# Jersey City and SciTech Scity <u>O&A</u>

**Question:** What is LSC relationship to Jersey City, I don't believe LSC is invested in our city?

- LSC employs 101 Jersey City residents (33% of its total labor force)
- 1,935 Jersey City families have LSC memberships
- Both will expand with the creation of SciTech Scity

**Question:** What is LSC's current relationship with Jersey City schools?

- 30,500 Jersey City students visited in 2016 (82% of student population)
- LSC provides free STEM education programs to 5,740 Jersey City students and teachers by obtaining \$465,000 in grant funding
- 100 Jersey City teachers participate in LSC professional development programs annually

**Question:** Is this a gift to the Science Center?

- No, this is a shared venture; the city benefits as a PARTNER
- The project will generate revenues for the non-profit (operating income, ground lease income etc.)
- After funds exceed the amount of raised donations, the surplus will be shared 50/50 with the City until the City receives its appraised value
- Once the City receives its appraised value, the split is reduced to 80/20 between the nonprofit and City forever
- The City will eventually receive than its appraised value for the land
- A true joint venture but where City is protected in every scenario
  - 1. City ultimately gets value for the property beyond all of the other important benefits (school etc.)
  - 2. The appraised value is really just a way to indicate when the split goes from 50/50 to 80/20
  - 3. The goal is not about making money, but about further strengthening our city

**Question:** What is the risk to the city?

- None. The city is a partner in revenue
- In the case of any violation there are reverter clauses where the entire property returns to the City:
  - 1. If they don't build the project
  - 2. If they violate terms of the agreements
  - 3. If property is transferred to, or ever owned by, a for-profit entity

## **Question:** Will the school be a traditional Jersey City Public School?

- Yes. This will be a Jersey City traditional public school
- Cost of schools recently constructed in Jersey City have been over \$50million
- This school will be at no cost to tax payers

### **Question:** I heard LSC is losing money. Is that accurate?

- No. LSC generated \$4.5m in operating funds in FY16
- After debt service, capital investments in facility etc, LSC has \$1.4m in net revenues from operations

#### **Question:** What is the attendance at LSC?

- In the past four years, LSC's attendance has grown 53%, to more than 650,000 visitors annually
- LSC is the fastest growing established museum in the United States
- The largest, and most technologically-advanced planetarium in the Western Hemisphere opens at LSC in December 2017
  - 1. Will draw tourists to Jersey City
  - 2. Will serve as an unparalleled educational resource for students and families in New Jersey
  - 3. That growth is projected to continue

## **Question:** The city gave LSC a loan in 2008. Was this load repaid?

- Yes. LSC borrowed \$2.5M from UEZ in 20008/09; the loan was fully repaid by 9/1/2011
- There is no current debt to the city or state on the LSC balance sheets
- Since the time of the loan nearly the entire board and executive leadership has been changed. They have taken a once struggling entity well into the black.

#### **Question:** Why not sell the property?

- Current proposals are for a major convention center and hotel being built by a private developer.
- An alternative plan that some have suggested is selling the property for maximum dollars which would mean thousands of high rise condos in this location
- Our administration doesn't believe either of these plans is in the best interest of all residents
- We have the potential to create a citywide asset like SciTech Scity at this particular city site adjacent to Liberty State Park
- Previous administrations would probably have sold this for short term gain
- We ware trying to invest in a city asset, build a new school, and a new science hub for generations of Jersey City residents to come

**Question:** What will this mean to Ward F?

- Vacant property will become a \$280 million dollar investment in Ward F (the largest ever)
- Will create permanent jobs, construction jobs
- Will define Bergen Lafayette as the home of the premier science center in the region.
- Will create a new public school and inspire generations of future leaders who will be surrounded by some the sharpest minds in the world.

**Question:** Will any board member or affiliate be a developer of this project?

• No.

**Question:** With regard to some of the people who are opposing this project on the Council; have they suggested an alternative plan?

- No. The current plan from the Healy Administration is to build a large convention center and hotel on this site
- Alternatively, some Council members have suggested selling the land to private developers for money similar to land next to the Jersey City Medical Center
- In reality, in order to realize the same sort of financial benefit as they suggest would mean another 4000-5000 condos on the site, with no school or community benefit
- We believe with regard to investing in the future of Jersey City, the finances of Jersey City, and the opportunity for the city currently, the Liberty Science Center is a far superior plan