

# EXHIBIT B

## New York Magazine News & Features

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Atlantic Yards Watch

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### Chris Smith: Ratner Showing Fear, At Last?



Photo: Getty Images

Here's the argument Bruce Ratner's lawyers won't be making in court: "Please hurry up and make a decision on the lawsuits challenging Atlantic Yards, judges, because the delay is cutting into our profits." But while the sentiment goes unvoiced, that's what Ratner's current posturing is really all about. Last week Ratner's representatives filed papers with a state appellate panel seeking to expedite a ruling because the credit markets are in turmoil at this time. There is a serious question as to whether, given the current state of the debt market, the underwriters will be able to proceed with the financing for the arena while the appeal is pending.

To which the judges should respond: So what? In pitching Atlantic Yards plans to state and city authorities, Ratner's representatives always made a thorough case that he's an experienced, savvy developer, so of course he's factored delays, legal hurdles, and economic changes into the Atlantic Yards projections. Perhaps Ratner didn't forecast the credit markets tightening as quickly or severely as they have; few did (among the astute, however, is Ratner's underwriter, Goldman Sachs, which seems to be handling the economic slump quite nicely, thank you). But Ratner clearly understands the business cycle, and he anticipated an end to the city's boom, so he included an economic downturn into his Atlantic Yards scenarios. A project this massive, in the heart of a major city, was always going to take a long time to launch and complete. Ratner's lieutenants shrugged off any suggestion that lawsuits might imperil the project; Atlantic Yards was such a sound deal, they said, that even if the margins changed, the company had little worry about lining up financing. So Ratner can't have it both ways. He can't claim that Atlantic Yards is a solid deal for both him and the city, then turn around and say the project is fragile enough that the fallout from the subprime-mortgage mess could sink the whole thing.

Ratner has released a multitude of pretty architectural renderings and models for Atlantic Yards. The one thing he's always zealously guarded is the calculations of how much money he expects to make on the deal, especially the sixteen high-rise apartment and condo towers. One real-estate expert has calculated Ratner's take as nearly \$1 billion; certainly the direct public subsidies of \$305 million help his bottom line. Rising interest rates may shrink Ratner's return, but that's hardly a reason for the judges to rush their review.

Today Ratner is back in the *Post* threatening to take his ball and go home completely. It's another move in his ongoing attempt to turn up the pressure on the opposition to Atlantic Yards. The developer and his lawyers want people to believe that the pesky protesters are costing Brooklyn a civic boon. But Bruce Ratner decided a long time ago that fighting it out in court was cheaper than submitting Atlantic Yards to a transparent public-approval process. —Chris Smith

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