified in any significant way from what we at the district understand it to be, which is the rehab of the stadium, the restaurant, and the exhibition center for the Negro League. All of that is still full fledged ahead as we sit here today.

Mr. Powell: Correct.

Comm. Arrington: The reason why the eight-lane track was taken out, is it a physical problem like the runoff on the field? Why was the eight-lane track eliminated? That's a possible major revenue generator. I just want to understand why it was taken out.

Mr. Powell: I don't have my architect here. We can talk about that any time you want. I'd be happy to provide a report to the Board in terms of where we are. But I believe that between the concrete limitation of the space and how much we can do in terms of regulation fields as it relates to baseball/soccer, we're doing a multi-sport facility here in one space. It seems like the track was the one issue that was going to be challenged. We did the best work around that we could. I think we actually added a lane that was pursuant to the City Council. I played soccer and basketball. I'm not really a track guy. I would defer to Khalifah on that because her son is really good at this. We did the best we could. We had to also keep the historic fabric of the site because it's a national historic landmark. Again, there are certain compromises that are tough there in the sense that records in terms of meets that happen there are only going to be tied to Hinchcliffe as opposed to national standards. This is part of the reality that you have when you have a national landmark stadium. Again, I would argue that this is the one and only mechanism for bringing it back.

Comm. Arrington: How many spaces are in that parking deck?

Mr. Powell: I am not the President. I am the Economic Development Director. I'm trying to help the city in my best ability to do what Manny Martinez believes is important. I believe the spaces change a little bit based on construction costs. I believe it's about

300 spaces which I think will help the neighborhood and several of the redevelopment projects that are happening. Not the least of which is Vista Park, which I'm very excited about, Hinchcliffe Stadium itself, the senior housing that's going to drive the neighborhood, as well as the fact that there's not enough neighborhood parking as it is. I would actually give City Council credit for pushing on the senior housing component because it doesn't burden the school district.

Comm. Arrington: The parking lot is really for neighborhood. What does it mean to our fans that come to games from out of town and from in town? Will they have parking for the games? Does that question make sense?

Mr. Powell: It's all about equilibrium. We have to make sure that we can find a way to pay debt service as well as make sure that we build a project and take advantage of the citizens that are there. The goal is to always make sure that there's going to be adequate parking for the neighborhood, meaning folks that come to the stadium for events. There are different ways that you can intervene in terms of timing and pricing and other things. That's part of what will continue to be worked on over the course of the next year and a half as we move to complete the project.

Comm. Arrington: When we have football games, our fans are going to have to pay to park?

Mr. Powell: No. I think we can allocate a certain percentage of public parking elements to the stadium. But I think we have to keep in mind that there was never a parking garage at Hinchcliffe Stadium. This is part of the challenge that we have with kids, at least in my generation. You know what we used to do? We used to walk.

Comm. Arrington: I understand. We have fans coming in from out of town also. I just want to be clear. This is to you, Mr. President. We need to have that documented somewhere because it seems kind of open-ended for our sporting events.

Mr. Powell: The tax credit structure is mandated specifically for Paterson that 51% of the total project has to include parking. Without that, you get no tax credits. We've put together a project that's going to include the revitalization of the stadium, the creation of housing, and ultimately parking. This is the only way that we can get these credits to work. The parking has to happen. I'm not trying to be cavalier at all. I'm trying to be completely open and honest in terms of what's arguably one of the most complicated projects in the State of New Jersey outside of the Park Tunnel. We have to find a way to make the parking work, particularly. But you're making great points. This is exactly what we have to figure out and it's good to hear from the Board in terms of how best to suit the site in such a way that's going to work for the district as well as all the other...

Comm. Hodges: I still don't get the answer to his question about the parking. It will be first come, first serve? Neighborhood versus an event? Or will the event have priority? How will that be handled?

Mr. Baye Adofo-Wilson: I can jump in. There are 315 parking spaces. 75 are dedicated to the housing and the rest are dedicated to the stadium.

Comm. Arrington: They keep using the term neighborhood parking. I don't understand what means, doing air quotes.

Mr. Adofo-Wilson: The events are during the daytime. Obviously, there's residency parking overnight. If there's a game or something, primary use is for the school district. Overnight parking would be for the neighborhood residents.

Comm. Arrington: Like Dr. Hodges said, is it first come, first serve?

Mr. Adofo-Wilson: For overnight, we'll probably do a decal or a monthly for overnight parking.

Comm. Arrington: But what does that mean for us on a Friday night football game? We have 300 fans coming in from Clifton or Hackensack. Are they going to be driving around looking for a parking spot in the ward because they can't park in the parking deck?

Mr. Adofo-Wilson: In that regard, we have 250 parking spaces. I guess it would be first come, first serve. If it's 1,000 people, that may be an issue. We don't have 1,000 parking spaces, we just 315. Our goal is to provide the school district with the priority parking. If there's an issue on game nights, we'll make sure that we notify folks that it's a game night and we give the mixed accommodations for the fans.

Comm. Arrington: I hate to get into the weeds, but it's the type of person I am. I think there are some details. Obviously, I love this project. I just want to work out some of the finer details.

Mr. Adofo-Wilson: In terms of the parking, there are 315 parking spaces. That's the parking deck that we got approved. That's what we got approved.

Mr. Powell: I would also like to point out the fact that we're also building a garage across the way at the visitor center. The idea is to transform the entire area, not to take any one singular project as some sort of panacea. What we're trying to do as an administration is connect Hinchcliffe Stadium to the Vistas, to the visitor center, to parking adjacent, to Argus, which includes parking, as well as Lou Costello Park and beyond. This is how the whole neighborhood begins to completely revitalize itself. There are all sorts of different drivers that are going to have to change based on market realities. We're building this stuff in the middle of COVID. We didn't imagine that we would have this type of situation. Thank god we're doing an outdoor stadium versus some sort of indoor arena or something like that. These are the types of things that we are working through in real time and will be continuing to engage the Board each step of the way to make sure that we try to mitigate any of those types of factors. But I think we all agree that a Hinchcliffe Stadium that's reborn is better than one that is not.

Comm. Hodges: The exhibition hall for the Hall of Fame will be part of the housing. Did you say it would be adjacent to the stadium? Where will it be located?

Mr. Adofo-Wilson: It will be where the current public works building is now. I think Comm. Martinez asked a question earlier. It is physically connected to the stadium. There's a walkway that connects the stadium to the restaurant. It's also the only place in the stadium where there's actually cooked food. It's really the restaurant primarily for the stadium attendees, if you want a burger or something. The existing historic structure didn't have space to cook food. Because the building is 100 years old, we couldn't find a place to cook. The restaurant would be that place. It would be connected. It's a part of the stadium that is the closest to the falls.

Comm. Simmons: There's no longer a concession area?

Mr. Adofo-Wilson: There's a concession area and also a place for a restaurant that's attached. You have two places to eat.

Comm. Simmons: Are you saying that the concession area doesn't allow food to be cooked?

Mr. Adofo-Wilson: Yes. It's not a restaurant. It doesn't have the ventilation because of the historic structure, but you will have warm food and the restaurant is there. The restaurant is attached. It's really a place where you cook for the stadium.

Comm. Simmons: That's problematic.

Comm. Hodges: Yes, that's a problem because that revenue doesn't come to us.

Mr. Adofo-Wilson: Yes, it does. All of the revenue that's in the stadium is split between. That comes to you.

Comm. Hodges: We were told that we would not get the money from the restaurant. Which one is it?

Mr. Adofo-Wilson: The food from the restaurant is primarily for the stadium. That's where you cook food for the stadium. There's no ventilation system in the existing building.

Comm. Hodges: We need to have that spelled out directly in the lease that the restaurant is part of the revenue sharing. Right now, we're being told that it's not.

Comm. Arrington: Mr. President, I thought the restaurant was a retail space totally separate from the stadium.

Comm. Redmon: That was never part of the renderings. When we first saw the renderings, they were always connected. It was never a separate entity.

Comm. Simmons: They're saying the actual ownership of the restaurant.

Comm. Redmon: When they presented it to us, it was supposed to be tied together with the school district.

Mr. Adofo-Wilson: It is tied together with the school district. It's been tied together the entire time.

Comm. Hodges: Then we need to have that in writing.

Mr. Adofo-Wilson: It's in the lease. It's in the agreement.

Comm. Arrington: I thought I heard that the restaurant was in the apartments.

Mr. Souder: Hold on one second. I stated because of the documents that were given to me and the way that they look. The point is clear now that we need to look at the revenue. I was shown the restaurant versus this being more so of a glorified concession stand. That's what I'm hearing the developers say right now. It's a good point and we should clarify that within the document. I think the Board is right on point. It's not clarified in the way that the document is currently written. We should clarify it so

that there are no ifs, ands, or buts. We can itemize that revenue and where it's going to go. If it is now connected to that and it is something that can be utilized for the falls, which was outside of what my initial review of everything suggested, then we have to clarify that.

Mr. Powell: I just want to be very clear. This is about finding a way to make a project successful.

Mr. Souder: But that's the point, Mike. That's exactly what I want to do. That is the point. We all want the project to be successful. There is a point of clarification here that the Board needs. We'll give them that clarification. I don't think that it's outside of anything that we all are on the same page with. When it comes to the way that the profit-sharing revenue section was written, we still can accomplish it, but there needs to be a level of specificity added to it. That's all I'm saying, Mike. We're not getting away from it. I actually think what just came out is for the benefit. I think the members of the Board and questions that we were getting, and someone can tell me if I'm wrong, they like the fact that there are additional revenues being generated for the stadium. If it's going to be generated as people now have a better walkway and path to the Falls, now you do have a source of revenue coming into the stadium that otherwise would not have been there when there isn't a game or something of that nature going on.

Mr. Powell: That's right. I'm a fiscally conservative guy. The reality of the situation is that we're trying to be uber-conservative in terms of any revenue-generating elements of this. We see this as a public goods, public private partnership where we don't want to overemphasize. In fact, most of what the development team has done is whatever revenue comes in goes into reserves to help with the maintenance of the stadium long term so that we never get here again. I want to be clear that the intent here is to be uber-conservative. My dream is that all of these projects connect together and we create a multi-cultural hub in terms of the history of the city and ultimately the nation in terms of the importance of understanding our history, but that it benefits children, the neighborhood, and the city at large. This is not an easy project. It's one of the more complex ones. Again, I appreciate the Board's understanding of that. I'll stop talking now.

Comm. Hodges: That was exactly why I asked the question in the first place. It's because of what brought the stadium to this state of disrepair. It was the lack of funding. I really want to delineate it very clearly that money from the restaurant does get split with the district. I want to see that in writing and make it very clear. I need to know about the exhibition hall and where those funds go so that the district is set up down the road so they don't fall short and be once again in the same situation where it's education versus recreation. That's what the district faced back in the 1990's. They had to make a decision and they made a decision and that's why the stadium went into disrepair. We have got to make sure that all of these items are specified, written out clearly, and there's no confusion like we had tonight. We need to spell it out clearly for the rest of the Board as we're making this decision.

Ms. Shafer: To that point, I would also want to add to the issue around parking. As Vince said, you want to get fans to come from other communities to watch the games and that also generates revenue as well as the parking revenue. But you're not going to be able to do either one if you don't have convenient parking at the stadium for fans to come. Whether it's giving the folks that have overnight parking or monthly parking a discount for that particular month when we have home games, they move their cars during the time of the game, and then they can bring them back. But whatever that is, I think that needs to be in there also.

Mr. Powell: That's fine. I think that's great, but don't forget that it's all one project. At the same time, debt service has to be paid for in different ways based on the different elements of it. I just want to make that known.

Ms. Shafer: I get that, Mike. But this is also about the kids and about the events that are going to be there. We don't want to have this nice big stadium and it's empty. The whole point of having a new stadium like this is to be able to bring the community together as well as the opposing team's community to cheer on the teams and that also generates revenue. You're not going to be able to do that if people can't park close by.

Mr. Adofo-Wilson: Maybe I should go back a little bit. The goal was to be a partnership and it's 180 days that are dedicated to the school district. It's primarily for the use of the school district. The school district is first. It's a partnership and I think it's always been a partnership in that regard. Whatever days you want to have in the context of football games or soccer games or whatever, the intent was that the profits would be split and that's what we said in the initial agreement. If that's what you want, I'm fine with it. For us, the goal is to get it done on time and on budget. Whatever questions or concerns you have, we have been in that space the entire time. I understand that the school district needs funds for the entire process. Mike is right. We have conserved the economic model. The debt service that's there is minimal mostly because we have tons of tax credits. At the end of the day, if they want the net profits to split, I'm fine with that. I was fine with it before and I'm fine with it now.

Comm. Hodges: We just need to have that in writing.

Mr. Adofo-Wilson: That was in the initial agreement that we had.

Comm. Hodges: But we had our lawyer tell us tonight that that's not the case. I need to have that clarified. That's all.

Comm. Redmon: The terms that you're saying, Mr. Adofo-Wilson, would that go back to our attorney so they can update?

Mr. Adofo-Wilson: You have a great attorney on the project. If he wants to add some additional language in it, let's make sure you guys are comfortable with the language. You do know we're trying to close and get into construction. To the degree that we do have, we are under a timeline. We are in COVID. We're trying to make sure we address all of the issues that you have.

Mr. Souder: What I would suggest is that what we're talking about are minimal clarifications. I don't even want to call them changes. I would suggest for the purposes of moving this along that we hopefully can get a vote contingent upon these changes, itemizing some of these things which, quite frankly, I think amount to between myself, Mike Powell, and RPM's team, I think we're talking about two or three paragraphs worth of language that would basically parrot. Sometimes I forget that the redevelopment agreement is out there with the city. The city has papered this thing up on a whole different level. We would just parrot some of the language that's already been agreed to between the redeveloper and the city in reference to the profit sharing to itemize those few things. Our lease agreement doesn't go as in depth as some of the language in the lease between the city and the redevelopment agreement. We just need put some of that language in there that will clarify this whole thing and make everyone very comfortable.

Comm. Simmons: Dr. Hodges, if you will indulge me for just a few seconds. Because I know my Board members, I think they'd want to see the language first before they vote.

Comm. Hodges: That's exactly right.

Comm. Arrington: I agree, Mr. President.

Ms. Shabazz-Charles: A lot of discussions and clarifications have come up with certain questions and obviously with a certain team on the call from the developers. Can we finish any other discussion points so that when we come back before the Board with some of these clarifications we can make sure that we're addressing all of them at once? Again, they are clarifications after having a more robust discussion. There are certain things that need to be better outlined now that there's a clearer understanding beyond what was just on some sketches and documents. Is there anything else? I'm trying to touch base and keep notes. We've talked about the issue regarding where to hold certain equipment. We've talked about clarifying the revenue portion of it now that there's a clearer understanding regarding the restaurant and the concession stand.

Comm. Hodges: And the exhibition hall.

Mr. Powell: Just a point of clarification. I don't want to create confusion because it's very important for us to make progress because this is a very complicated project. I don't want to misconstrue the fact that there's any idea about the revenue. The parking is going to happen on city-owned land. The idea is to accommodate the school district. I feel like there's a little confusion here. We're happy to accommodate. We want to do anything and everything to make this a successful project. But the parking is on city-owned property and ultimately has to debt service itself as a standalone entity. The stadium gets 180 days of use for the school district. There's a clear need for us to find parity together as a way to get it done. But to assume that the exhibit hall and restaurant is going to be this huge revenue generator, if you look at the budget that was proposed it is the lowest level of generating revenue. In fact, it's about \$50,000 a year at best.

Mr. Adofo-Wilson: We designed this primarily for the school district. We didn't design it to be this huge money maker.

Mr. Powell: The idea that there's going to be some revenue coming to the school district based on that portion of the property is not happening. It's kind of a stretch of the imagination. Our goal is to maybe try to do some unique fundraising in such a way that we can draw national attention to the importance of civil rights and to the realities of American segregation and the terrible nature of our history. To assume that that's going to be a revenue generator, I just want to make sure that the Board knows that's never the intent. It's more about raising American consciousness.

Comm. Hodges: Again, my concern is being able to maintain the building when we own it. Any revenue stream will be looked at as a possibility.

Mr. Powell: Dr. Hodges, that's absolutely right and I appreciate you doing that. That is 100%. Earlier, Calvin righteously so said that capital improvement planning is the purview of the school district in perpetuity. What we are trying to do with this project is find a way to rebuild the stadium to give it back to the school district with 50% usage so that we can make the project sustainable.

Comm. Hodges: I understand that perfectly. But my responsibility as a Board member is to make sure that we have the best possible options moving forward and that it's clear what's available to us. Tonight, I have some confusion in front of me that I have to clear up so that we know what's on the table moving forward so that the future Boards won't be left to scramble around and do what the past Boards did, which was neglect the stadium. That's my overriding concern here.

Mr. Souder: Commissioner, you are absolutely correct. We have a couple of things that we need to do to itemize and lay out for your purview and to ensure certain things. I'm going to go back to note that it's not that complicated what we need to go back and do. If it was, I would not have suggested to you as your counsel to give a conditional vote. I heard the chairman loud and clear. I saw probably the biggest thumb I've ever seen in my life go up in the air in the midst of that. Let's be clear. I think everyone understands what's at stake here. Everyone wants the stadium on this call. The common denominator that we've dealt with in our communities is the fact that some of these things have happened in the past. They've happened in the dark and nobody wants to see it happen in the dark again. It will not happen in the dark right now. This Board, the Superintendent, and everyone else involved have no desire for any of these things to happen in the dark. We are going to put the appropriate itemization into the lease agreement so that it is very clear. But I also think the other side of this is we don't want there to be any confusion whatsoever to think that these revenue streams we are talking about will be sufficient to maintain the stadium. We are going to have to think beyond these revenue streams when it comes to maintaining the stadium for the next 100 years. But let's not get the two things confused and mixed up. There is an absolute need given what came out today to add a few paragraphs of clarity because that's all it is. It's not a change or anything else. It's clarity and we can do that very simply and easily. There are three teams of lawyers on this thing that are part of this on a weekly call to make sure that happens. I think we can handle the three paragraphs that we need to write to get this done. I think Mike Powell is coming from, where Baye is coming from, and definitely where I'm coming from as someone who's played in that stadium and seeing the stadium very similar to it be demolished during my time. We have to think as a Board how to deal with this long term differently from what we have done in the past. That's everyone's point on this call. 100 years from now we're not having the same discussion, but the stadium still stands. That's the goal. I think everyone here has the same goal. But we have to pause for some clarification so that everyone in the community understands and appreciates that we are not doing this behind closed doors. There is not some nefarious situation going on. From a state level, from a municipal level, and everything in between, we've been able to go and get money to do what otherwise is the undoable. We have our charge today. We don't need to belabor the point. We will get this stadium built. We will go ahead and add the extra language that we need to this. What I do know is that everybody wants this to happen. However we need to do and whatever we need to do to make it happen, we will.

Mr. Powell: Thank you, Calvin. Thank you so much. I'm going to go back to my 12th anniversary tonight. I appreciate the Board. My wife is very upset with me. Hopefully, I will not be skewered.

Comm. Simmons: Thanks for jumping on, Mike. With that being said, my thought to the Board members is to schedule another meeting for next Monday. Is that doable? I know it's right after the holiday.

Mr. Souder: Mr. Chairman, I hate to jump in. I do know that there are some critical timelines in reference to the tax credits that need to be met. Do you mind if we hear in

reference to that from the developer so that we can just be clear? The clarification languages, to be honest with you, I can do it in the next half hour. I'm not saying I'm going to shortchange it. I just want you to know that there's not a lot of time needed to make these clarification points and I do know there are some real deadlines that could put the project at risk if we miss them. I know we are playing with those dates now. Baye, can you just tell me what those are?

Mr. Adofo-Wilson: Monday is fine, as long as we do it Monday. We are close to closing. I guess you guys know that within 30 to 60 days of getting in the ground. We are there. It's been a long process. You guys have been excellent. But we are at the point where we are ready to go. This is one of the last things and I think the attorneys are right and obviously the chairperson. Let's get this clarification language in there and move forward. We can get this done on Monday. Monday is the latest.

Comm. Simmons: Is that good for everyone?

Comm. Arrington: When will we see that new language and have a chance to process it?

Comm. Simmons: Mr. Souder just said he can have it done within the next half hour. General Counsel, as soon as that gets done, can we get that out to Board members so everyone has what they need so we don't have any issues on Monday?

Ms. Shabazz-Charles: Definitely. I just want to touch base because at this point I do know that everyone has the document. We are talking about potential timelines. As your attorneys, it's our responsibility to make sure that you understand all of the pros and cons and all of the facts so that you can make an informed decision. Obviously, there are some timelines. Are there any other issues other than the ones we've outlined that are concerns or that people saw that they thought they believed clarity was needed or just overall to discuss since we have Mr. Adofo-Wilson on the meeting call? It appears once we start coming back on Monday we are now starting to get to the point where it has to move forward. I don't want to belabor the point either and I don't want to unnecessarily prolong the meeting, but this is pretty much the only meeting we're going to have. Are there any other questions that anyone has or concerns about what's in front of them as far as the document? Again, the things we are going to amend really are clarifications. The spirit of it is there, but to Dr. Hodges' point, now that we have some other clarity surrounding it, it should be spelled out to protect the district. We will do that. Are there any other issues that are in the document that anyone notices or questions that they need to add so we can get you the document back in its final form? It doesn't look so.

Comm. Simmons: That means when we come back Monday, we should be ready to vote. It should be a 20-minute meeting, if that.

Mr. Neil Mapp: May I make a suggestion? How about a rendering? A lot of this conversation could have been resolved in a rendering. Maybe a milestone schedule because there was some confusion on where the garage is going to be and where the restaurant is going to be. It seems like we're signing on the dotted line without knowing what we're receiving. It may help to have a rendering of the final product and some schedule that we can reference.

Comm. Hodges: That's a very good idea. I'd like to know exactly where the exhibition hall is and where those funds are going to go. The restaurant, where those funds are

going to go and what the stadium is going to actually look like. Seating and the whole works so we can see what we're voting on.

Comm. Arrington: Mr. President, I'd hate to harp on it, but the parking is my concern. How can we have our Kennedy graduation at the stadium with no parking? That's one of my concerns. Not a showstopper, but just my concern.

Ms. Shabazz-Charles: Mr. Adofo-Wilson, is that something that can be provided?

Mr. Adofo-Wilson: Yes. We have presentations. We can provide the presentation of the plan. We have elevations and stuff. Yes, definitely. As you guys may or may not know we have the completed construction documents in place. We can give you an elevation conversation or if you want something technical we're ready to go. You will have the presentation that shows the seating, the track and field, the housing, the stadium, the space for the restaurant, and parking.

Comm. Martinez: If you guys can get us those renderings and the amended language, the sooner, the better. This way, the Commissioners on the Board can have an opportunity to review them and if there are any questions that do arise when they do get information, those questions can be answered via email or however prior to Monday. What we would like to have happen is get all the information to the Board members as quickly as possible so that if there are any questions, we can answer those questions with ample time so when Monday comes we're not in the back-and-forth of asking questions and still trying to clear up some things that we're uncertain about. As to the President's point, Monday's meeting should be we've all seen it, the language is corrected, and we're going to vote, as opposed to having continued conversations. That can lead to more questions and bring us right back to where we are right now. That would be my suggestion to you all. To us as Commissioners, review all the information thoroughly and any questions that you do have, send those questions their way so we can get those answers appropriately.

Mr. Adofo-Wilson: We can get your lawyers the presentation tomorrow and then they can circulate to the Board members.

Comm. Martinez: Perfect.

Comm. Hodges: Just for my understanding, the exhibition hall will be part of the profit sharing. The restaurant will be part of the profit sharing. And the parking will not. That's what I'm understanding?

Mr. Adofo-Wilson: What they're saying is that Lot 6 is the school district's and Lot 7 is the city's. Lot 23 wasn't the school district's lot. The parking garage is on the city's lot.

Ms. Shabazz-Charles: To your point, Dr. Hodges, you are correct. I share the same understanding as well.

Mr. Adofo-Wilson: The parking garage is on the city's lot. What goes back to the school district is all that's on Lot 6. The school district will have in its long-term ownership the exhibition space and the restaurant building.

Comm. Hodges: I needed to understand that.

Mr. Adofo-Wilson: The exhibition space and the restaurant - that building is a part of the lease and that building goes back to the school district. We don't keep any of that. You have everything that's on that lot.

Comm. Hodges: That's what I need to make clear.

Mr. Adofo-Wilson: That's your long-term ownership. At the time we talked about it there was an interest in having the students do education classes like cooking classes and stuff at the restaurant.

Comm. Hodges: That's right.

Mr. Adofo-Wilson: That structure is still there.

Comm. Hodges: That was the reason behind it. Originally, we had that discussion.

Mr. Adofo-Wilson: It hasn't changed. What did change is COVID. We're not really sure how we're going to do the restaurant, but the internship program is still there.

Comm. Hodges: Thank you.

Mr. Mapp: You said you're not sure if you're going to develop the restaurant?

Mr. Adofo-Wilson: No, I said what changed was COVID. It's the kitchen. We're going to do the restaurant. It's COVID, so people are eating outside. We have it in a way where you can actually eat outside.

Comm. Simmons: Are there any other discussions before we go into public portion? Are we sure? I want to make sure there's no other discussion.

Comm. Hodges: Are there any other clauses in the lease agreement that we should be concerned about? I'm throwing it open to the lawyers here because we might not understand it or we might not have noticed it. Is there anything that would not work to the benefit of the district?

Mr. Souder: I can affirmatively state as having lived with these documents and having done P-3 agreements, at this point I would say up and down the East Coast, that this is a very generous agreement for the School Board in every which way you look at it. I don't think there's anything outlining it. In fact, as we were talking, one of my colleagues ensured me and sent me screenshots of language that actually would protect us in the current agreement, but it could be clarified a little bit more. We're just going to do that. We're not just going to go into those where we kind of gloss over the idea. We're going to itemize those things. We've gone back in and looked at everything from your ability to purchase the property, to insurances, to bonding of default provisions to make sure that the School Board is protected, the building gets built, and the financial detriment of it if for whatever reason is on the developer if something goes haywire. I think this is a great agreement as is, but we'll endeavor to make it better over the next 24 hours as well.

Comm. Hodges: Thank you.

PUBLIC COMMENTS

It was moved by Comm. Redmon, seconded by Comm. Arrington that the Public Comments portion of the meeting be opened. On roll call all members voted in the affirmative. The motion carried.

Ms. Rosie Grant: Good evening, Commissioners, Madam Superintendent, members of the staff and the community. I want to take this opportunity to quickly congratulate you, Mr. President and Dr. Hodges, on your reelection. To Comm. Ramirez, thank you for serving on the School Board. I hope that you will take advantage of all the opportunities to serve our children as a member of the community at large. Comm. Martinez, happy anniversary. Comm. Castillo, congratulations on the birth of your son. Lots of good news! Regarding Hinchcliffe Stadium, I'm pleased to see that there's intent around revenue-sharing. Intentions often change though, and certainly will with changing School Boards and changing city and school administrations. I ask that all intentions should be clearly articulated as part of the agreement. Thank you for your due diligence around that this evening to the Board members and to our legal representatives. As the body elected to represent the community regarding Paterson Public Schools governance and policy, you do carry the community's voice in all negotiations and decisions. As such, I am respectfully requesting tonight that public comments on all issues are placed on the agenda such that you do hear the public comments and are able to consider them prior to voting. You did not vote tonight, but that would not have been the case had you taken that vote before the public comments. Thank you for listening and everybody have a blessed Thanksgiving. We are here and we have a lot to be thankful for.

Comm. Simmons: Thank you. Just a side note, Rosie, I did notice where the public comments were. It was my intention to move it before a vote on the agenda so that we could hear the public's input.

Ms. Grant: Thank you for that.

Comm. Hodges: Mr. President, is this meeting being watched by members of the public other than Ms. Grant?

Comm. Simmons: It is being streamed live.

It was moved by Comm. Martinez, seconded by Comm. Redmon that the Public Comments portion of the meeting be closed. On roll call all members voted in the affirmative. The motion carried.

OTHER BUSINESS

Comm. Simmons: Before we proceed to close, does anyone have anything else that they want to add?

Comm. Hodges: I do want to congratulate you on your reelection and Ms. Martinez on her election to office. I did not get a chance to do that, but I do want to do that. I wish you the best of luck moving forward, the both of you. And to the people who also ran, Mr. Irving, Mr. Ramirez, Ms. Lemon, they were very strong candidates and I hope to see them continue their involvement in the education process in the City of Paterson.

Comm. Simmons: Thank you, Dr. Hodges. I would like to thank you for the congratulations, Dr. Hodges. Congratulations to you as well and congratulations to

Manny Martinez: I am happy to be back to continue to do the work that we are doing. I wish everyone a safe and happy turkey day, holiday season. Stay safe, because numbers are going up. I think there were almost 400 new cases in Paterson today or yesterday. Please be safe and continue to social distance and do all the things you need to do to stay safe.

Ms. Shabazz-Charles: We just got into the discussion and question. We never actually put the resolution up for a vote, correct?

Comm. Simmons: No, we did not.

Ms. Shabazz-Charles: Okay, so we don't need to do any motions.

Comm. Simmons: Correct.

ADJOURNMENT

It was moved by Comm. Hodges, seconded by Comm. Redmon that the meeting be adjourned. On roll call all members voted in the affirmative. The motion carried.

The meeting was adjourned at 7:35 p.m.