

**New Dawn Charter High School  
Board of Trustees Meeting  
Minutes**

**Place:** New Dawn Charter High School  
242 Hoyt Street  
Brooklyn, NY 11217

**Date:** January 12, 2016

**Time:** 3:00pm

**Board Members Present:** Ron Tabano, George Crowley, Phillip Weitzman

**Board Members on Go To Meeting Video:** Samir Souidi

**Board Members on the Phone:** Leslie Winter

**Board Members Absent:** Esosa Ogbana

**Staff Members Present:** Sara Asmussen, Lisa DiGaudio, Michelle D. Millán

**Guest:** Maria Groeneveld

Meeting came to order at 3:00pm. A quorum was present.

**I. Building Lease**

The purpose of the meeting is to discuss the building lease. The lease is similar to the lease that the school is already subject to right now. What is included in this lease is an option to purchase the building. That option expires September 1, 2018. The school will continue leasing the building pursuant to a lease that is similar to what it is now. The owners are concerned about having to put more money into building. Therefore, they want to limit the amount of money they would have to put into the building. The owners capped how much money they are willing to put into the building each year. The financial statements were requested to see how much was capped for each year and based on those statements they never got close to the cap in prior years. The owner's main concern is a capital improvement which would cover the H-Vac system and the elevator. It was decided that if this happened, the owners would pay for it and the school would reimburse them in the event of a purchase. Otherwise the years of use of the system would be amortized into the rent.

The contract of sale is standard that the parties agreed to.

There is an area of the contract that discusses how much they are (the owner's) required to spend to clean up a violation. They are only willing to spend \$100,000. If the violation is more than that, the school could move forward and pay the excess or the school has the option to cancel the contract.

A title search report was requested on the building to determine if this is even going to be a problem. We are waiting to for the Fire Department's report. Other than that, the building is clean and free of violations. The Fire Department is in every year doing an inspection and so we are fairly certain nothing negative will be in that report either.

Mr. Crowley asked if this building has always been used as a school. Yes, it has, but for Daycare which is why New Dawn has to obtain a Department of Building's variance permit to open the school. But we are legal and our COO is for a school.

Dr. Weitzman asked if the landlord is required to do a façade report. Ms. Groeneveld stated that they are not required to do this; this sale is "as is".

Mr. Crowley stated that the Contract of Sale lists the address as 111 Broadway. Ms. Groeneveld said that the Contract will be cleaned up. Ms. Groeneveld stated that it is advised that if New Dawn Charter High School were to purchase the building; a new 501(c)3 would be created to purchase the building. From a liability perspective, if something happened to the school, you would want the building to be a separate asset. Mr. Souidi asked if this new entity would require a new board. Mr. Tabano stated that the same board would run the new entity.

**Questions:**

Dr. Weitzman asked if there is anything in the contract that stops the seller from selling air rights after the building is sold.

Ms. Groeneveld will look into that.

Mr. Crowley asked when the lease needs to be signed.

Mr. Tabano stated that the next step is to see everything together, so that a vote can be had. Ms. Groeneveld stated that it would be good for the landlord to know that the process is moving forward.

Ms. Groeneveld asked if everyone saw the Title Report. Dr. Asmussen forgot to send it out; she will e-mail it to the Board Members.

The Board requested a description of the building and a complete contract.

**Motion:** To tentatively approve the signing of the lease pending receiving the additional information that the Board requested.

**Second:** Dr. Weitzman seconded the motion.

**Vote:** Unanimous.

### **New Business**

There was no new business.

### **II. Adjournment**

The meeting was adjourned at 3:46 p.m.

The next meeting will be held on January 26, 2016 at 3:00 p.m. at New Dawn Charter High School.