

October 16, 2024

Mayor Genrich:

We have your letters of March 26, May 22, September 27, and October 7, 2024, as well as your letter to the Stadium District dated May 3 and the Stadium District's most recent letter to us dated September 18. Although the City is already aware of our position on the matters you raised through our informal conversations, we must respond in writing.

I. City demands concerning sale of obsolete "Original Leasehold Improvements"

On your March 26 letter, as well as the two referenced Stadium District letters, you raise and instigate the Stadium District to pursue our selling obsolete stadium railings replaced as part of our substantial Lambeau Field renovations and improvements. Of course, these railings had to be disposed of after removal to make way for renovations and improvements. In a very small number of instances, we could recover some salvage value from the removed items. We made no profits on those items.

The Packers are entitled to make "Discretionary Improvements" and are required to make "Necessary Improvements" and "Major Capital Repairs" in accordance with Lease sections 14.4, 14.3 and 14.2 respectively. No City or Football District consent is required for that. It is nearly always the case that some property needs to be removed to make way for improvements or major repairs. In most cases the property removed must be disposed of at a cost that is included as part of the project costs. In a very small number of cases, it is possible to recover some salvage value that is applied to defray the project costs. That is standard industry practice and is part and parcel of the work that the Packers were authorized or obligated to do under sections 14.4, 14.3 and 14.2 without the necessity of obtaining City or Football District consent. That conclusion is strengthened by the first paragraph of Lease section 3.2 which explicitly authorizes the Packers to remove and dispose of "Leasehold Improvements" as it sees fit without the necessity of City or Football District consent. The second paragraph of Lease section 3.2 is the only Lease provision that requires consent for a salvage, but it applies only in a very narrow set of circumstances. It is an "anti-looting" provision that inserted a Football District consent requirement as a control mechanism to protect the tax-exempt status of the bonds issued by the Football District to fund a portion of the 2001-2003 renovation. The tax-exempt status could arguably be jeopardized if the Packers sold bond-financed property and used the proceeds for purposes inconsistent with tax-exempt bond status (for example, to pay football player salaries). The anti-looting provision is explicit, however, that it does not apply in the case of disposal of worn out, obsolete or uneconomic property. There may have been some modest salvage recovery from the sale of a very small amount of bond financed property. However, the salvage occurred many years after the bond proceeds were applied and was within the exception for obsolete and uneconomic property. All salvage proceeds were applied solely to defray renovation costs and not for purposes inconsistent with the tax-exempt status of the bonds. In short, the anti-looting provision in section 3.2 was not remotely applicable to the Packers' renovation work, and therefore no Football District consent was required.

II. City demand to provide on-field emergency medical services

The second issue is on-field emergency medical service, which you raised as set forth in your May 22 and September 27 letters, to which we responded in writing on September 28, and to which you subsequently responded on October 7, 2024. As we read this initial letter, it appears the City believes we should be required to exclusively use the City's emergency medical services on the field for our players during games. On the subsequent September 27 letter, which was sent to us at 4:00 p.m. on a Friday with no notice, the City asserted that they would be present on field that Sunday. Despite our next-day response insisting that status quo be maintained at the game that Sunday for safety reasons, the City proceeded with its tactics to disrupt standard services at the game, causing confusion on the field. The City subsequently issued us surprise invoices for charges related to the very actions we asked the City not to take out of concern for gameday safety. The City's subsequent October 7 letter then attributed certain actions to our staff members on that day, accusations that are unequivocally false. It also referenced a years-old increase in stadium capacity, using wholly inaccurate numbers, as a justification for the eleventh hour, politically motivated, and calculated on-field disruption.

Returning to the language of the Lease itself, nothing in the Lease supports the City's position or states that the City is to be the "exclusive" or "sole" provider, or even *any* provider, of "on-field" emergency medical service. Section 10.3 of the Lease assigns the City responsibility to provide a fully staffed ambulance, and it has historically done so for general gameday safety. That practice has been followed for decades, and we have always paid an agreed price for that service. Section 10.3 does not give the City any exclusive rights to provide emergency or other medical services.

Wisconsin law recognizes that a course of dealing that has been in place and undisputed for a long time informs how a related contract (namely the Lease in this case) should be interpreted. The subject situation is a classic application of that legal principle and solidifies the points we make on the non-exclusivity of the Lease provisions regarding medical service arrangements.

In this instance, we have had our arrangement in place using County Rescue to provide on-field services for over forty years without challenge from the City. We can see no legal substance to the City's contrary argument. Even if the City could better explain its point and basis, we would still insist on working with County Rescue for specialized "on-field" safety reasons. Safety is more important than whatever Lease issue could be imagined, and County Rescue is the safest option in the strongly held, expert opinions of our top health and safety officials. It is not a cost-saving decision as your letter alludes. County Rescue has been working with our medical team in this area for decades and the work is highly specialized and coordinated. Everyone involved undergoes extensive and ongoing specialized training on an annual basis and is well versed in our emergency action plans. They also partner directly with Eagle III emergency air transport. We are in constant communication with them regarding emergency response scenarios around the NFL. The value of their institutional knowledge and decades of specialized training cannot be understated.

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Caring for players or staff in emergency situations on the field, including evacuations from the stadium, is of paramount team concern and we are not inclined to invite change or error just because of a new Lease interpretation issue. We work closely with our medical team, as we must, to select medical providers and healthcare partners that they feel will lead to the best care and medical outcomes for our players. That priority is not going to change. The physical wellbeing of our players, staff and fans has never been, is not, and will never be a point of negotiation.

Sincerely,

GREEN BAY PACKERS, INC.

Marissa Meli

Associate General Counsel

cc: Lacey Cochart, Deputy City Attorney