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CITY COUNCIL

CITY OF NEW YORK

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THE TRANSCRIPT OF THE MINUTES

of the

COMMITTEE ON ECONOMIC DEVELOPMENT

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May 4, 2004
Start: 10:30 a.m.
Recess: 7:10 p.m.

City Hall
Council Chambers
New York, New York

B E F O R E:

JAMES SANDERS, JR.
Chairperson,

COUNCIL MEMBERS: Diana Reyna
Yvette Clarke
Erik Dilan
Alan Gerson
Eric Gioia
Sara Gonzalez
Latitia James

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2 A P P E A R A N C E S

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COUNCIL MEMBERS:

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- 5 Lewis Fidler
- Larry Seabrook
- 6 David Yassky
- Charles Barron
- 7 Christine Quinn
- Tracy Boyland
- 8 Albert Vann
- David DeBlasio

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2 A P P E A R A N C E S (CONTINUED)
3
4 Andrew Alper
5 President
6 NYC Economic Development Corporation
7
8 James Stuckey
9 Executive Vice-President
10 Forest City Ratner Company
11
12 Marty Markowitz
13 Borough President
14 Brooklyn Borough President's Office
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16 Betsy Gotbaum
17 Public Advocate
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20 Norman Siegel
21 Attorney
22 Develop Don't Destroy- Brooklyn
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24 Joel Towers
25 Architect and Urban Design
26 Director, Sustainable Design and Urban Ecology
27 Parson's School of Design
28 Division of New School University
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30 Marshall Brown
31 Architect and Urban Designer
32 Atlantic Yards Development Workshop
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34 Paul Gessing
35 Director, Government Affairs
36 National Taxpayers Union
37
38 MarySol Rodriguez
39 Director
40 New York City Affairs
41 Partnership of New York City
42
43 Bertha Lewis
44 Executive Director
45 New York Acorn
46
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- 2 A P P E A R A N C E S (CONTINUED)
- 3 Reverend Clarence Norman
First Baptist Church
- 4 Brian Ketchum, P.E.
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- 6 Irene Van Slyke
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- 8 Vernon Jones
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- 10 Gustav Peebles
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- 12 James Vogel
Brooklyn Vision Foundation
- 13 Bill Howell
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Downtown Brooklyn Advisory and Oversight Committee
- 15 James Heyligier, II
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Association of Minority Enterprises of New York
State
- 18 Michelle de la Uz
Executive Director
Fifth Avenue Committee
- 20 Scott M. X. Turner
Fans For Fair Play
- 21 Sandy Balboza
President
Atlantic Avenue Betterment Association
- 23 Joe Wright
Member
Castle Coalition
- 25

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- 2 A P P E A R A N C E S (CONTINUED)
- 3
- 4 Marie Louis
5 First Vice-President
6 Brooklyn United for Innovative Local Development
7 (BUILD)
- 8 Liz Anne Doherty
9 Chair, Board of Managers
10 Brooklyn Center YMCA
- 11 Thomas Sicignano
12 Director
13 Brooklyn USA Basketball
- 14 Chelsea Altman
15 Small Business Owner
16 Fort Green, Brooklyn
- 17 Simon Liu
18 Business Owner
- 19 Ruby Lawrence
20 Co-owner Small Business
21 Fort Green, Brooklyn
- 22 Constance Lesold
23 Eastern Parkway Coalition
- 24 Daniel McCalla
25 Resident
Fort Green, Brooklyn
- 19 Jezra Kaye
Resident
Prospect Heights, Brooklyn
- 21 Patti Hagan
Develop Don't Destroy-Brooklyn
- 22 Schellie Hagan
- 23 Daniel Goldstein
- 24 Sharnam Merchant
- 25

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2 A P P E A R A N C E S (CONTINUED)

3

Steve Espinola

4

Menachem Friedfutig

5

Thomas Rooney

6

Prospect Heights Action Coalition

7

Lucy Koteen

Fort Greeners for Organic Development

8

Anne Susill

9

Alan Rosner

10

Eric Reschke

11

Member, Steering Committee

Develop Don't Destroy-Brooklyn

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Doctor Philip Trusscott

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Chair

Brooklyn Vision Foundation Incorporated

14

Deborah Goldstein

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Steve Soblick

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1 COMMITTEE ON ECONOMIC DEVELOPMENT

2 CHAIRPERSON SANDERS: This hearing
3 will now come to order. My name is James Sanders,
4 Jr., I am the Councilman of the 31st, I am also the
5 Chair of the Economic Development Committee. To my
6 left is the Speaker of the City Council, Council
7 Member Gifford Miller.

8 First, let me take you through a few
9 ground rules, my friends. As you can imagine this
10 is standing room only on this subject. Therefore,
11 there will be no yelling, booing, hissing, screaming
12 or any of these great things when you hear something
13 you like or dislike. If you do, I will instruct the
14 Sergeant- At- Arms to remove you from the Chamber,
15 and allow someone else who will not low, boo, hiss
16 or scream to take your seat. We are going to try to
17 move this as fast as we can so that we can hear as
18 many as we can. As you can imagine, there are many
19 people who will want to speak on this issue.

20 I am prepared to be here until six
21 o'clock this evening to ensure that everyone who
22 wants to speak, does speak. Let's see, am I missing
23 any ground rules? I believe I have gotten all the
24 ground rules I am going to hand this to, the Speaker

25 of the City Council and then I will make an opening

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2 statement.

3 Mr. Speaker.

4 MR. SPEAKER: Thank you, Mr.

5 Chairman. I want to thank you for having this
6 hearing on the proposed arena for the Nets, and on
7 the related residential and commercial development.
8 This hearing is particularly important because so
9 much interest has been generated concerning the
10 desirability, viability, and impact of sports
11 facilities in our City.

12 While passions have run high on the
13 future of the Nets arena, real information on the
14 proposals and on the anticipated costs and benefits
15 has been scarce. I hope that City officials will
16 use this hearing as an opportunity to share with us
17 the analysis of the cost and benefits of the
18 project, their assessment of the extent of City
19 involvement and support of the project, and their
20 commitment to a public review process by which the
21 project would seek approval.

22 I hope that the new owners of Nets
23 will use this as an opportunity to share with the

24 Council their vision of a new Brooklyn team, in a
25 new Brooklyn arena, in a revitalized Brooklyn. I

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2 hope that they can demonstrate to us why this vision
3 matters to all who care about our City. I am hoping
4 that the community residents and others concerned
5 about this project will take this opportunity to
6 articulate their concerns about the changes that
7 such a project might bring and the cost of those
8 changes to those living most closely with them.

9 Last week, I took a walk around the
10 site of the proposed project, and I can sense the
11 excitement that this project could bring. Bringing
12 a major sports team back to Brooklyn in a
13 state-of-the-art arena would help continue to build
14 the Borough as one of the world's gems. Having that
15 arena near so much existing public transportation,
16 makes good sense, but I have some real questions
17 about this project.

18 How much will it cost the City, and
19 does that investment make sense?

20 How many people will be displaced by
21 the residential and commercial components; how large
22 are those commercial and residential components?
23 What is the mix of those residential, particularly

24 residential components? And what is the specific
25 plan for helping people who would be dislocated to

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2 relocate? And what is the community and
3 environmental impact of this entire proposal?

4 I hope that today will help the City
5 and the Council address these questions, and in the
6 end we will find a way to bring professional sports
7 home to Brooklyn and ensure a vibrant and strong
8 community, Borough, and City at the same time.

9 And I thank all those who come this
10 morning. I think it is really a wonderful testament
11 to this Council. And so many people have come here,
12 and that we are providing a meaningful opportunity
13 for the public on all sides of this issue to express
14 themselves and having a chance to make their case as
15 strongly as possible.

16 And with that, I thank the Chair and
17 members of this Committee for their leadership in
18 this regard.

19 CHAIRPERSON SANDERS: Thank you, Mr.
20 Speaker.

21 Good morning, again. My name is
22 James Sanders, Jr., and I am the Chair of the

23 Committee on Economic Development for the City
24 Council. And I want to thank and invite everyone to
25 make history this morning. One way or another we

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2 are making history.

3 I am very pleased to hold this
4 important hearing of the Economic Development
5 Committee to explore the proposal for the
6 development of an arena complex in Brooklyn for the
7 Nets Basketball Team. Although, information
8 provided to the public by the proposal's developer,
9 Forest City Ratner Corporation, is somewhat limited.

10 There is an intense debate between the proponents
11 of the proposal and those opposed.

12 Proponents of the proposal welcome
13 what they believe will be an economic boom to the
14 New York City, in Brooklyn in particular. They cite
15 the jobs and the spending that will result, if the
16 arena becomes a reality. And of course, many sports
17 enthusiasts are thrilled with the prospect of New
18 York City becoming a home of another NBA team.

19 Opponents, on the other hand, doubt
20 that the project will result in much economic
21 development. Furthermore, many believe that the
22 development will unfairly displace hundreds of

23 residents in small businesses, and cause serious
24 congestion in what they say is an already congested
25 area. It is vital that the facts surrounding the

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2 Nets Stadium be made transparent to our citizens so
3 the public and the government officials that serve
4 them can engage in informed discussion on the likely
5 impact of such a development.

6 Accordingly, the purpose of this
7 hearing is to unearth the facts around the proposal
8 so that all those involved, including the Council
9 can take the appropriate action. We expect there
10 will be a large number of people who wish to testify
11 today. The Committee will make every attempt to
12 hear from as many people as possible.

13 Please note though, those witnesses
14 other than invited witnesses are typically called to
15 testify in order in which they submit a request to
16 testify, they may be a slight departure from this
17 process today in order to provide a balance of
18 testimony received. Please be understanding of our
19 attempt to provide the Committee, and those in
20 attendance with as many different perspectives as
21 possible.

22 Let me also remind people what is the
23 mission of the Economic Development Committee. The
24 mission, of course, is to preserve the tax base, to
25 extend the tax base, and to create economic

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2 opportunities, entrepreneurial opportunities for the
3 people of New York. According to that, this hearing
4 falls in the last two criterion.

5 I want to, of course, have to thank Beverly Reid and
6 Danette Dargan of the staff of the Economic
7 Development Committee for their hard work on this
8 hearing.

9 With that, I invite Council Member
10 Letitia James to say a few words, after I will call
11 today's first witness.

12 COUNCIL MEMBER JAMES: Good morning,
13 and welcome to the House of Justice. We are here
14 today, in the general sense because first and
15 foremost we have been set out of the process, and
16 are determined to be heard today. We are here today
17 because of our love for democracy, because of our
18 deep- seated belief that democracy can be
19 transformed into action. We are here today because
20 we are determined to let the world know that we care
21 about our community, our homes, our neighbors, our

22 future. We are here today to speak truth to power
23 because silence still equals death and destruction.

24 Martin Luther King once said, "that
25 there comes a time when people get tired of being

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2 trampled over, when people get tired of being
3 ignored, when people get tired of being slighted,
4 when people get tired of witnessing democracy being
5 sold and bought by the highest bidder." That we
6 recognize that our greatest strength here today is
7 the ability to organize at our churches, on our
8 blocks, house- to- house, black and white, old and
9 young, able and disabled, residents of public
10 housing and owners of townhouses.

11 I want the City to know that we are
12 going to work with grim and bold determination to be
13 heard from this house to the State house. We will
14 not sit idly by and let this proposed project go
15 forward without being heard, nothing will turn us
16 around.

17 So it is wonderful to see all of you
18 today. It is great to know that your fears have
19 turned into action, that your despair into
20 demonstration, that you are outraged into outcry,

21 that your critique into courage. Let's stand
22 together, standing for our rights, standing for
23 truth, standing for full disclosure, standing for
24 economic justice, and standing for the character,
25 the essence, the fabric, the strength, the

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2 diversity, and the soul of Brooklyn.

3 Thank you.

4 CHAIRPERSON SANDERS: Thank you.

5 Again, let me remind everyone that to move this
6 hearing along I am going to rule people out of
7 order, I am going to ask the Sergeant- At Arms to
8 remove people, try not to be one of those people.

9 I want to, again, thank, in fact,
10 thank Forest City Ratner, though this process is a
11 State process, they have agreed to be here, and I
12 want to put that on the record, also.

13 With that in mind, I am going to,
14 first things first, identify all of my colleagues
15 who are here today, as I almost forgot to do.
16 Council Member Sarah Gonzalez, Council Member
17 Fidler, Council Member James, Council Member Dilan,
18 Council Member Clarke, and Council Member Seabrook,
19 I think I got everyone, I did it halfway decent.
20 And most from Brooklyn, except Seabrook who is

21 sitting up top, so I am well aware of the Brooklyn
22 impact of this matter, in more ways than one.

23 Now, of course, we have the President
24 of the New York City Economic Development
25 Corporation, Mr. Andrew Alper. Good to see you

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2 again, Sir. Would you begin?

3 MR. ALPER: Thank you. Good morning,
4 Chairman Sanders, Speaker Miller, and Council
5 members.

6 Let me first, Chairman Sanders, thank
7 you for the professional forum you create. We have
8 had a number of exciting hearings together, and you
9 have always run a good, open forum, which creates an
10 environment of respect and professionalism, which we
11 appreciate, so thank you for that.

12 I have some brief opening statements,
13 and I will be glad to take the Council's questions.
14 As we talked about before, the mission of the
15 Economic Development Corporation is to advance Mayor
16 Bloomberg's five- borough economic development
17 strategy. New York City's continued prosperity
18 depends on aggressively creating jobs and
19 opportunities throughout our City.

20 In my view, for far too long, the
21 City's economic development efforts have been
22 Manhattan- centric. We are working to change that,
23 it is just not right. This is a City with five
24 distinct boroughs, and companies looking for
25 alternatives, need to be able to find them

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2 throughout the City, whether it is Jamaica, Queens,
3 Hunts Point in the Bronx, the far West Side of
4 Manhattan, the Staten Island Corporate Park, or as
5 we are here to talk about this morning, Downtown
6 Brooklyn.

7 It is estimated that the regional
8 demand for new office space will exceed 110 million
9 square feet in the next 25 years, while New York
10 City's appetite for new housing grows unabated. We
11 need to address both of these needs if we are to
12 capture our share of the growth. Manhattan cannot
13 and should not be the sole answer.

14 Forest City Ratner Companies
15 approached New York City, New York State, and the
16 MTA last year, with the plan to develop a mixed- use
17 complex at the intersection of Flatbush and Atlantic
18 Avenues in Brooklyn. It is important to keep in
19 mind that the Atlantic Yards project is not just

20 about building a new basketball arena for the
21 Brooklyn Nets. It is about creating more than 2
22 million square feet of office space; 4,500 new
23 housing units, which will likely include units of
24 affordable housing, 300,000 square feet of retail
25 space; and six acres of open space.

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2 But above all this project is about
3 creating jobs. The project will create more than
4 14,400 construction jobs, and provide space for as
5 many as 7,400 permanent jobs. Our initial estimates
6 indicate that the arena alone can generate in excess
7 of \$20 million a year in tax revenue from direct
8 spending.

9 The mixed- use development will
10 create tens of millions of dollars of additional
11 revenue once the project is complete. Now we expect
12 the project to be built in stages with the first
13 phase consisting of the arena and some residential
14 units, with additional commercial and residential
15 development to follow as market conditions allow it.

16 The project will encompass an area
17 roughly bordered by Flatbush Avenue, Atlantic
18 Avenue, Vanderbilt Avenue and Dean Street. The

19 greater part of the project will be built over an
20 existing MTA rail yard, which is unproductive use of
21 scarce New York City real estate.

22 This is a very complicated plan that
23 will require a great deal of scrutiny. As we speak,
24 the proposal is under review by many parties at the
25 City and State levels. EDC is working closely with

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2 the Department of City Planning, The Empire State
3 Development Corporation, the MTA, Forest City
4 Ratner, and local stakeholders to study the plans,
5 urban design, and environmental implications. Any
6 development plan will be subject to a State- led
7 public review process to take into account the
8 City's plans for rezoning of Downtown Brooklyn.

9 We are studying the project economics
10 from the public/private sector's respective. This
11 involves modeling cash flows and studying tax
12 implications for the arena and the mixed- use
13 development to ensure that each party's
14 contributions are in proportion to the returns they
15 expect to receive. Now there has been much
16 speculation about the financing and public
17 contributions. Let me be very, very clear on this
18 point. It is our expectation that the vast majority

19 of the \$2.5 billion project, which includes a \$630
20 million arena, will be privately financed.

21 There is a great deal of work other
22 do before any definitive agreements are reached.
23 But we are excited about this project for several
24 important reasons.

25 First, jobs. The construction of new

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2 office and retail space will provide additional
3 opportunities for the retention of existing jobs and
4 the creation of new ones.

5 Second, housing. The construction of
6 new apartments, including a significant amount of
7 affordable housing, will help ease the City's, in
8 Brooklyn's housing shortfall.

9 Third, economic impact. Relocating
10 the Nets to Brooklyn and building the arena will
11 introduce new spending into the economy and,
12 importantly, create new opportunities for businesses
13 in the surrounding community.

14 Fourth, momentum. The project will
15 create additional momentum to the emerging Downtown
16 Brooklyn central business district in BAM cultural
17 district.

18 We strongly believe that the
19 project's benefits far outweighed the costs. Just
20 think how far Brooklyn has come that a major
21 professional sports franchise could in the not- too-
22 distant future play its home games in an arena
23 designed by one of the world's great architects,
24 Frank Gehry. We should all be proud that Brooklyn
25 has become a place that can win in the competition

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2 for residents, businesses and workers.

3 In a city as dense as New York, any
4 large- scale economic development project will
5 unfortunately result in some dislocation. We
6 cannot avoid that fact. But we are committed to
7 work here, the developer, to ensure that any person
8 or business dislocated is treated fairly. We should
9 also be mindful of the point that Senator Schumer
10 made in the announcement of this project. I thought
11 he was very eloquent. He said, and I am going to
12 paraphrase now, there were a number of people who
13 will vocally oppose this project, and we have to
14 sensitive to their concerns, there are thousands,
15 thousands who will stand to benefit from the jobs
16 that will be created, and the apartments that will
17 be built. Since those thousands don't yet know who

18 they are, they cannot make their supportive voices
19 heard, and we should not lose sight of that point.

20 In conclusion of my prepared
21 comments, there are clearly many challenges still to
22 overcome. We look forward to working with the
23 Council and the Community to develop a plan that
24 will balance community concerns, while spurring
25 economic development and bringing much needed jobs

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2 to New York City and to Brooklyn.

3 Thank you. I would be glad to take
4 your questions.

5 CHAIRPERSON SANDERS: Thank you very
6 much, Sir.

7 We have been joined by David Yassky,
8 Council Member David Yassky from Brooklyn, and
9 Council Member Diana Reyna has joined us, from
10 Brooklyn, also.

11 I understand that our next speaker,
12 of course, will go far more into details, so I am
13 trying to not ask you those type of questions,
14 because they will be repetitious. What type of
15 analysis was performed that led to the creation of
16 how many jobs may be provided, Sir, or created?

17 MR. ALPER: Well there are different
18 studies, but there are very similar formulas in
19 terms of how many construction jobs per square foot
20 of real estate developed, and how many permanent
21 jobs per square feet of commercial feet of
22 commercial space and retail space.

23 So from the City standpoint, EDC
24 standpoint, all the projects we do, because they are
25 very consistent metric, and we go back and validate

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2 them. And as times change we modify them, but we
3 feel pretty confident that given the program as
4 outlined by the developer, this number of jobs,
5 14,400 construction jobs, I should say that is
6 construction people years, so it may not be 14,400
7 workers, it is that number of jobs for a year per
8 person, if that makes sense, and over 7,000
9 permanent jobs.

10 Thank you, Sir. I am going to
11 encourage my colleagues on this Committee to be
12 brief and follow my lead.

13 Speaker Miller.

14 SPEAKER MILLER: Let me just ask
15 this, thank you, Mr. President, thank you for coming
16 to testify here.

17 How much is the City's commitment
18 going to be? I think that is a question that a lot
19 of us, and I am sure, maybe you cannot answer it,
20 but I think that is the question that is certainly
21 on my mind and on the mind of a lot of the Council
22 members. How much is the City's commitment going to
23 be, and how are you planning to finance it?

24 MR. ALPER: We do not know the exact
25 number yet. I will tell you how we are thinking

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2 about it, though. The Mayor made this very clear in
3 the initial announcement, and we are still working
4 with a developer to refine the plan, to figure out
5 what the City and State together will contribute.

6 But the concept is very simple that
7 we always look for a turning, that is number one.

8 Number two, we look to have public
9 money catalyze substantial, private investment. In
10 this case, we are going to make sure that whatever
11 the public contributes, City and State, will be
12 within the direct fiscal tax impact of the arena and
13 team. So, just the arena by itself, not the rest of
14 the multi- use, we will analyze estimated
15 incremental taxes from the arena and the team, and

16 we will make sure that wherever the City and State
17 contribute is well within that number.

18 SPEAKER MILLER: And are you planning
19 to finance it through EDC as you have, as you
20 proposed for the Jet Stadium, is it a separate
21 stream, where is the money going to come from per
22 se, or is it just going to be that is the guideline,
23 and then the City would contribute capital dollars?

24 MR. ALPER: We would have to see what
25 the ultimate form takes. Some of the money may come

25

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2 through with infrastructure improvements that are
3 required. So, for example, City DOT may end up
4 doing street work that would be part of the
5 contribution.

6 SPEAKER MILLER: And so you are
7 saying the whole contribution - -

8 MR. ALPER: Some of it could be lease
9 payments for some of the arena for public use.
10 There are a variety of mechanisms we could use.

11 SPEAKER MILLER: And so you are
12 saying the whole contribution would be less than
13 that which is generated by the incremental revenue,
14 or just the investment in the arena.

15 So as far as I understand, well there

16 is two sort of separate, there is an investment that
17 the City would make towards the construction of the
18 arena, and then there is other infrastructure
19 improvements that are not about, necessarily the
20 construction of the arena itself, or is that all one
21 concept from your point of view?

22 MR. ALPER: Well there are two
23 things, economically we want to make sure that
24 whatever we contribute is within the tax, the fiscal
25 impact of the arena and the team.

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2 SPEAKER MILLER: So the whole thing,
3 including the sewage improvements and parking garage
4 or anything else would all be within the fiscal
5 impact of the improved revenues from moving the team
6 from New Jersey here with a new arena.

7 MR. ALPER: That is only the concept.
8 Now, you know, we have to see how the project
9 unfolds for the goal of this is to make sure that
10 the City and State investment is paid for out of
11 direct tax revenues. Unlike a lot of projects where
12 we are trying to retain existing companies, this is
13 a case where the team is coming from New Jersey,
14 they are very clear, identifiable incremental tax

15 revenues that often are a bit murkier in projects,
16 this is very clear.

17 SPEAKER MILLER: So any accrued
18 benefits from residential or commercial
19 construction, property tax benefits, or taxes or
20 anything, that would be separate from the arena
21 calculation, and so that we would not be tying up
22 those accrued benefits from a revenue point of view.

23 We would be just solely saying, okay, the team is
24 moving here, and all these players now play in New
25 York City, we get their income taxes, there is going

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2 to be X sales taxes for seats or whatever it is.
3 And we figure out exactly what that is, we say this
4 is the pool. And then you are willing to contribute
5 for everything, for the whole project something that
6 is less than the present value of what those
7 benefits are. Is that correct?

8 MR. ALPER: That is our current
9 intention, that is still being negotiated, but that
10 is certainly our intention.

11 SPEAKER MILLER: Okay. And you have
12 not decided yet, what the vehicle for that would be.

13 For example, you could do it through, you know,
14 through EDC, or you could do it through just a

15 regular capital grant, which would come through the
16 Council's budgetary process. You have not decided?

17 MR. ALPER: I think it will be a mix,
18 most likely. I think there are likely to be some
19 normal IDA type tax incentives. There is likely to
20 be City capital money. There will be, the State is a
21 partner in this, so the City and State, together,
22 will contribute. It is likely to be a variety of
23 different channels. Nothing has been decided yet,
24 though, in terms of structure.

25 SPEAKER MILLER: Okay.

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2 MR. ALPER: But, you know, it will
3 always be an open process. I think Chairman Sanders
4 knows, and I think you know, that EDC - -

5 SPEAKER MILLER: No, I am not
6 suggesting that, I am just trying to get to know
7 what we know now.

8 But what you are saying, the
9 framework for the decision, the framework for the
10 process is that whatever contribution the City were
11 to make, it would be less than the narrowly
12 construed present value of the increased revenues
13 that come simply from moving the team here. Not

14 from, you know, from having Barnum and Bailey's or
15 whatever else, do things at the arena. Not from the
16 residential or commercial construction, simply from
17 moving the Nets from where they are to where they
18 would be.

19 MR. ALPER: And the arena.

20 SPEAKER MILLER: So you would include
21 Barnum and Bailey?

22 MR. ALPER: Yes, to the extent --

23 SPEAKER MILLER: You said the other
24 multi- use, I'm sorry, I thought you meant --

25 MR. ALPER: No, to the extent of the

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2 arena creates incremental revenue, we are trying to
3 capture the incremental tax revenue from the arena
4 being built and the team moving.

5 SPEAKER MILLER: But all the other
6 aspects of the project, - -

7 MR. ALPER: Right, the commercial and
8 residential.

9 SPEAKER MILLER: - - the commercial
10 and residential construction, which would, I guess,
11 throw off property taxes. Although, since it is on
12 State land, is that--

13 MR. ALPER: Well there are most

14 likely be, have available as- of- right tax
15 incentives for some of the development. So you know
16 whatever the normal incentives there are for
17 affordable housing for example, or tax abatements,
18 to the extent tenants relocate and SCRIE get
19 reacted, the tenants must be eligible for SCRIE.
20 There are a variety of benefits that are as- of-
21 right.

22 But in terms of a City and State
23 contribution to the project, it is going to be
24 within, we intend it to be within the incremental
25 tax revenue from the arena, itself.

30

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2 SPEAKER MILLER: Okay, and we will
3 not know the mix for, do you have any idea what the
4 time frame for that negotiation is?

5 MR. ALPER: We know that the
6 developer is quite anxious to move ahead, as are we.
7 As you can imagine, it is a complicated
8 negotiation. We had to first agree on the plan
9 itself.

10 SPEAKER MILLER: Right.

11 MR. ALPER: We have to make sure that
12 we get the public input as we are today to

13 understand to how best the design the overall
14 program. Once that is designed, the MTA has to be
15 involved, because a lot of the land is the MTA's
16 land. And then we and the ESDC together have to
17 agree on how much and what the form of contribution
18 is. So, it is probably --

19 SPEAKER MILLER: The day after
20 tomorrow.

21 MR. ALPER: Maybe a week or two
22 beyond that.

23 SPEAKER MILLER: Week, month, years?

24 MR. ALPER: I think it is probably
25 months, not a lot of months.

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2 SPEAKER MILLER: Thank you. Thank
3 you, Mr. Chairman.

4 CHAIRPERSON SANDERS: Thank you, Sir.
5 Again, let me remind people to cut your cell
6 phones off in here.

7 Council Member James.

8 COUNCIL MEMBER JAMES: Good morning,
9 Commissioner (sic).

10 MR. ALPER: Good morning.

11 COUNCIL MEMBER JAMES: There is a
12 number of costs associated with this project. The

13 air rights from MTA, moving of some tracks, I
14 believe, which are key to the Long Island Railroad
15 Service, cost of construction, plus the cost of
16 purchasing the Nets, as well as infrastructure
17 improvements.

18 What is the total cost of this
19 project?

20 MR. ALPER: The total cost, and you
21 can the developer their estimates later, but we
22 estimate the total cost between 2.5 to 2.6 billion
23 dollars. Actually, I think that excludes, I believe
24 that excludes the team.

25 COUNCIL MEMBER JAMES: In the past

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2 through media accounts the developer has indicated
3 that he wanted to create a TIF district, a Tax
4 Increment Financing District, and that he would like
5 to get 70 to 75 percent of the taxes accrued in this
6 tax district diverted back to him to pay for the
7 cost of this project. In you discussions, are you
8 discussing creating a TIF district?

9 MR. ALPER: It has never come up as
10 far as I know. I have not seen any press reports on
11 it. But certainly, in our discussions with the

12 developer and the State, we never contemplated a TIF
13 district.

14 COUNCIL MEMBER JAMES: So right now
15 you are primarily depending upon IDA taxes, capital
16 and what other tax benefits?

17 MR. ALPER: Well it is not clear yet,
18 it is likely to be some capital contribution for
19 infrastructure work. It could be cash grants from
20 the State possibly. It could be lease payments to
21 the extent that the City decides, and the State
22 decides to lease back the arena in part to create
23 public access. We could set up a structure where we
24 would pay a lease payment every year.

25 I think from the developer's

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2 standpoint, they are probably pretty flexible. They
3 are going to look at the net present value of
4 dollars. We are going to look from the government
5 standpoint at the most efficient way to provide the
6 incentive, the minimum incentive necessary to make
7 the project a reality. We want to be a catalyst in
8 this. We do not want to pay for the whole thing
9 ourselves.

10 COUNCIL MEMBER JAMES: Again, based
11 on media accounts, the Mayor indicated, I guess at

12 the announcement, that he was prepared to commit
13 \$150 million for infrastructure improvements. Do
14 you know whether or not the City is still prepared
15 to provide \$150 million?

16 MR. ALPER: I think, again, we are
17 looking at the fatality of the investment necessary.

18 We do not, at this point, even have a good
19 estimate of what the infrastructure investments
20 might be. But once we develop, again, once the plan
21 is finalized and we can then estimate the
22 infrastructure necessary to support the plan, and
23 then work with the State and the MTA, we can come
24 back and talk about the exact package.

25 COUNCIL MEMBER JAMES: Commissioner,

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2 oversight, what role will you see the City Council
3 playing in this project, if any.

4 MR. ALPER: Well I think it depends
5 in part on the nature of the financing. The process
6 itself, would be a state- led process where they
7 will do a State environmental review and then a
8 general project plan, sort of go through a State
9 process. City Planning has been very involved to
10 date to review the urban design impacts.

11 COUNCIL MEMBER JAMES: Well,
12 according, again, media accounts, they propose to
13 demap some streets, that would require approval from
14 City Planning as well as City Council, correct?

15 MR. ALPER: I do not know the answer
16 to that, actually, with my experts under -- Yes,
17 probably a part of the general project plan.

18 COUNCIL MEMBER JAMES: Final
19 question, I recognize time is of the essence. You
20 indicated that this plan would be built in phases.
21 The first part for the arena, as well as some
22 housing. You recognize, based on a report that was
23 issued yesterday by Andrew Zimbalist, that was
24 written, he was an economist for Forest City Ratner
25 that arenas on their own do not provide any economic

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2 impact to the City of New York. As well as, he has
3 indicated, and I am quoting from his report, "that
4 the average annual income of households in the new
5 community will be between 80 and 90 thousand
6 dollars." You recognize that these incomes do not
7 reflect Community Boards 2, 3, 8, and or 9, the
8 average income being \$36,000, and in some cases and
9 in some pockets, less?

10 MR. ALPER: I have not seen the

11 report. I know that municipalities have a mix
12 record when it comes to the economic development
13 impact of arenas. I think in this case, for a
14 number of reasons, we are very optimistic that the
15 project will have a positive impact, in part
16 because, again, unlike the typical situation where
17 you are trying to build an arena for an existing
18 team. Sure you have a team coming from a different
19 state.

20 Secondly, this location from a
21 transportation standpoint is ideal. You have easy
22 transportation access from Long Island, and from, I
23 think you have 10 subway lines, and you have fairly
24 easy access from New Jersey. So I think it is
25 likely to bring in jobs and people and visitors from

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2 all over the tri-state region.

3 In terms of the housing, as I
4 understand it now, the proposal was to have a
5 variety, have mixed- use, with substantial,
6 affordable housing, middle income housing, and
7 market rate housing.

8 COUNCIL MEMBER JAMES: And will it be
9 based on area median income as opposed to local?

10 MR. ALPER: I believe it will. I
11 know the developer is talking to HPD currently about
12 how to design that. If it were 50/30/20, 20 percent
13 of the housing, which is almost 1,000 units, would
14 be affordable as defined by HPD based on the median
15 income in the neighborhoods.

16 COUNCIL MEMBER JAMES: And again,
17 referring to the Zimbalist Report, there is also a
18 comment about the jobs created will, basically, 70
19 percent of them will go to people who do not live in
20 the City of New York?

21 MR. ALPER: You know I have not seen
22 the report. You know this project, you know, it is
23 interesting, this project creates a wide range of
24 jobs. I think the public caring for the Downtown
25 Brooklyn plan there was criticism that the jobs were

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2 too high end, there were too many commercial office
3 jobs not available to the residents. This project,
4 I think, creates a wide range of jobs, whether it is
5 for immigrants or people without high school degrees
6 that can work in the arena. Whether it is people
7 who work in the offices, construction workers. This
8 really is a highly significant economic development
9 vehicle to provide a range of jobs and a range of

10 housing, and a range of office space for people
11 throughout the area, including in Downtown Brooklyn.

12 COUNCIL MEMBER JAMES: And again, on
13 page 18 and 19 of the report - -

14 MR. ALPER: I have not seen the
15 report.

16 COUNCIL MEMBER JAMES: Again, just
17 for your information, on 18 and 19 of the report, 60
18 percent of the residents in the 17 towers will be
19 from outside of New York.

20 Thank you.

21 CHAIRPERSON SANDERS: Thank you,
22 Council member. Council Member Gioia. Wait, Sir,
23 we have been joined by Council Members, Gioia,
24 Stewart, and Barron.

25 MR. ALPER: Sir, let me just respond.

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2 You know, for economic development you want to
3 have people come from outside of the region when you
4 do economic development. That is the whole idea, you
5 are trying to grow the economy, and we are adding
6 substantial number of housing units. And if we had
7 2,000 people who were not currently living in New
8 York, living in New York after this, I would think

9 we have done a great deal for the citizens of this
10 City. We will increase our tax revenues.

11 CHAIRPERSON SANDERS: Council Member
12 Gioia.

13 COUNCIL MEMBER JAMES: Commissioner,
14 let me just add that we have 51 percent of black men
15 in New York City unemployed, and there are high
16 pockets of unemployment in my district. I think if
17 there is any economic development, it should benefit
18 the community, the residents who live there now.

19 CHAIRPERSON SANDERS: Council Member
20 Gioia.

21 COUNCIL MEMBER GIOIA: Thank you, Mr.
22 Chair, and let me thank Council Member James for her
23 comments. She is absolutely right in what she says,
24 unemployment is too high in New York City,
25 particularly too high in communities of people of

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2 color. And obviously, and I am sure you agree, Mr.
3 President, that we all should be united in trying to
4 find jobs for people who live in this city before we
5 find jobs for people who live in other cities.

6 But --

7 CHAIRPERSON SANDERS: Let me remind
8 the crowd that I am going to start, you are putting

9 me in a position, I am going to start pointing to
10 people, you will be removed, and none of us will be
11 happy.

12 Council Member Gioia.

13 COUNCIL MEMBER GIOIA: I mean, folks,
14 thank all very much for coming down to City Hall
15 today. But we do not need applause, let's just try
16 to get the facts out here. But let me just suggest
17 to you, Mr. Chair, that we may want to start selling
18 tickets to hearings, we could actually probably put
19 a dent in the City's budget problems.

20 But I am sorry, if I did not hear.
21 How much money, what is the real dollar amount, what
22 is the public investment in this project, both in
23 the City and from the State?

24 MR. ALPER: We do not know yet,
25 because it is still being negotiated. It will be

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2 within the direct fiscal impact of the arena and the
3 team moving, we do not know the exact number yet,
4 though.

5 COUNCIL MEMBER GIOIA: When will you
6 be able to have a number?

7 MR. ALPER: I think within a matter

8 of weeks. We are working with the developer and City
9 Planning and the State to refine the project itself.

10 And we are working with the developer and the MTA
11 and the State to understand the MTA portion of this.

12 And between the City and the State to understand
13 the required amount of incentives and the form of
14 it. So I would say it is a matter of weeks.

15 COUNCIL MEMBER GIOIA: You know,
16 because we can have philosophical arguments about
17 whether the stadiums are a good idea, and how to
18 move the City's economy. But, and you, with your
19 background, know better than I do, at the end of the
20 day, business deals come down to numbers. And I
21 think for us to really be able to make an informed
22 decision as a City and as a population, we need to
23 hear real numbers to say this is how much we are
24 spending, this is why we are spending it, and this
25 is what we are getting. And so the first

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2 question, and I hope you will in a few weeks have
3 that answer, what is the direct public investment,
4 both from the City and the State? But the next
5 question is, so what are we getting for this? And I
6 know what we are getting in theory, but I want to
7 know, so far as you can actually predict metrics

8 economically, what are we getting directly for our
9 public investment?

10 MR. ALPER: Well first, you know, I
11 think we have, this Administration has a pretty good
12 track record of looking return on investment, we
13 have taken a tough line with respect to retention
14 deals, with respect to assistance. In fact, this
15 same developer, Forest City Ratner, requested
16 Liberty Bonds for the New York Times Building in
17 Midtown, and we think it is a great project. We did
18 not feel the Liberty Bonds were necessary, and we
19 turned down the request. So we are not afraid to
20 say no to developers when we think that they are
21 asking for incentives that we do not think are
22 necessary.

23 We are working hard to come up with
24 the right number and the right structure as quickly
25 as possible. We know this project has dramatic

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2 benefits, the arena and the team itself have clearly
3 incremental value because the Nets are in New Jersey
4 right now, not in New York.

5 We know that building over 4,000
6 units of housing, and two million square feet of

7 commercial space has enormous benefits. Obviously,
8 the time of those benefits depends how quickly the
9 economy grows. In the late nineties, New York, we
10 were, frankly, I think asleep at the switch, we did
11 not have enough space to accommodate the growth that
12 occurred, which is why when you look across the
13 Hudson River you see 13 million square feet of
14 commercial, class A space. That should never have
15 happened. We let it happen because we were not
16 thinking far enough ahead to provide opportunities
17 for companies that needed growth space to stay in
18 New York.

19 As you know, we are looking at Long
20 Island City, we are looking at Downtown Brooklyn,
21 all over the five boroughs to make sure that we can
22 accommodate the growth so that New York can capture
23 its market share over the next 25 years.

24 COUNCIL MEMBER GIOIA: And I hear
25 you, I guess what I am really trying to get to, and

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2 you said you can have numbers over the next few
3 weeks about what we are investing. I mean none of us
4 would invest in a company unless we knew, thought
5 what we were getting in return. I mean I do not
6 have any money invested in the company, but you have

7 very much in the background investing in companies
8 and buying companies, and you know you do due
9 diligence, and Goldman, they do their due diligence
10 before, you know, you could move forward with the
11 project.

12 When can the public expect to know an
13 answer of what we getting for the public investment?

14 MR. ALPER: As soon as we have it.
15 We have run an open process, the IDA, some of the
16 IDA benefits, the IDA Board meeting are open to the
17 public. They are noticed in advance. We have
18 public hearings, we have them in advance so that our
19 Board can receive comments and respond to them
20 before the actual IDA Board meeting. So we will
21 work as quickly as we can. It is an extraordinarily
22 complex project, and we want to make sure we do it
23 right. So as soon as we have it, we will share it
24 with you.

25 COUNCIL MEMBER GIOIA: I hear you.

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2 And I encourage that we do it right, and I just
3 think that, and I am sure the process will be open
4 in the sense that there will be public hearings.
5 But I think, as far as we can break these down, into

6 its most simplest components of we are spending this
7 to get this. I think it would be helpful for the
8 public.

9 But then let me raise the final
10 question, which would be my suggestion in terms of
11 ever making a decision like this to woo a company or
12 woo a stadium or an athletic team, whatever it is.
13 So we invest X to get Y, this amount of public money
14 to get these amount of benefits. And here is my
15 question, do we need the incentive? Will they come,
16 will they build it with less incentives or with no
17 government incentives?

18 MR. ALPER: That is always the
19 question we ask ourselves. And I think we have done
20 a pretty good job, you never really know, except in
21 hindsight, if you push too hard, I guess. I think
22 we have done a pretty good job of pushing back on
23 developers throughout the City to make sure that we
24 are providing just the incentives that we need to.
25 We have turned down a lot of requests for

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2 incentives, and most cases projects are moved
3 forward.

4 That is our job, that is to make sure
5 we get as high a return investment as we possibly

6 can for the tax dollars we invest.

7 COUNCIL MEMBER GIOIA: I think that
8 is right, and I would encourage that. And let me
9 say that, in my questions, I think I have laid out
10 to you, what my approach would be, and I think it is
11 a reasonable approach, and I think you agree with
12 that. And I would just encourage that the numbers
13 come forward as quickly as possible.

14 And then the final part, and this is
15 my last question, is, if we are trying to maximize
16 public investment for public benefit, are we, for
17 this issue, are we proactively then going out and
18 saying to other similar developers, similar type
19 entities. In other words, have you been doing a
20 road show looking for other NBA teams or other
21 athletic teams, or other developers to build
22 stadiums? Or are we sitting back and we are in this
23 position because this developer initials athletics
24 come to us and said, I own this property, I want to
25 build this project and I think it is good for the

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2 City? In other words, how proactive is the City's
3 Economic Development Plan, are we doing this now
4 because this has been brought to us, or are we doing

5 this because we proactively looked and said, we
6 think this is good for Downtown Brooklyn, and we
7 think this is good for New York City?

8 And depending on your answer, the
9 second part of it is, how do you know it is a good
10 deal, unless we know that there is somebody else out
11 there? In other words, if they are negotiating and
12 it is not, what else is the market out there, and
13 are we negotiating against ourselves? I that makes
14 sense, it is kind of a run- on question. Thank you.

15 MR. ALPER: Well the answer is yes
16 and no. We are actively out marketing the City all
17 over the US, all over Europe, all over Asia to talk
18 to companies and prospective, tenants for buildings
19 and prospective projects. We have been doing that
20 very aggressively, and I think with some early
21 success to bring more jobs to New York. This
22 particular project came to us. We were not out
23 soliciting, we were developing a Downtown Brooklyn
24 Plan, but we were not out soliciting a professional
25 sports franchise for Downtown Brooklyn.

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2 The developer came to us with what we
3 though was actually a very clever plan. It is not
4 only bringing a sports team back to Brooklyn, but to

5 do it in a way that provided dramatic economic
6 development catalyst in terms of housing, retail,
7 commercial jobs, construction jobs, permanent jobs.
8 So, they came to us, we did not come to them. And
9 it is not really up to us then to go out and find to
10 try to a better deal. I think that would discourage
11 developers from coming to us, if every time they
12 came to us we went out and tried to shop their idea
13 to somebody else. So we are actively shopping, but
14 not for another sports arena franchise for Brooklyn.

15 CHAIRPERSON SANDERS: Thank you, Sir.

16 Thank you.

17 We have been joined by Council
18 Members Quinn and Boyland.

19 Council Member Gonzalez.

20 COUNCIL MEMBER GONZALEZ: Thank you.

21 I would like to thank Councilman Sanders for this
22 opportunity, as well as Council Member Letitia
23 James.

24 Good afternoon, or is it good morning
25 still. Okay, I just want, I have questions. You

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2 might have already, President Alper, I cannot really
3 see you so, but the question I have is, how many of

4 the jobs are likely to go to community residents?
5 Because I know in paragraph four you stated, above
6 all, it is about creating jobs, and you spoke about
7 14,400 construction jobs, and provide space for as
8 many as 7,400 permanent jobs. My question is, how
9 many of the jobs are likely to go to community
10 residents?

11 MR. ALPER: I think the ultimate
12 answer is hard to say. This developer has a good
13 track record of providing jobs for local residents
14 and N/WBE, I believe, I am going to do this from
15 memory, will be, I think in the last five years they
16 have had about 31 percent local participation in
17 their projects in Brooklyn, which is high. I would
18 love to see it higher.

19 We will work with them, SBS will work
20 with the developer to make sure that as many jobs as
21 possible go to local citizens. We have no reason to
22 want otherwise.

23 COUNCIL MEMBER GONZALEZ: What will
24 be the probable salary range for the majority of
25 these jobs?

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2 MR. ALPER: For the construction
3 jobs, I am not sure, you have to be more specific, I

4 guess.

5 COUNCIL MEMBER GONZALEZ: Well you
6 spoke about 14,400 construction jobs, and permanent
7 jobs, 7,400. So what would be the probably salary
8 range for the majority of the jobs?

9 MR. ALPER: Construction jobs, I
10 believe tend to be in the 55 to 65 thousand dollar a
11 year range. It depends on whether they are union,
12 non- union, what trade they are, but that is
13 probably a pretty good ballpark.

14 The permanent jobs are going to range
15 from people with Ph.D.'s working in offices to
16 people who do not have high school degrees on the
17 Queens staff. It will be a whole range of jobs from
18 the most basic entry level, to hopefully some very
19 high paid people with graduate degrees. It is hard
20 to generalize.

21 COUNCIL MEMBER GONZALEZ: Okay, and I
22 also have another question, back to paragraph 3 on
23 your testimony where you spoke about 4,500 new
24 housing units, including 1,000 affordable units.
25 What I would like to know is that market rate or

3 live in the community?

4 MR. ALPER: The testimony is soon to
5 be, the developer uses a 50/30/20 plan, I am not an
6 expert in housing, but that would be 50 percent
7 market rate, 30 percent middle income as defined,
8 and 20 percent affordable. And the affordable is
9 based on the average median income.

10 COUNCIL MEMBER GONZALEZ: Okay, thank
11 you, Mr. Alper.

12 MR. ALPER: You are welcome.

13 CHAIRPERSON SANDERS: Thank you.
14 Council Member Dilan.

15 COUNCIL MEMBER DILAN: Thank you, Mr.
16 Chair. President Alper, I just want to make you
17 mindful of something. It is something that leads to
18 people that distrust the projects like this. But
19 before I say that, I want to say that I am, overall,
20 I am supportive of development. I am supportive of
21 the people in my Borough. But projects like this
22 have to work for people who lived in these
23 neighborhoods where the areas were not attractive
24 and nobody wanted to live there. Those people
25 should be around to gain the benefits when their

3 City government should be mindful of that throughout
4 this entire process as we go forward, and I hope
5 that you will.

6 What I would like to say, in the
7 City's overall scope of this arena, does this arena
8 have any impact on these Olympic BID?

9 MR. ALPER: No, this is has never
10 been part of the Olympic Plan. The Olympic
11 submission was made before this plan was developed.
12 At the current time, there is really no relationship
13 between the Olympic BID and this plan at all. There
14 may be in the future, if we get the Olympics and
15 this get built, could there be a relationship?
16 Sure. But right now, there is absolutely no
17 relationship between the Olympics and this plan.

18 COUNCIL MEMBER DILAN: Okay, and then
19 the City's estimate how many families will be, have
20 to be relocated as a result of this project? We
21 have heard various amounts of how many families
22 would be displaced. I would like to see what you
23 have at this time?

24 MR. ALPER: It depends ultimately on
25 how the developer is able to reconfigure the project

2 to minimize it. Now that we are going to do that, it
3 is somewhere in the order of magnitude of 150 units.

4 I do not know how many families it is, but 150
5 housing units is the rough estimate that I have.

6 COUNCIL MEMBER DILAN: That you have.

7 And I guess will your agency be working with the
8 developer to find proper places for these
9 individuals to live in. Is it something that you
10 seek to negotiate and try to get in writing from the
11 developer?

12 MR. ALPER: Absolutely. The
13 developer has a great track record of helping both
14 residents and businesses that are displaced to
15 relocate. We will work to make sure that, and the
16 State process will make sure that people who are
17 displaced from their homes are either paid at a fair
18 value of their homes that they own, or that are paid
19 a fair amount to relocate, if they rent. And the
20 businesses that are dislocated will be paid a fair
21 amount from moving expenses and relocation expenses.

22

23 You know, one reason we embrace this
24 plan is that Forest City Ratner has a really good
25 track record in making sure that people are taking

2 care of.

3 COUNCIL MEMBER DILAN: And I agree
4 that - -

5 MR. ALPER: And that is very
6 important to us.

7 COUNCIL MEMBER DILAN: I agree on the
8 track record. I mean, they have done business in
9 Brooklyn a long time, I do not have to be sold on
10 their track record, I understand they are great.
11 But at the same time, you know, we also have to be
12 mindful of our people who are at the lower end of
13 this to make sure that they are included. Because
14 maybe not Forest City Ratner, but other developers
15 have come into my neighborhood and say, oh, we have
16 a nice economic development project and we want to
17 give jobs to the community, and they never pan out.

18 So on a project of this magnitude,
19 you know, I am confident that it will pan out, but I
20 just wanted to see how deeply the City was
21 committed.

22 Also with labor, a lot of the
23 construction jobs, will there be any type of program
24 or mechanism in place where your agency works with
25 labor to make sure that the community and the people

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2 in Brooklyn are included in these jobs?

3 MR. ALPER: We will actually work
4 with SBS, Small Business Services to have job fairs,
5 trade programs, and make sure that jobs are made
6 available, and that skills are made available to
7 workers and to citizens to get these jobs. And then
8 the developer is committed to work with us in doing
9 that.

10 COUNCIL MEMBER DILAN: Okay, thank
11 you, Mr. Chair. Thank you, President Alper.

12 MR. ALPER: Thank you, Sir. Council
13 Member Fidler.

14 COUNCIL MEMBER FIDLER: Thank you,
15 Mr. Chairman.

16 Actually Council Members Gonzalez and
17 Dilan asked a great number of the questions I was
18 going to ask. So I just want to follow- up on them
19 in a minor way.

20 I have seen widely disparate points
21 of view as to how many actual jobs are being
22 displaced, and does EDC have a position on how many
23 jobs are being displaced? And then within that, you
24 know, what types of jobs are we talking about, are
25 they irreplaceable, or are they unmovable?

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2 MR. ALPER: The estimates I have,
3 which come from the State Department of Labor, are
4 that there are 19 businesses and 140 employees being
5 directly affected by the project as it is currently
6 proposed.

7 COUNCIL MEMBER FIDLER: And have you
8 or any agency made any effort to identify whether or
9 not these are jobs and businesses which are cable of
10 being moved. Or they absolutely, you know, will we
11 lose these jobs if you have to move them?

12 MR. ALPER: I cannot tell you
13 systematically. I am sure that you will not lose all
14 their jobs if you have to move them. I think most
15 of them will successfully relocate, and you know we
16 are going to bring in many more jobs than are being
17 moved.

18 So clearly on net, in our view, there
19 is a job pickup, and we will do everything we can
20 with a developer and SBS to make sure that jobs that
21 currently exist will be relocated successfully
22 elsewhere.

23 COUNCIL MEMBER FIDLER: Well
24 obviously, 7,400 permanent jobs far exceeds 140.
25 And on that measure, look I wear my position on my

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2 sleeve, so I am not hiding it. I think 7,400 jobs
3 is more important than 140, but to those 140 that is
4 their livelihood. So is there any legal mechanism
5 by which we can guarantee, actually, legally
6 guarantee that those 140 people will have a job out
7 of those 7,400, if they cannot go with the business
8 as being moved?

9 MR. ALPER: Well every single job is
10 important. We recognize that and we agree with that
11 statement entirely. I do not think there is any
12 legal way you can guarantee that every job is
13 preserved. I mean, we will do everything in our
14 power to make sure that businesses are offered
15 attractive relocation packages. You know, some of
16 them are probably businesses, if the owner decides
17 not to move or retire, we cannot do anything about
18 that. It is the owner's decision. So I do not think
19 we can legally ensure every single job.

20 We will do everything in our power to
21 make sure that every business is offered a chance to
22 relocate successfully, and every employee is given
23 every maximum chance to find good employment.

24 COUNCIL MEMBER FIDLER: But, you
25 know, can EDC or SBS put in place some kind of

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2 tracking system to make sure that an individual is
3 not lost in this project. At the end of the day his
4 business closed, he is out of a job, she is out of a
5 job, and to make sure that some effort is made to
6 make sure that that family does not suffer.

7 MR. ALPER: We will certainly keep a
8 tracking system, that is a good idea, we will do
9 what we can to keep track on that.

10 COUNCIL MEMBER FIDLER: And again, on
11 housing units, I know EDC is not in the housing
12 business, there are widely disparate numbers for the
13 number of people who are going to be displaced.

14 Does EDC have a position as to how
15 many housing units are going to be displaced?

16 MR. ALPER: The best effort we have
17 is up to 150 units. And I think the developers use
18 134 registered minutes, which does not include one
19 to three- family homes. So it is somewhere between
20 135 and 150 units, including one to three- family
21 homes.

22 COUNCIL MEMBER FIDLER: And how many
23 people would that be, do you know?

24 MR. ALPER: I do not have that
25 number, I do not believe.

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2 COUNCIL MEMBER FIDLER: And what
3 mechanism could be put in place to make sure that
4 these people are given some kind of priority in
5 terms of having housing in the neighborhood that
6 they are in now, perhaps in this project at a rent
7 or you know rate that is comparable to what they are
8 paying?

9 MR. ALPER: Well there are two
10 different, several different questions. First, the
11 State process will make sure that anybody whose home
12 is bought, is purchased, will get fair value for it.

13 And I think you should probably ask
14 the developer, and we will certainly do what we can
15 to hold their feet to the fire, including, you know,
16 in written documents. I think you should ask them
17 what their plans are to relocate tenants. They
18 again, if you go back to the history of MetroTech,
19 these same concerns were raised 20- 25 years ago,
20 and looking at hindsight, this developer has a very
21 good track record of taking very good care of people
22 who are unfortunately displaced by economic
23 development. That is just a fact of life. You
24 cannot develop in a city as dense as New York
25 without displacing people.

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2 It is important to us that the
3 developers we work with commit to and then follow-
4 up their commitments to help people. And this
5 developer, Forest City Ratner has done that. And we
6 will do everything we can in terms of our written
7 agreements to hold their feet to the fire.

8 COUNCIL MEMBER FIDLER: Commissioner
9 (sic), I would echo the comments of my colleague,
10 Councilman Dilan, as to the track, I am not the one
11 that needs assurances, but I think, you know in an
12 environment where there is perhaps not the level of
13 trust that, you know, makes people comfortable. I
14 think people like to know that there was a legal
15 assurance of some kind, that it is not just a
16 promise. And when it is built and it is gone, I
17 tissue forgotten.

18 And so on the last topic would be,
19 you know, I understand the 31 percent local
20 participation level. I understand the developer
21 has a history of employing minority and women
22 contractors. What legal mechanisms can be put in
23 place either by your agency, SBS, by contract of the
24 developer to ensure that minority and women business
25 enterprises will be, in fact, employed at a level,

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2 and that the jobs will in fact, you know, be
3 available to the people in the community.

4 MR. ALPER: WE will look into it, and
5 we will do whatever we possibly can to ensure local
6 job and good substitute housing for people. You
7 have our commitment on that.

8 CHAIRPERSON SANDERS: Sir, remember
9 that the next speaker is perhaps the main speaker,
10 and we are very anxious. I did not want to cut you
11 off, Sir, but --

12 MR. ALPER: That is quite all right.

13 CHAIRPERSON SANDERS: All right.
14 Council Member Barron.

15 COUNCIL MEMBER BARRON: Thank you,
16 you did say the next speaker was the main speaker,
17 that is great.

18 MR. ALPER: Well noted.

19 COUNCIL MEMBER BARRON: What did you
20 say, you thought I was the next Mayor? Don't say
21 that here, Lew, not supposed to be campaigning in
22 City Hall.

23 You know I have been this way 1,000
24 times, you know how people get all excited about
25 jobs coming in the community. Oh, yeah, people will

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2 be displaced, but we are going to bring more in than
3 we displace, jobs are going to be lost, but we will
4 create more than you lose. Metrotech did not dent
5 the unemployment problem in New York City for our
6 people, did not put a dent in it. And my concern is
7 that we come, and our communities are always
8 struggling our communities are always on a survival
9 level. So when you mention jobs, we are going, you
10 know, unions and community people are going to
11 really get excited.

12 We need some guarantees from our
13 affirmative action programs that are attached, that
14 is not by your will, and which you would like to do,
15 and your favoring. But we need some kind of
16 assurances, because right now they are building up
17 Bank of New York, Downtown Brooklyn, right next to
18 the mall. You are familiar with that, right?

19 No blacks, how many black minority
20 contractors are dealing with that? And when we do,
21 and when we do get it, when we do get it, we do not
22 want to wave the flag and direct the traffic.
23 Because every time I see, I have yet to see a white
24 person in construction waving the flag and directing
25 the traffic. Brothers and sisters do that.

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2 When we talk about percentage, not a
3 percentage of the contracts, but a percentage of the
4 money. Because sometimes this City gives out \$9
5 billion worth of procurement contracts, we will get
6 25, 30 percent of the contracts that add up to maybe
7 \$50 million. But we need a percentage of the money.

8 So if we could approach this, because
9 I think we have serious concerns, we will leave that
10 for the next speaker about congestion, about
11 displacement, about real employment, about whether
12 that is the best site for it, and should it be
13 somewhere else. Those issues have to be raised, so
14 I hope that all of our brothers and sisters are
15 looking for jobs and all of that stuff. This may
16 not be your Knight in shining armor, you may want to
17 really consider putting their feet to the fire,
18 because we have been this way before.

19 So my question to you is of other
20 than your good will, and you will try, and I know
21 Bernard you want to play some ball and everything.
22 And JZ wants some ownership, but it is beyond
23 basketball, and it is beyond that. So we have got
24 to really get some real guarantees, and is this the
25 best spot, and how much damaging are you really

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2 doing to people? I know that is for the next
3 speaker, but to you, what are you going to do
4 differently, other than the rhetoric we heard from
5 you now, what is going to happen differently to
6 ensure some of our legitimate concerns that we have
7 had in this City for a long time, that what could
8 you, your agency do? And how quickly you come back
9 to the City Council so that we can go through this,
10 the process? Just those two questions, what is some
11 guarantee, and how quickly you will be back before
12 us, when we have to review this whole process over
13 again?

14 MR. ALPER: You know, Council member,
15 I think you need to check your facts a little bit.
16 I can tell you that Atlantic Terminal there \$8.5
17 million of contracts let to M/WBE contractors.

18 COUNCIL MEMBER BARRON: So out of how
19 much?

20 MR. ALPER: Out of \$60 million.

21 COUNCIL MEMBER BARRON: Yeah, wow, we
22 have 63 percent of New York City. We are 65
23 percent, one second, please, we are 65 percent of
24 New York City, so what are we doing with that few

25 amount of money in contracts? We are the new

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2 majority.

3 MR. ALPER: You have to look at the
4 total of contracts --

5 COUNCIL MEMBER BARRON: We are the
6 majority.

7 CHAIRPERSON SANDERS: Let me do say
8 this, that in here, we, if you raise a question, the
9 person is allowed to answer a question.

10 COUNCIL MEMBER BARRON: Yes, Sir.

11 CHAIRPERSON SANDERS: And you are
12 allowed to question their answer, that is how, just
13 for the sake of the protocol. I believe it was you,
14 Sir.

15 MR. ALPER: I do not have the exact
16 breakdown of labor versus, maybe I do now, let's
17 see, no, of labor versus materials. Obviously,
18 steel and what not is a big part of a building, and
19 I do not believe there are any minority steel
20 companies at this point in time. I wish there were,
21 I do not think there are. So I cannot tell you what
22 percentage of the available labor dollars, but it is
23 a pretty high percentage.

24 Again, you know, we agree with the

25 concern. Nobody is disagreeing with the comments

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2 that you made or Council Member Fidler and others
3 have made. We are going to do everything we can to
4 make sure that jobs go to local people, construction
5 jobs or permanent jobs. And one reason we are
6 excited about this project is this developer has a
7 track record of working with us and the community to
8 provide that.

9 And I think if you work at this very
10 recent project, \$8.5 million of M/WBE money has gone
11 out to the community.

12 COUNCIL MEMBER BARRON: That is not a
13 lot.

14 MR. ALPER: We wanted to be - -

15 COUNCIL MEMBER BARRON: I think you
16 can do much better.

17 MR. ALPER: And we share your
18 objectives, Sir.

19 COUNCIL MEMBER BARRON: I think you
20 can do much better. Do you think that is the best
21 site for this?

22 MR. ALPER: Do I think that is the
23 best site for it? Absolutely, because the reality

24 of a sports franchise is you want to build it where
25 there is transportation.

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2 COUNCIL MEMBER BARRON: There are
3 transportation in other parts of the City.

4 MR. ALPER: There are few places in
5 the City that have better transportation than the
6 Atlantic Terminal area.

7 COUNCIL MEMBER BARRON: That is not
8 true.

9 MR. ALPER: The reason you have
10 Madison Square Garden on top of Penn Station is
11 there is transportation there.

12 COUNCIL MEMBER BARRON: Yes, did you
13 see what happened to the community around Madison
14 Square Garden, when the garden came to that
15 community? It wrecked it. Did you see what
16 happened to Yankee Stadium, the community around
17 Yankee Stadium, major problem. What are you going
18 to do to guarantee that the same thing does not
19 happen Downtown Brooklyn?

20 MR. ALPER: I do not think you can
21 actually point to either Madison Square Garden or
22 Yankee Stadium as a cause of the decline.

23 COUNCIL MEMBER BARRON: How about --

24 MR. ALPER: Excuse me, unlike those
25 projects this project has not just the stadium or

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2 the arena, but it has multi- use. It has residence,
3 including residences for affordable housing. If
4 they create 1,000 units of affordable housing that
5 is many more units of affordable housing that exist
6 today on that site. They will create affordable
7 housing for many more people than there are being
8 displaced, that is just the reality of it.

9 COUNCIL MEMBER BARRON: No, that is
10 just the plan and time will tell.

11 But this last question about the
12 economic viability of the project, you were talking
13 what, about \$400 million, the City has to kick in
14 roughly \$150 million?

15 MR. ALPER: We do not know the
16 numbers yet.

17 COUNCIL MEMBER BARRON: You do not
18 know the numbers yet?

19 MR. ALPER: Yes.

20 COUNCIL MEMBER BARRON: Well when
21 will you know the numbers?

22 MR. ALPER: Yes, we --

23 COUNCIL MEMBER BARRON: We are saying
24 that it is an economically valuable project, right?

25 MR. ALPER: Right, when we covered it

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2 earlier,--

3 COUNCIL MEMBER BARRON: I mean --

4 MR. ALPER: - - you may not have been
5 here when we covered it, but we covered it at some
6 length the fact that this currently in negotiation,
7 that our guideline is to make sure that whatever the
8 contribution the City and State make are within the
9 direct tax impact of the arena and the sports team,
10 excluding the resident development.

11 COUNCIL MEMBER BARRON: Well right
12 now you can say that you do not know the numbers of
13 it in terms of its economic viability.

14 MR. ALPER: Its viability?

15 COUNCIL MEMBER BARRON: The numbers,
16 it is an economically viable, profitable project?

17 MR. ALPER: We believe that it will
18 be.

19 COUNCIL MEMBER BARRON: You believe
20 that it will be.

21 MR. ALPER: That is correct.

22 COUNCIL MEMBER BARRON: Whoa, okay.

23 CHAIRPERSON SANDERS: We have been
24 joined by Council Member Vann. Council Member
25 Seabrook.

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2 COUNCIL MEMBER SEABROOK: Thank you
3 very much, Mr. Chairman, and I am going to be brief
4 because a lot of the questions were asked, but not
5 answered.

6 And one of the questions, with this
7 level of trust, that Council Member Fidler raised,
8 and I certainly believe that the developer has
9 developed a level of trust, but that developer could
10 be here today, and God forbid, he is not tomorrow,
11 and the level of trust leaves. Because the level of
12 trust is with that developer, and not in statue, and
13 that which the City can actually deal with.

14 There are ways in which the City
15 should address the issue. Economic Development has
16 plans to deal with the 51 percent of unemployed,
17 African- American males in this City, what is the
18 plan to address this issue that your Department has
19 developed?

20 MR. ALPER: This is probably off the
21 top, I would be happy to go into it, if you like to.

22 But this Administration is the five Borough
23 economic development strategy. And I think in the
24 past, too often, development has been Manhattan
25 centric and big business centric.

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2 This Administration --

3 COUNCIL MEMBER SEABROOK: Around this
4 plan, I am saying this plan ties into how to use,
5 solve a chip at the 51 percent. What mechanism do
6 you have that relates to the 51 percent unemployment
7 and this development, this particular development?

8 MR. ALPER: Right, so we want to make
9 sure that our economic development plans are
10 Citywide, that they are not just big buildings for
11 big businesses, but that they include tourism, that
12 they include construction jobs, they include
13 industrial expansion, did a lot of industrial
14 expansion projects around the City. And we believe
15 that this project, given the size of it, and the
16 nature of it, including a big tourism component,
17 will provide jobs for a whole range of people,
18 including very importantly, some of those 51 percent
19 unemployed.

20 COUNCIL MEMBER SEABROOK: So, in
21 other words, would you be willing to ask the Mayor

22 to sign an Executive Order that says that due to
23 this high rate of unemployment of African- American
24 males, and in particular Fort Green, Faragut Houses
25 and other places, that an Executive Order be

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2 attached to any dollars that is actually spent,
3 State dollars have 15- A that is attached, that
4 says, when there is going to be entrepreneurship,
5 there is going to be work, that 15- A kicks. The
6 Dormitory Authority has a set aside provision, and
7 you should have your Counsel to look into the
8 Dormitory Authority of the State of New York that
9 has a set aside provision that says that minority
10 entrepreneurial and participation is 50 percent,
11 actually is supposed to take place in statute, and
12 has been there. Fifteen- A is in statute under the
13 State of New York. Eight- A is in statute in the
14 federal government.

15 Will the City attach an Executive
16 Order, i.e., Dinkins' order that stood the scrutiny
17 that allowed participation, and in this emergency
18 crisis of 51 percent of unemployment, that that
19 provision should be made, if we could say that
20 housing is going to be 50/30/20, why cannot we say

21 that the jobs on the basis of the need in those
22 particular communities will reach a percentage that
23 has to be done. And that a mechanism to be created
24 that would allow this to happen.

25 It is the government, the government

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2 can put this in writing, and assure people the
3 developer is a good person, the developer is a
4 righteous person, but could be dead tomorrow. But
5 in statute, it stays and it lives in perpetuity
6 until a Mayor takes it out. A Mayor can put an
7 Executive Order in to deal with the structural
8 unemployment. Construction jobs come, but
9 construction workers come outside of the State of
10 New York and the City of New York.

11 And so what we are saying is to deal
12 with this level of unemployment, there can be an
13 Executive Order. It is in statute, 15- A with the
14 State, --

15 CHAIRPERSON SANDERS: Council member,

16 - -

17 COUNCIL MEMBER SEABROOK: -- the
18 Dormitory Authority. So could you please respond to
19 that?

20 MR. ALPER: Well I will respond by

21 saying that I am outside my area of expertise, but I
22 would suggest that you would put in writing your
23 suggestions, probably the Small Business Services,
24 who both oversees the Department of Employment as
25 well as the M/WBE programs for the City. It is

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2 really not in EDC's purview, but I think your
3 comments sound like interesting suggestions, you
4 should put them in writing, and it would be with
5 Commissioner Rob Walsh.

6 COUNCIL MEMBER SEABROOK: We did that
7 already.

8 MR. ALPER: That is the right place
9 for it.

10 COUNCIL MEMBER SEABROOK: Already.
11 Thank you very much, Mr. Chairman.

12 CHAIRPERSON SANDERS: Thank you,
13 Council Member Seabrook.

14 Sir, are there any closing remarks
15 that you want to make. I believe that Council
16 Member Quinn has, the questions have been answered.
17 Council Member Yassky.

18 COUNCIL MEMBER YASSKY: Thank you,
19 Chair Sanders. And I appreciate you giving me the

20 privilege of participating here. I am not, as you
21 know, a member of the Committee, but this project
22 is, of course, of considerable interest to my
23 constituents and the 33rd. So Chair Sanders, thank
24 you.

25 Mr. President, I think there are two

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2 big question that we have to answer, as we look at
3 this project. Is it good for the City, and then
4 particularly those of us who represent the immediate
5 area have to ask, is it good for the neighborhoods
6 in which it is located?

7 In terms of the City, I want to say I
8 understand the potential benefits, a project like
9 this has, absolutely, in terms of jobs, in terms of
10 jobs specifically there, in terms of barter economic
11 development by attracting businesses to Downtown,
12 and momentum that you talked about, in terms of
13 affordable housing, if the plan, as outlined can be
14 set in concrete. I think there are a lot of open
15 questions there, that my colleagues have addressed.
16 I will not echo everything that was said, but I do
17 want you to know that certainly questions about
18 ensuring that local, Brooklyn residents benefit and
19 have the jobs. Those are not isolated concerns, but

20 I think are very broadly shared, and I think all of
21 us have been just shocked by some of the recent
22 unemployment numbers and feel that when we are
23 looking at project like this, it must address the
24 kind of local unemployment that we have in Brooklyn.
25 But my question here, and I guess my

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2 concern is, I agree with some of what you said in
3 your statement about possible benefits. But then in
4 your statement you said, we strongly believe that
5 the project's benefits far outweigh the costs. And
6 my concern is I do not feel that you have given us
7 the information to be able to say that. It is a
8 project, this project, if there are no public
9 dollars involved, I think then that you can step
10 forward and say that. But until we know what kind
11 of public financing is involved, I do not think that
12 we, and that my colleagues before me, you know, made
13 much the same point. I do not think that we can
14 make a statement benefits that way, because until we
15 really see quite clearly what exactly the costs are.
16 And so I would ask you to, before you
17 say something like that, to then come forward with a
18 real full accounting of what exactly the public is

19 being asked to pay? And I think, particularly, on a
20 project like this, I take the point that you made
21 earlier in response to Council Member Gioia that
22 here is somebody that came forward with an economic
23 development opportunity, looking for the City's
24 help, this is not a competitive bidding situation,
25 of course.

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2 So, but without, then that test, the
3 competitive bidding test of what exactly is needed
4 to ensure that the project goes forward, I think
5 that it is incumbent on the City then to be more
6 than usually open with the public, in terms of not
7 just the public investment, but the full economics
8 of the deal from the private side as well. In other
9 words, if the public is being told here is what you
10 are being asked to pay, you the taxpayers, and that
11 is because we, the public, need to make that
12 investment for this deal to happen, than I think the
13 public needs to see the full economics of the deal
14 so that it could be critique and understood.

15 And so what I would ask you, is to
16 return to us at the earliest possible time, because
17 we are being, those of us who represent particularly
18 the immediate area are being bombarded. I saw the

19 statement of Mike McGuire from the laborers who are
20 going to testify shortly that what hear is most
21 commonly, the complaint you hear most commonly is,
22 this is a done deal. And I hear that quite a bit
23 from my constituents.

24 So in order for us to frankly be able
25 to tell people, and to be assured ourselves that it

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2 is not a done deal, I ask for you to come back to
3 us, as quickly as you can with a solid, clear, and
4 full accounting of the public investment, and then
5 the private economics that the public investments
6 are being asked to support.

7 So will you be able to do that within
8 a matter of weeks?

9 MR. ALPER: Well I do not know why
10 you think we will not come back with what we always
11 have in all of our projects, laid out exactly what
12 public benefits are made available. The fact that I
13 do not know what the amount is, does not mean that
14 it is not clear the benefits will outweigh the cost.
15 What I said, and maybe I did not hear you clearly
16 enough, what I said was that whatever the City is
17 going to contribute, we intend to be within the

18 direct fiscal impact, the tax impact of the arena,
19 itself.

20 Now unless we are grossly wrong in
21 our estimates, and we can be wrong, we should not be
22 that wrong, it will be impossible for us not to have
23 benefits for the City that far exceed that
24 contribution. It ignores the direct, indirect
25 spending, the jobs created. It ignores the benefits

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2 of the office retail and housing, so in my wildest
3 imagination, I could not imagine if we are able to
4 stick within what we expect to be stick within, that
5 the benefits would not far outweigh the cost.

6 But as always, we will come, this
7 will be a very open process, absolutely nothing to
8 hide. We pride ourselves in being rigorous about
9 return on investment for public invested dollars,
10 and this will be no exception. This will be a very
11 open and transparent process. We do not set the
12 hearing schedules for the Council, you guys do.
13 This is probably a few weeks early, and I cannot do
14 anything about that, but as soon as we hear the
15 numbers, we are happy to come back and talk about
16 them.

17 COUNCIL MEMBER YASSKY: Okay, let me

18 just be clear. On the principle that the public
19 investment must be less than the revenue we are
20 going to get from it, that principle I endorse
21 wholeheartedly. And you know, that means yes, the
22 benefits outweigh the cost. Without concrete
23 numbers, it is, of course, really impossible for us
24 to critique it, and I understand the count, you
25 know, you are saying you would have rather waited a

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2 few weeks. Well, I would have asked you, at the
3 earliest time you can, make those numbers available,
4 then the public debate whether it is in a hearing
5 setting or not, can move forward.

6 And the part of my question that you
7 did not address is on the private economics. In
8 other words, if the claim is, we need to invest \$150
9 million, I am making this number up, whatever number
10 you are going to come forward with, X dollars, to
11 ensure this project happens. I think in order for
12 us to be able to evaluate that, and for the public
13 to be able to evaluate that claim, then we need to
14 understand the private economics of the deal, and
15 that is because this is not a competitive situation,
16 it is not one that could be competitive bidding.

17 So will you be able to provide that
18 kind of openness and detail as well?

19 MR. ALPER: Well I will tell you
20 what, it is our process we always try to put
21 ourselves in the developer's shoes to figure out
22 what kind of a term they need for the risk they are
23 taking, and to make sure that we provide an
24 incentive that is only the amount necessary to give
25 them that hurdle rate that makes them comfortable in

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2 taking the risk.

3 So we will be glad to share whatever
4 our thought process is with you. We will make sure
5 that we are not in the middle of negotiation to do
6 that. I am sure that friends from Forest City
7 Ratner are sitting behind taking notes as I speak
8 here. You know we are in active negotiation over
9 incentives. So once the negotiation is complete, we
10 are happy to share our thought process, to share the
11 outcome, and hear your feedback on it, as always.

12 COUNCIL MEMBER YASSKY: Okay, I
13 understand that, you know, we have a lot more to go.

14 So I will, but I understand, I said I think we
15 need to see what the private side of the deal is.
16 And you are saying, well, we will tell you what kind

17 of what we are assuming the private side is. I do
18 not think that is really enough. I mean, I think
19 that when someone is coming and seeking this kind of
20 support from the City, then it is reasonable for the
21 government and the taxpayers that the government
22 represents to say in return, well you need to be
23 open with us about what your economics are, and I
24 think you should be sharing that with us.

25 MR. ALPER: And we agree and that is

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2 what we tell the developers.

3 COUNCIL MEMBER YASSKY: Okay. My
4 last question, in terms of whether this is good for
5 the neighborhood. I think a lot of that depends on
6 what the City is going to do to manage the traffic
7 flow that the project will undoubtedly create. And
8 so what I would ask you to do, is to commit that the
9 Department of Transportation will soon, before any
10 final decision has to be made on this project, to
11 come forward with a comprehensive plan for moving
12 1,000, 2,000 cabs in and out, back and forth to
13 Atlantic Center on a game night and for managing the
14 traffic flow that would result from the project.

15 Can you tell me the Department of

16 Transportation will do that?

17 MR. ALPER: Well I cannot commit for
18 the Department of Transportation. I think you know
19 that DOT has been working with the Downtown Brooklyn
20 Council to look at traffic mitigation for the
21 Downtown Brooklyn Plan, including potentially
22 residential parking permits. I would expect DOT to
23 continue working with us, and with the developer,
24 and with the State, and the MTA, for traffic
25 mitigation plans.

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2 Also, Council member, the Downtown
3 Brooklyn Plan, there was a supplement EIS to make
4 sure that if you look at the Downtown Brooklyn Plan
5 that the baseline includes the arena being built.
6 And then likewise, the arena plan, the arena EIS
7 will look at the Downtown Brooklyn Plan.

8 COUNCIL MEMBER YASSKY: Mr.
9 President, I am sorry, because I am being told to
10 hurry. I understand, Mr. President I will not
11 follow up, Mr. Chair, I will not follow up, but I
12 will say --

13 CHAIRPERSON SANDERS: Thirty seconds
14 to do so, Sir, please.

15 COUNCIL MEMBER YASSKY: - - I think

16 that answer is, unfortunate, that answer is really
17 not adequate. The Environmental Impact Review, of
18 course valuable, tells us what is going to happen,
19 what to expect. But I do think, again, the
20 neighborhoods here have the right to have from the
21 government, and which you here are representing the
22 Mayoral Administration, including the Department of
23 Transportation, have a right to have the
24 Administration present to the neighborhoods, here is
25 our plan for managing the traffic that will result,

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2 not just Environmental Impact Statement what to
3 expect, but what the Administration is going to do
4 to help the affected neighborhoods. I think they
5 have a right to that prior to any final decision
6 being made.

7 Thank you, Mr. Chair.

8 CHAIRPERSON SANDERS: Thank you. I
9 will say that the, just as a point of information,
10 Councilman Yassky, that perhaps we need to give that
11 question to a Deputy Mayor. President Alper can do
12 many things, of course, but that is not one of the
13 things that he can do. I will say that the EDC has
14 responded, we never have had a problem so far in

15 them responding, and we would like to keep it that
16 way.

17 And with that, I am going to, unless
18 you insist on staying there longer there, Sir, I am
19 going to dismiss you. And thank you very much for
20 coming out and spending more than 45 minutes with
21 us.

22 MR. ALPER: Well I am having lots of
23 fun, but I appreciate the offer to take my leave.
24 So, thank you very much, Sir.

25 CHAIRPERSON SANDERS: Okay. I

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2 suspect that, as you leave, I suspect that we will
3 call you back or someone back on this issue and
4 other issues. This will not be the last, I suspect,
5 that we will hear of this project.

6 MR. ALPER: We are always glad to
7 come back.

8 CHAIRPERSON SANDERS: Thank you very
9 much. Now let's get to some good stuff. Now let us
10 call our next presenters, and would you be kind
11 enough to name them.

12 MS. REID: Next, we will hear from
13 Forest City Ratner Company. We will also be hearing
14 from Bernard King at the same time.

15 CHAIRPERSON SANDERS: In a moment
16 Sir, you will be ready, if I could encourage people
17 that they are leaving, leave now, if you are moving
18 around, leave now. This may be a good moment, once
19 you get up those seats are open, and those who want
20 a seat, you have got it.

21 At some appropriate moment, we are
22 going to try to name all of the presidents of the
23 different locals. Union locals have come out here,
24 we have a host of dignitaries and a host of
25 Reverends and Ministers, including Reverend Clarence

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2 Norman, of course. We have a host of people.

3 Having said that, in 10 seconds we
4 will have the next presentation begin. Now these
5 mics are such, Sir, that when the light is off, it
6 is actually on. And if you would be kind enough to
7 identify yourself and your staff, and make your
8 presentation. Thank you for coming out.

9 MR. STUCKEY: Thank you, Councilman
10 Sanders, and thank you all Council members for
11 permitting us to come and present. If you do not
12 object, I would like to stand as we make our
13 presentation.

14 CHAIRPERSON SANDERS: By all means,
15 Sir.

16 MR. STUCKEY: Thank you.

17 CHAIRPERSON SANDERS: Sir, wait a
18 minute, I thought we were going to talk about
19 Bernard King's record.

20 MR. STUCKEY: We are going to do that
21 too, Council member.

22 CHAIRPERSON SANDERS: We are not
23 talking about Sanders.

24 MR. STUCKEY: We are going to do that
25 as well.

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2 CHAIRPERSON SANDERS: Oh, I am sorry,
3 I got the wrong one.

4 MR. STUCKEY: I would like to go
5 through a PowerPoint presentation. Before I do,
6 there are a few points I would just like to make,
7 because this is the beginning of a process. I would
8 like to remind the Council that we at Forest City
9 have only just purchased and signed the contract to
10 purchase the New Jersey Nets, January 23rd of this
11 year. And so we are at the beginning of the
12 process. And so we should not confuse, obviously,
13 the beginning of a process with any attempt to avoid

14 the process.

15 We are very happy to be here. We
16 have been out the moment that we purchased the team,
17 and we were allowed to go out and speak publicly.
18 We began meeting with the Community Boards, we began
19 meeting with the community, and we look forward to
20 continue meeting with the community as well.

21 This project is about jobs, it is
22 about housing, and yes, it is about hoops and
23 basketball. And we will talk about all of those
24 things. But as Council Member James referred to
25 before, the Andrew Zimbalist Report, which was

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2 prepared for us, it is also about over \$4 billion in
3 the aggregate of new revenues to the City. And even
4 making very, very, very conservative assumptions
5 about what a public contribution will be, that he
6 made, -- Yes, Council member.

7 CHAIRPERSON SANDERS: If I could
8 interrupt you, would you be kind enough to state
9 your name for the record.

10 MR. STUCKEY: I apologize. I am Jim
11 Stuckey. I am Executive Vice- President at Forest
12 City Ratner Company.

13 CHAIRPERSON SANDERS: And if you
14 could name who is with you.

15 MR. STUCKEY: Yes, this is Melissa
16 Girling and Bernard King, who is an advisor to our
17 company.

18 This project, as I said, is about
19 substantial new revenues, substantial new jobs,
20 substantial new housing for New York City. There
21 has been a lot of discussion, you are going to hear
22 a lot today about imminent domain, and I will tell
23 you that we have listened when we have gone out and
24 we have met with the communities, and we have re-
25 evaluated our plan. And one of the things that we

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2 will be announcing shortly is that we are working
3 diligently to substantially reduce the amount of
4 residential condemnation and imminent domain that
5 will be part of this project. We are looking at how
6 we can reshaped the plan, we are talking with
7 residents, and we are looking at how we can
8 substantially reduce, and possibly eliminate the
9 need for residential condemnation in this plan. And
10 I really want to stress that point, because I know
11 you will hear a lot about that today.

12 We are very much about, and aware of

13 the job situation in Brooklyn. We are a major
14 corporation that is located in Brooklyn, and we have
15 been there, we have moved our company there, and we
16 have been there a long time, and probably are the
17 single, larger investor in Brooklyn, perhaps in its
18 history, and we continue to invest and we wish to
19 continue to invest. We understand the statistics,
20 and we understand more than the statistics, the
21 people who are unemployed in the African- American
22 community. We understand that, in fact, in some of
23 the housing projects that are around this project,
24 such as Fort Green Housing and Faragut Housing that
25 those statistics can go as high as 78 percent in

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2 terms of the amount of unemployment. And we hope
3 that we can do something significant that will begin
4 to impact on those projects as well.

5 We understand the need for all levels
6 of housing, and we are committed to doing real
7 affordable housing, real working class family
8 housing, real middle- income housing, and real
9 market housing as well.

10 In addition to that, you are going to
11 hear people speak today about the bulk and the

12 density of this project. But what I will tell you
13 is that this is the largest transportation hub, the
14 most number of trains out of any place in New York
15 City. If you want to do development in New York,
16 and you obviously cannot create a single job, nor
17 can you create a single housing residence, if you do
18 not build something. You must build in order to
19 create jobs you must build to create housing. If
20 you are going to do it, obviously, sound urban
21 planning says that you should do development at a
22 location where you have mass transportation. Ten
23 subway lines, every line of the Long Island
24 Railroad, except for one, goes through Atlantic
25 Terminal.

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2 You are going to here some speakers
3 today talk about that Forest City likes to dip into
4 the public coffers, and to take subsidy from the
5 City. What they will not tell you is that the
6 subsidy we get are as- of- right tax benefits that
7 go to the tenants who occupy our projects. The ICIP
8 program, that is what gets calculated into these
9 analyses. What they will tell you is that for the
10 Bank of New York and other tenants that come, that
11 they, in fact, have Liberty Bonds, they were a World

12 Trade Center tenant that relocated to Brooklyn, a
13 Manhattan tenant that came to Brooklyn. And they
14 use Liberty Bonds that Congress allocated for
15 companies who are relocating outside of the Liberty
16 Zone. They will tell you about public tenants that
17 are in our project, but what they will not tell you
18 is that the Fire Department was in Livingston Street
19 in a dilapidated building, and went through an RFP
20 process, and we won it because we had the lowest
21 bid. Or they will not tell you that, for example,
22 the Motor Vehicle Department moved because they were
23 out of space and wanted to be closer to mass
24 transportation.

25 So you will hear all of these things,

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2 but what you really have to do is examine these very
3 closely. And you will hear about the process as
4 well, and as I said, this is the start of the
5 process, and we hope to have a very, very long
6 continuing dialogue.

7 So having said that, I would like to
8 jump into a brief PowerPoint presentation that
9 explains what this project is, because a number of
10 Council members have said, quite correctly, that

11 what they have seen and heard mostly has come from
12 the press. And we thank you, and we welcome the
13 opportunity to answer your questions and to present
14 it today.

15 So, if we can, first, Forest City
16 Ratner, we have been in New York City since 1989.
17 We are a private company, listed under New York
18 Stock Exchange, we are part of a larger company that
19 is in 23 States, a \$5 billion company. We hope that
20 we are more than just one person, who if he passes
21 away we can continue. We are about a company that
22 is located in 23 states.

23 In the last 13 years, we have
24 actually completed 34 projects in all five boroughs
25 of New York City. And those 34 projects have

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2 resulted in \$3 billion in total investment, and 12.5
3 million square feet of development.

4 We have helped to create or retain
5 22,000 office jobs in New York City, and
6 particularly in Brooklyn. Now I want to just give
7 you a sense of the order of magnitude of those
8 22,000 jobs in all of Brooklyn there is 450,000
9 employees from the grocery clerk to the business
10 executive. We have helped in the last 15 years to

11 create and retain 5 percent of those jobs. Five
12 percent of the total jobs that are in Brooklyn. And
13 in addition to that, from the statistics we get from
14 the companies that were once in New York and once
15 elsewhere, who have come to Brooklyn, now 33 percent
16 of the people who work in those companies are from
17 Brooklyn. Seventy percent are from Brooklyn,
18 Queens, and Staten Island, 90 percent and above are
19 from all five boroughs. And yes, about five to six
20 percent do still continue to come in from other
21 locations. But the overwhelming majority of those
22 22,000 jobs, based on the surveys that we get from
23 the companies that we talk to in MetroTech are
24 living and coming from the five boroughs of New York
25 City.

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2 We have helped to create 4,700 retail
3 jobs. There was no retail program in the boroughs of
4 New York City until we started it. People still had
5 to go shop at bodegas, they were not able to get the
6 benefit of shopping in supermarkets and the best
7 prices. People were forced to curb, in many cases,
8 to shop outside of New York City, to go to New
9 Jersey, to Long Island, to Connecticut, to other

10 places because they could not get the type of
11 shopping that every resident in this City deserve to
12 get. So we put polling together, we put information
13 together, we convinced the retailers that were not
14 willing to go into the boroughs of New York City,
15 and the banks that were not willing to finance in
16 the Boroughs of New York City, to go into the
17 neighborhoods. So that the people who lived and
18 worked in the Boroughs of New York City, the working
19 class families, could have the same opportunities as
20 anyone else to shop and to get the benefit of
21 prices.

22 In addition to that, we moved our
23 headquarters, as I said, we are a major employer in
24 New York City. We now have 1,500 employees in our
25 company, that is a pretty significant company that

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2 is in New York City. And we have done that because
3 of the business that we have helped to keep here in
4 New York City.

5 This was MetroTech in 1986, not a
6 very long time ago. And it is in an area, and it is
7 when people talk about, well why do you need to do
8 redevelopment, and why do you need to take older
9 buildings and change it, this is what MetroTech was,

10 and in many cases, had very many similarities to the
11 model that we are talking about today and the
12 project that we are talking about today.

13 This is MetroTech today, a very
14 substantial difference, with the 22,000 jobs I
15 mentioned, with Morgan Stanley, Baer Sterns, JP
16 Morgan Chase, Goldman Sachs, The Bank of New York,
17 KeySpan, very significant Wall Street and major
18 financial services businesses that never looked
19 across the East River, only looked across the Hudson
20 River and beyond, that we have now been able to keep
21 and bring to New York City.

22 We have created, as I said, an urban
23 retail project. In 1994, we commissioned a survey,
24 and we realized that New York City was under-
25 served. And they were under served to the point of

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2 \$3.4 billion, the study found at that time, was
3 leaking out of New York City and being spent in
4 other places. And by helping to create this major
5 retail project, we were able to keep those jobs, and
6 keep those dollars in New York City.

7 We have heard a lot of discussion
8 about minority and women- owned businesses. And I

9 want to just talk about our programs, and what we
10 have done. Because we built 34 projects, and
11 because we have been a very active developer in New
12 York, we have had the opportunity to really focus on
13 these programs and to make a difference. And I just
14 want to point out that if you look at our projects
15 in total, our major projects, you will see that we
16 have built a total contracts awarded \$814 million,
17 so almost \$200 million, 198.5 million, 25 percent in
18 total, and 35 percent of the workforce has been
19 employed in our construction projects. And if you
20 just look at a few of the most recent ones ranging
21 from 9 MetroTech, which was a building that came
22 after September 11th, Empire Blue Cross/Blue Shield,
23 you will see 18 percent, 40 percent of the
24 workforce. If you looked at 330 Jay Street, a
25 project where we are just completing construction

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2 today, of the total of \$373 million, \$85 million of
3 that project went to minority and women- owned
4 businesses, 23 percent, 31 percent of the workforce.
5

6 So this is not about something that
7 will happen, something that we are promising,
8 something this, something that. This is about

9 facts, this is about what we have done.

10 The Atlantic Yards project, we
11 believe, is similarly an economic development
12 engine. We believe it will be \$2.5 billion project
13 when it is fully built out. It will result, as we
14 have heard from President Alper's testimony in
15 15,000 construction jobs. We believe there could be
16 as much as 10,000 permanent jobs, depending upon the
17 nature of the tenants that are in the project. We
18 probably are slightly more aggressive statistics
19 based on our experience at MetroTech, not based upon
20 economic models, but reality at MetroTech.

21 We believe, as I said before, based
22 on just the Zimbalist Report that there could be an
23 aggregate of \$4 billion of increased revenues to the
24 City, with a net benefit, assuming certain
25 assumptions for what the public contribution were

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2 made that Zimbalist made of over \$2 billion net, and
3 that present value dollars is over \$800 million.

4 We have a number of guiding
5 principles for this project from the very moment
6 that we have started. Guiding principle one is
7 affordable housing. As I said before, affordable,

8 working class family housing, middle- income
9 housing, housing for seniors, and yes, market
10 housing as well. We believe that this arena, and
11 this arena, by the way, is clearly more than just
12 basketball, it is many things, and Bernard will talk
13 about that later, should have what we call
14 screeches, we think it should have bleachers, cheap
15 seats. Seats that the average family can come and
16 see. Not seats that you have to spend \$100 for a
17 seat, but seats that you can spend \$15 for, for a
18 seat, bring your family to and really enjoy the
19 game, that is a guiding principle of ours.

20 Community input, as we said, the
21 moment that we learned that we were selected to buy
22 this team, we began to publicly go out and begin to
23 meet with the communities. This is another example,
24 and we will continue to do that.

25 Attracting a diverse ownership base,

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2 and we are clearly looking to do that. This is not
3 about just simply talking about how people get jobs,
4 people of color get jobs in the project, but we want
5 it to have people of color and women have ownership
6 positions in our team and in this project.

7 Providing the arena as a community

8 resource. Yes, there will be many venues, but we
9 also believe that I know, there is one thing that
10 Bernard and I have in common, we both graduated from
11 Fort Hamilton High School in Brooklyn. And I know,
12 like most high schools in Brooklyn you have to go to
13 Brooklyn College or you have to go to other places
14 because there is no place in Brooklyn where you can
15 have a graduation ceremony. There are many kinds of
16 venues that could be made available to the
17 community, and that we intend to have this arena do
18 and be available for the community, as well.

19 We believe that the overwhelming
20 financing of this project should be private. We
21 think that any revenues that come from the public
22 sector should come out of monies that would not come
23 unless we brought this project here in the first
24 place. That is a guiding principle of ours. Many
25 of us, myself included, Bruce Ratner, many of us

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2 worked in government, we understand the strain, and
3 we understand the need for this to be a privately
4 financed project and not tap on public resources any
5 more than necessary.

6 I have talked about our desire to

7 continue working on hiring of minority contractors
8 and women- owned contractors. It is a guiding
9 principle of ours, and obviously, world class
10 architecture. This arena is going to be a
11 substantial project that we will be building in
12 Brooklyn. We have retained Frank Gehry to help us
13 design this project, because we really believe that
14 Brooklyn requires and needs world class architecture
15 as well.

16 Why this site? There is a lot of
17 questions, we have read the same newspaper articles
18 that others have talked about, and I know that is
19 going to be a question that people will talk about.
20 Why not the Brooklyn Navy Yard, why not Coney
21 Island, why not someplace else? The reason why not
22 is because density believe at a site that you have
23 mass transportation. The Brooklyn Navy Yard could
24 never result in the jobs that we would be able to
25 create here, because you could not build the amount

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2 of office space that we are talking about building
3 here. And the Brooklyn Navy Yard would never permit
4 us to build the amount of housing that we can build
5 on this site, nor could Coney Island. It could not
6 sustain it, it does not have the development ability

7 and you could not attract the companies to go to
8 those locations. This is a business hub, and this
9 is why this site makes complete and utter sense.

10 As I mentioned before, this is a
11 major mass transportation hub, there are 10 subway
12 lines, and virtually every single, as I mentioned,
13 Long Island Railroad Line comes through this site
14 too. Okay.

15 The site currently is a 21- acre
16 site. It is comprised largely of the Long Island
17 Railroad storage facility and an MTA scrap bus yard,
18 where they basically have scrap buses that are taken
19 out of the system. There are many under utilized
20 and vacant, industrial manufacturing buildings.
21 There are empty lots, gas stations, and auto repair
22 shops, and there are some residential buildings, as
23 we have said. But as I said, we are working
24 diligently to try and minimize the amount of
25 residential imminent domain and condemnation.

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2 The project, itself, would consist of
3 over 2.1 million square feet of office space that
4 would be predominantly in these areas here, in four
5 towers. The arena itself, this is Atlantic Avenue,

6 Flatbush Avenue,
7 the exiting Atlantic Center, Bank of New York,
8 Atlantic Terminal over here.

9 And then spread out in the blue areas
10 you would have 4,500 housing units. And as I
11 mentioned earlier, there would be six brand new
12 acres of open space that would be created as part of
13 this development project.

14 I want to talk for a second about the
15 State of New York City housing, because again I have
16 talked about jobs, but this project is also about
17 housing. These come from write-ups of *Habitats of*
18 *Humanity*, in New York City. The current vacancy
19 rate in New York City for housing is 3.2 percent.
20 Five percent is considered an official housing
21 emergency.

22 Between 1990 and 2000 the population
23 in New York grew by 686,000 people, but only 81,000
24 housing units were built. The rate of severe
25 crowding, that being one and a half people or more

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2 per room in New York City is six times the national
3 average.

4 The lack of affordability, nearly one
5 in four people in New York City, renters, pay more

6 than 50 percent of their household for housing
7 expenses.

8 Forty- one percent of the housing
9 stock in New York City is over 70 years old, and 62
10 percent is over 50 years old. The number of units
11 with severe physical problems in New York City is
12 three times the national average. This City needs
13 housing, and this project is about creating 4,500
14 housing units.

15 The Atlantic Yards program, as I
16 said, will reach out to all income levels. I am
17 going to keep reinforcing this point, it is our
18 intention to try and work with affordable housing,
19 middle- income housing, working family housing,
20 seniors and market rate housing.

21 I mentioned earlier that we have six
22 acres of public open space. We have retained as
23 part of our team in character with having Frank
24 Gehry as our architect, Lori Orlin, who has designed
25 Battery Park City and Bryant Park. The retail

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2 concerning around the housing is going to be local
3 retail. It is our intention to have restaurants,
4 bookstores, galleries, day care centers, and health

5 clubs. This is not about large, big buck, retail.
6 This is about local retail fitting in with the local
7 housing that we are going to create.

8 I want to turn this over, for a
9 second now, to Bernard King. Bernard, as many of
10 you know, has actually been working with our team.
11 He is recently nominated to the NBA Hall of Fame.
12 Bernard has played with both the Nicks and the Nets.
13 He is tremendously important to us as an advisor.
14 He has been working with us in terms of putting
15 together kids camps and making sure that we can
16 figure out ways of tying this to the community.

17 And Bernard, why don't I ask you to
18 stand for a second, if I can?

19 MR. KING: Thank you, James. Thank
20 you. First, I thought I was going to say good
21 morning, but good afternoon, Council members. I am
22 pleased to be here, and as a kid who grew up playing
23 hoops in Downtown Brooklyn, specifically Fort Green,
24 I am proud to be here before you today to speak to
25 you.

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2 And Chairman Sanders, I will try to
3 contain my enthusiasm, but I am passionate about
4 basketball, because I know how it transforms lives.

4 most from it, and the reason why I am engaged in
5 this project, is because of young kids. I was a
6 young kid one day, playing basketball, and I know
7 what it did for my life and the effect that it has
8 had on my life. But when you look at this arena, I
9 think that young kids benefit the most from this.
10 It is going to be accessible to college chains, it will
11 be accessible to high school teams, accessible to
12 community basketball teams as well. And I think
13 that is a tremendous benefit, because we as adults
14 are oftentimes forgetful that we are the ones
15 responsible for creating safe havens for young kids
16 to go out and utilize their creative skills, such as
17 through sports. And I think that is one of the
18 responsibilities that we have. Forest City Ratner is
19 certainly committed to this, community based
20 projects, and I am delighted that he has allowed me
21 to do some of the things that I would like to do in
22 the very community that I grew up in, so that some
23 of the young kids that has dreams in those very
24 communities, perhaps, will go on to fulfill them, as
25 I have done in my life, today, as well.

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2 One of the things that I have done
3 recently, just about a month ago, at Pratt

4 Institute. And many of you know Pratt, I know that
5 some of you are here today from Fort Green, I had a
6 basketball camp, a mini basketball camp for boys and
7 girls ages 10 to 12 years old, 80 kids, and this was
8 sponsored by Forest City Ratner.

9 And why is that important? It is
10 very important because when I grew up as a young kid
11 there were many organizations that I participated
12 in, clinics I played in, and organizations that made
13 it available for me to play basketball. And what
14 many people tend to fail to realize I think,
15 basketball has a tremendous benefit. At the camp,
16 one of the things that we stressed was not just
17 basketball skills, which we were sharing obviously,
18 but we use the camp as a conduit to talk about
19 education. This is the foundation of success for
20 every young kid in life. And so we look at
21 basketball, there are certain skills that we develop
22 through the game that allows you to be very
23 successful in life because it serves as a foundation
24 of success in life. The ability to motivate
25 yourself, become self- disciplined, develop

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2 confidence, learn how to work with others, because

3 we have to socialize and whatever work space that we
4 are in. And so I believe very strongly that
5 basketball represents more than just playing the
6 game. It represents life's success. I know what it
7 has done for my life, and I know what it continues
8 to do for my life today.

9 Are there issues associated with
10 traffic? Certainly, there are, and I am sure there
11 are issues with the address. But this project has
12 many, many merits to it. I am excited about it, I
13 am very passionate about it. Brooklyn is home for
14 me, will always be home, my parents reside in
15 Downtown Brooklyn today. I have a brother and a
16 sister who are working professionals that live in
17 Downtown Brooklyn area, as well. But when you look
18 at this project, once again, I think helps kids to
19 aspire to do something very special in their lives.
20 When you look at this project today, possibly
21 Downtown Brooklyn, you look at professional
22 basketball players serving as models, all of us
23 here, all of you here, are models, but we have to
24 recognize that professional athletes are models as
25 well. And to have this team in our own backyard for

3 day and to be like one day. And I do not suggest
4 that all kids will grow up to be professional
5 basketball players. But I think there is a
6 tremendous benefit here that creates opportunity
7 that we should not allow ourselves to lose.

8 Brooklyn deserves this project, the
9 kids of Brooklyn deserve this project, I am
10 certainly behind it 100 percent. I am committed to
11 it. I am having another basketball camp this summer
12 in Downtown Brooklyn, again, drawing kids from
13 Downtown and all over Brooklyn, and we will be
14 continuing to do that all sponsored by Forest City
15 Ratner.

16 I recognize that there is a high
17 unemployment rate in the very community that I grew
18 up in, in Fort Green where we have 70 percent
19 unemployment. I believe that there is a commitment
20 here by Forest City Ratner and Bruce Ratner to
21 affect that. So later, there will be employment
22 created for all areas of Brooklyn, not just in Fort
23 Green. But to have a project come into Fort Green
24 and the Downtown area, I think it is crucial, and I
25 do not think we should pass up this opportunity.

2 I thank you for allowing me to take
3 the time to address you here today. And once again,
4 I am very excited about this.

5 CHAIRPERSON SANDERS: I am very glad
6 that I did not have to read you out of order, Sir.

7 MR. STUCKEY: So I am going to wrap
8 up, Chairman, and take questions. So again, I
9 mentioned Frank Gehry Architecture, and as many
10 people know, Mr. Gehry has been involved in projects
11 ranging and helping to recreate the areas where his
12 projects have been done. The Guggenheim Museum has
13 actually taken an old industrial area and made it
14 one of the major tourist attractions in Spain. The
15 new Disney Concert facility in Downtown Los Angeles,
16 has finally helped to get Los Angeles thinking about
17 its Downtown as a place where people want to remain.

18 And of course, he has done some pretty wild
19 residential buildings as well.

20 We think that this is a great
21 destination for a great project, and we think this
22 has been recognized by architectural critics and
23 others alike. We obviously understand that there is
24 a lot of work for us to do, that there are a lot of
25 questions to answer. And I want to emphasize that

2 we see ourselves as being at the beginning of the
3 process. We see ourselves as working very
4 diligently with the public sector. And we thank you
5 for opportunity to be here today. Thank you,
6 Council member.

7 CHAIRPERSON SANDERS: Thank you. I
8 am going to ask the audience to indulge the
9 Committee for three minutes as we do some business.
10 But first let me say that Council Members Gerson and
11 DeBlasio are also here today.

12 Let us complete some old business
13 with this Committee. As you may recall on April
14 23rd, the Committee held an initial hearing on a
15 shift resolution pertaining to 13 companies who are
16 applying for a waste tax credit with New York State
17 for having created jobs in a zone equivalent area,
18 or ZEA.

19 The ZEA applicants require the
20 approval of a shift resolution by the City Council
21 in order for the State to then review the
22 applications for the certification that would make
23 them eligible for waste tax credit. The Committee
24 has done due diligence on these applications.

25 Today we are going to consider, and I

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2 hope vote, to approve Proposed Resolution No. 296-
3 A, which is an amended version of the resolution
4 that was introduced. The amended version reflects
5 that:

6 A) One application was removed
7 because the applicant was determined to be
8 geographically ineligible; and,

9 B) One new application was submitted
10 and reviewed since April 23rd. Therefore, the shift
11 resolution we are voting on still involves 13
12 applications in total. We are going to put this to
13 a vote. Ms. Reid, would you be kind enough to read
14 the roll? Oh, I am sorry. Council Member Vann is
15 also here. Would you be kind enough to read, I
16 stand corrected, Sir, would you be kind enough to
17 read the rolls.

18 COUNCIL CLERK: Proposed Resolution
19 296- A. Sanders.

20 CHAIRPERSON SANDERS: Yes.

21 COUNCIL CLERK: Clarke.

22 COUNCIL MEMBER CLARKE: Mr. Chair,
23 may I be excused to explain my vote?

24 CHAIRPERSON SANDERS: Absolutely.

25 COUNCIL MEMBER CLARKE: I think that

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2 we have an obligation as a Committee to really
3 express to the Administration concerns around
4 providing incentives to certain entities in this
5 city, and that we hold their feet to the fire with
6 respect to making sure that the intended purposes of
7 these programs really meet the target.

8 I believe that in this case, we are
9 drifting further and further away from the intent of
10 the legislation for which the ZEA's were created.
11 And we need to make sure that this Administration
12 refocuses its efforts. Notwithstanding, these
13 concerns today, I vote aye, Mr. Chair, thank you.

14 COUNCIL CLERK: Dilan.

15 COUNCIL MEMBER DILAN: Aye.

16 COUNCIL CLERK: Gerson.

17 COUNCIL MEMBER GERSON: Mr. Chairman,
18 may I be excused to explain my vote, briefly?

19 CHAIRPERSON SANDERS: Yes, Sir.

20 COUNCIL MEMBER GERSON: Thank you. I
21 share the sentiments expressed by my colleague,
22 Council Member Clarke, and I know and trust under
23 your leadership this Committee will continue to
24 explore ways of improving and preventing abuses for
25 the ZEA program. Beyond loopholes and specific

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2 abuses which may occur, I continue to have ongoing
3 concerns with an economic development policy that
4 seems disproportionately in favor of providing
5 benefits in the form of tax credits or other
6 incentives to specific singled out corporations, as
7 opposed to a broader sector- based economic
8 development policy which would apply limited
9 resources to putting in place, infrastructure, which
10 benefit, and therefore attract entire industry
11 sectors to appropriate locations.

12 I also have a particular concern over
13 one application, that of Stern and Montano, where we
14 seem to be providing an incentive for a company that
15 is leaving Lower Manhattan, a distressed area with
16 an ample amount of office space, I should add, to
17 move into a, certainly, more currently robust area
18 of the Midtown Manhattan business district. And I
19 need to make it clear that my vote does not in any
20 way set a precedent for providing incentives or
21 benefits for moves in future cases, or for similar
22 moves in future cases.

23 That with that explanation and
24 subject to an ongoing review of the program, I will
25 vote yes, at this time. Thank you very much.

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2 COUNCIL CLERK: Gonzalez.

3 COUNCIL MEMBER GONZALEZ: Yes.

4 COUNCIL CLERK: James.

5 COUNCIL MEMBER JAMES: May I be

6 excused to explain my vote?

7 CHAIRPERSON SANDERS: Absolutely.

8 COUNCIL MEMBER JAMES: As I have

9 indicated previously at this Committee, and

10 privately to the staff, as well as the Chair of this

11 Committee, that I am increasingly concerned about

12 job creation and job growth and tying subsidies to

13 that end and to that objective. And I have

14 consistently talked about accountability for

15 subsidies, and that we, again, need to tie subsidies

16 to job creation and job growth and job retention,

17 and we need to focus on creating opportunities,

18 particularly in minority communities we are looking

19 at high rates of unemployment.

20 And in some cases 60 and 70 percent

21 unemployment, particularly in housing developments.

22 In my district Ingersoll, Whitman, and Faragut, we

23 are looking at 77 percent unemployment, which is a

24 state of crisis. Despite my concerns, I have been

25 given some concerns by the assurances of this staff,

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2 as well as some of the applicants that they are
3 committed to job creation and job growth, and I vote
4 aye.

5 COUNCIL CLERK: By a vote of 6 in the
6 affirmative, 0 in the negative, and no abstentions,
7 the items are adopted. Council member, please, sign
8 the Committee report.

9 CHAIRPERSON SANDERS: We will hold
10 this vote open for the rest of the day. I do want
11 to join my colleagues in saying that I too want to
12 see the Administration show where the ZEA's and
13 other incentives are creating jobs. We will
14 continue that discussion as it goes.

15 But right now I am going to return us
16 back to, after giving my friends over there a few
17 moments of rest. We are going to go back into this
18 conversation on history, a conversation on what is
19 going to happen.

20 First, let me commend you, Sir, you
21 have done some amazing things. When I was going
22 around and double checking what was said about this
23 company, I went up to the Minority Business
24 Leadership Conference and other business groups, and
25 they were saying very positive things about Forest

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2 City Ratner, saying that you guys actually keep your
3 word. A lot of people come before us and you know
4 their word is not worth the paper it is written on,
5 but this company seems to, at least, keep your word.

6

7 I have some personal concerns, I, of
8 course want to know if this is good for the
9 environment of Brooklyn, if this is a good and
10 sustainable project? I also want to make sure that
11 the people that are there are held harmless that
12 nothing is happening to them, if this project were
13 to go across, of course.

14 That if this project were to take
15 place, that those people would land on their feet,
16 or even better, I would argue. Then I am very
17 interested, if this project were to take place, and
18 what do you mean by, and I use the word in here,
19 affirmative action, what do you mean? And I trust
20 that is not simply as worthy as the job is, somebody
21 waving a flag, but a vertical affirmative action
22 meaning that if there are bonds, you also look at
23 people of color, businesses of color, that can do
24 these things. If there is any type of financing, if
25 there is any type of higher level, medium level, and

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2 lower level, that we see all of these things
3 involved, in there. Those are some of my concerns.

4 MR. STUCKEY: Those are a lot of
5 questions, but thank you, Chairman. I think that
6 they all wrap up together in many ways though. And
7 I think that that is about public participation, and
8 about public projects, and about working with
9 communities. And I think that there is a number of
10 reasons, I know there are a number of reasons why we
11 try very hard to always keep our word in the
12 projects that we do.

13 The first is that for many of us,
14 this is about a place where we grew up, this is
15 about our place, this is about people we have known,
16 this is about people we have grown up with. This is
17 not about one group of people versus another group
18 of people. This is about people who have gone, as
19 Bernard and I did to the same school together, this
20 is about working in communities and staying in
21 communities.

22 We, very much, Chairman Sanders, work
23 with the communities and stay in the projects that
24 we build, which is also important. We are not a
25 developer that flips our projects. We very much

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2 like to have ownership, so if there is a problem in
3 the project, it is not that somebody else has to fix
4 the problem. It is our problem to fix as well,
5 which is why I think that there is a, I'm glad to
6 hear a good perception at our keeping our word.
7 Because we are there with you. We are not just
8 building and leaving, we are building and staying.

9 In addition to that, we understand,
10 and on that line, before I go into the next point,
11 we also have a significant, significant investment
12 in our projects. Of this particular project \$2.5
13 billion, we will put hundreds of millions of dollars
14 of Forest City's own capital into the construction
15 of this project, and then we will borrow the large
16 majority of the rest of it, that we will then have
17 to pay back.

18 So that when we hear about the
19 preservation of the neighborhood, when we hear about
20 the concerns of the neighborhood, it is our
21 neighborhood too. It will be our investment as
22 well. And so, we, too, want to be sure that this
23 neighborhood strives, and that it continues to grow,
24 and continues to be a great place, because we may
25 have different reasons, but very much we are united

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2 in our goals in terms of those reasons.

3 In addition, Chairman, we have been
4 working, not just on contractor jobs. In fact, we
5 have helped to create and sustain new businesses who
6 happen to be owned by women and minority- owned
7 businesses. We have happened to have worked with
8 the banks and try to get them to understand how we
9 had to bring local lenders and minority lenders, and
10 women owned lending institutions and architectural
11 firms, and professional firms into the projects. We
12 start working with minority and women- owned firms
13 now, right now, in the beginning of this project.
14 We have not come close to starting construction yet
15 where the contracting side will come into play. So
16 we work right now very early in the project. We
17 understand that, we understand the need to it, and
18 we are very, very committed to continuing that as a
19 primary goal of our company.

20 CHAIRPERSON SANDERS: Thank you, Sir.
21 Council Member James.

22 COUNCIL MEMBER JAMES: First to Mr.
23 Bernard King and to Mr. Stuckey, we have one thing
24 in common, we all graduated from Fort Hamilton High
25 School. In fact, I went to school with Bernard and

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2 Albert. You probably do not remember me, because I
3 had my head in the books, while you were playing
4 basketball. And so, what you recognize - - No it
5 is not meant, they wanted me to play basketball too,
6 but I turned them down, because I am five feet
7 eleven. But I decided to study, my brothers play
8 basketball, so I do not have anything against
9 basketball. But I just do not suffer from
10 basketball Jones.

11 But I do know this, you have talked
12 about how basketball transforms lives. Education
13 transforms lives, as you indicated earlier,
14 transformed my life and your life. And family
15 stability transforms lives, and families should
16 serve as role models. I just have to take issue
17 with whether or not basketball players should serve
18 as role models. Some basketball players, you know,
19 recently have not been the best of role models for
20 our children.

21 MR. KING: May I have an opportunity
22 to respond to that, please?

23 COUNCIL MEMBER JAMES: And just, let
24 me finish, and let me just say that I am glad that

25 you were a part of this, and I am glad that you are

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2 back in Brooklyn. I recognize that you relocated to
3 Atlanta, and that is wonderful. And I know that
4 your brother is now involved in the franchise
5 business, and that is wonderful too.

6 But at the same time, I am concerned
7 about my community, and they elected me to represent
8 and stand up for them, particularly when they feel
9 trampled on. But nonetheless, I respect our
10 differences, and I am glad to see that several Fort
11 Hamilton people made out so good.

12 MR. KING: Well we can always agree
13 to disagree.

14 COUNCIL MEMBER JAMES: Right.

15 MR. KING: However, I do believe that
16 families certainly provides the necessary stability
17 for young people. And I certainly was not excluding
18 that. I was simply pointing out how basketball has
19 transformed my life.

20 My sister went to college on an
21 academic scholarship. I attended the University as
22 well. Education is the foundation of success for
23 all young people. But I think that as an outlet of
24 creativity, basketball certainly can serve as that.

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2 recognize that it is a very, very small percentage
3 of children who can go on and become Michael
4 Jordan's, and Bernard King's, and others. In fact,
5 I am sitting next to a basketball legend, myself, as
6 Councilman Al Vann, he still shoots from time to
7 time, he tells me. But he usually misses he says.

8 But to go to the issue at hand, the
9 report prepared by Mr. Zimbalist indicates that the
10 Nets will play at the proposed arena for 30 years.
11 But it is my understanding that the useful life of
12 an arena is around 30 to 40 years. And on the
13 average, the Nets have moved to a new location every
14 seven and a half years. Is it not possible that
15 offering large financial inducements to come to
16 Brooklyn will encourage the Nets owners to repeat
17 the process, since 80 percent of the Nets executives
18 and 70 percent of the players, according to the
19 report, this is your report, not mine, live outside
20 of New York City.

21 MR. STUCKEY: It is actually Andy
22 Zimbalist's Report. And I should make that clear
23 because we retained Professor Zimbalist because we

24 wanted somebody who historically have been against
25 doing arenas and stadium, because it was our view

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2 that we wanted to get the honest answers about this
3 project. Not that we wanted to just hire a
4 consultant who would sweep something under a rug, or
5 who would just give us the answer that they expected
6 us to hear.

7 So let's just start with that from
8 the beginning. It is really not our report, it is
9 Professor Zimbalist's Report. Let's just say that
10 there have been a number of reasons why I think the
11 Nets have moved. I think one reason that they have
12 moved from Long Island, as you recall, the Nets
13 started as an American Basketball Association Team,
14 and it was a fragile team that ultimately got
15 subsumed into the NBA, and then moved to the
16 Meadowlands.

17 We, in fact, are trying to bring that
18 team back to New York City, and we are being, I
19 guess the report was being very realistic about the
20 fact that the Nets organization is currently in New
21 Jersey, which is why it states that the jobs are
22 there, because the jobs are there today. And that
23 many of the players are there as well.

24 But in direct answer to your
25 question, we will make, as part of our agreement

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2 with the City and State, we will sign contracts,
3 which we expect will require us legally commit to
4 keeping the team in New York for 30 years.

5 COUNCIL MEMBER JAMES: Are you
6 prepared to also sign an agreement with the
7 community, that the community will benefit, a
8 Community Benefits Agreement, as they did in
9 California with the Staples Arena?

10 MR. STUCKEY: We are very much
11 prepared to work with the community in trying to
12 develop an understanding such as what you are
13 saying. But I am not going to commit to you today
14 to sign anything that I have not seen. But I am
15 certainly willing to commit to say that I will sit
16 with every community, as we started to do, and come
17 to understanding this. Because I think as our track
18 record indicates that we do make these kinds of
19 understandings, and we do honor them.

20 COUNCIL MEMBER JAMES: Earlier it was
21 mentioned, there was talk about the success of the
22 MetroTech. Wasn't MetroTech more about job retention

23 as opposed to job creation?

24 MR. STUCKEY: Absolutely not.

25 COUNCIL MEMBER JAMES: Okay.

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2 MR. STUCKEY: And I understand this
3 well because during the time of MetroTech in the
4 1980s, I held President Alper's job during the Koch
5 Administration. So I know when MetroTech started
6 what the Administration intended, and I know what it
7 has become.

8 And what MetroTech was about, it was
9 about companies that were leaving New York left and
10 right, but the critical nature of keeping those jobs
11 in New York wasn't just retention. It was about the
12 fact that once a company leaves all of the growth
13 leaves with it as well. And so it is very, very
14 important for New York City is to be able to keep
15 jobs and also capture the growth. Because once the
16 company makes a commitment, the growth comes with
17 the commitment.

18 COUNCIL MEMBER JAMES: Mr. Stuckey,
19 are you familiar with a report by Professor Jan
20 Rosenberg of LIU, which found that as of 1999 few,
21 if any new jobs, have been created despite a claim
22 at the outset to create 16,000 jobs, neither a

23 follow- up study nor any further details, such as
24 how many local people have been employed there are
25 possible now. Because you would have to ask every

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2 employer for the address of every employee, along
3 with the judgement as to whether a new job or one
4 that was moved from elsewhere in the region was
5 created. Are you aware of that study?

6 MR. STUCKEY: I am not familiar with
7 that study.

8 COUNCIL MEMBER JAMES: I can get you
9 a copy.

10 MR. STUCKEY: I would love to see a
11 copy.

12 COUNCIL MEMBER JAMES: Are you also
13 aware that at the time that MetroTech went up there
14 were 75 percent of one employment, literally right
15 across the street at Ingersoll, Whitman housing
16 developments, and are you also aware that there is
17 still 75 percent unemployment at Ingersoll Whitman.
18 In fact, I was at Ingersoll Whitman public housing
19 development over the weekend because there was a
20 little disturbance. And Mr. King, your dreams were
21 absolutely realized. Do you know how many dreams

22 that I saw standing in Ingersoll Whitman, dreams
23 that were deferred and destroyed. People who really
24 wanted to go on and become basketball stars,
25 lawyers, and et cetera, who were just standing there

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2 looking at this massive MetroTech, facing high rates
3 of unemployment, doing absolutely nothing. It is a
4 travesty and a crime before God.

5 CHAIRPERSON SANDERS: The Sergeant-
6 At- Arms will start enforcing the protocols of this
7 room, I certainly will.

8 MR. STUCKEY: Council member I am
9 very much aware of the statistics of people who are
10 unemployed in Ingersoll, and I am also aware of the
11 fact that when MetroTech has been built, which is
12 over 20 years ago, that there has been turnover in
13 that housing. And in fact, there have been job
14 opportunities that we have created.

15 So do I agree with you that the
16 unemployment rate in Ingersoll and throughout New
17 York should be lowered, the answer is, I agree with
18 you tremendously. I made a life of working in that
19 profession. But I also understand that if you do
20 not create projects, you cannot create a single job.

21 COUNCIL MEMBER JAMES: Let's go to

22 Atlantic Terminal. Atlantic Terminal, there is a
23 young gentleman who, in fact, my office is right
24 across the street, there is a young gentleman who
25 knocks on my door every day. He is trying to

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2 finance his child's education at college. He stands
3 there every day looking for a construction job on
4 Atlantic Terminal. He has been standing there for
5 weeks asking for help. We have called your office
6 repeatedly, one person, one person, one job, the
7 answer has been we will get back to you. He is
8 still standing on that corner, Mr. Stuckey, and this
9 is Atlantic Terminal, the Bank of New York going
10 off. His name is Babou, he stands there and he
11 sells trinkets.

12 And I ask that you again, he is from
13 the community, right from Fort Green, just looking
14 for an opportunity to send his child to school.
15 Your office has failed him, Forest City Ratner has
16 failed him. And I think it reflects on the
17 community as a whole.

18 MR. STUCKEY: Well I am not familiar
19 with the circumstances of a single individual of why
20 he did or did not get a job. I can only tell you,

21 based on what I have shown you, and based on what we
22 have done, that we have a very significant track
23 record of bringing minority and women into the
24 workplace, into our workforce during the
25 construction of our project. I cannot comment on a

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2 single person.

3 This is about workforce development,
4 and as you know, in the past the construction trades
5 industry has been, there has been alleged to have
6 been a pattern of discrimination. And in fact, I
7 happen to dig up, when I was working for Assemblyman
8 Vann, building barriers, discrimination in New York
9 City's construction trades. This continues to
10 happen, this report was done under the
11 Administration of David Dinkins. Yes, this report
12 is dated 1993, but I would think just looking at
13 Atlantic Terminal from my window that not much has
14 changed. Could you respond to that?

15 MR. STUCKEY: Well I think you have
16 asked me, Council member, to respond to a single
17 individual, to a report on the industry. And I
18 think what I have tried to do is to respond to what
19 we have done. And I think what I have been able to
20 demonstrate to you is that over 30, I think 31 to 35

21 percent of our workforce has, in fact, been open to
22 minorities and women.

23 COUNCIL MEMBER JAMES: Okay, thank
24 you. Again, referring to Professor Zimbalist's
25 Report, he talks about meeting an income at

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2 \$142,000, and he talks about low- income starting at
3 \$28,000, if I am not mistaken. The question, and
4 this report from what I understand is going to be
5 the basis upon which you get funders for this
6 speculative project. Is this not correct?

7 MR. STUCKEY: Well this report as I
8 explained to you before was Professor Zimbalist's
9 Report that we commissioned, because we wanted to
10 have a very honest understanding of what the
11 potential benefits and costs to the public sector
12 will be.

13 As it pertains to the housing, I
14 think what Professor Zimbalist does is do what most
15 economists use, which are standard economic
16 indicators in preparing his report.

17 COUNCIL MEMBER JAMES: Mr. Stuckey,
18 two last questions, what banks are involved in the
19 financing of this project? And two, what

20 perspective tenants do you have lined up already?

21 MR. STUCKEY: We have no perspective
22 tenants lined up for this project. It is very
23 premature and there are a host of lenders who we are
24 speaking to for this project.

25 COUNCIL MEMBER JAMES: And the names

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2 of those banks?

3 MR. STUCKEY: I am not sure, at this
4 particular time, reveal that.

5 COUNCIL MEMBER JAMES: And lastly,
6 you want to use imminent domain on a blighted area,
7 alleged blighted area. Are you aware that some of
8 the properties in that affected are now selling for
9 over a million dollars?

10 MR. STUCKEY: Council member, I think
11 the question of whether or now there is imminent
12 domain will alternately be made through a public
13 process, by public agencies, based upon a whole host
14 of issues and a whole host of findings that they
15 have to make concerning all of the public purposes
16 that we believe are in this project. Those public
17 purposes being jobs, those public purposes being
18 housing, those public purposes being blight. And
19 that is a determination that will be made. It is

20 not uncommon, as I am sure you understand, Council
21 member, for there to be a whole lectin amount of
22 uses and income levels within a particular area that
23 is designated either as a general project plan by
24 the Urban Renewal Area, or by the State's Urban
25 Development Corporation, or as Urban Renewal Area.

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2 So does it surprise me that there
3 could be something that sells for a million dollars?

4 It does not surprise me.

5 COUNCIL MEMBER JAMES: And lastly,
6 Mr. Stuckey, I know that you are in conversations
7 with some of the co- op owners and Chair owners with
8 regards to negotiation. I would ask that you move
9 up the block, and speak to some of the tenants who
10 are black and brown, and who have not had any
11 meetings with you, who are renters, who I recognize
12 under the law will not be benefit. But if you, in
13 fact, gave as much time to the people who own
14 property in the affected area, I would ask that you
15 do the same for low- income tenants.

16 Thank you.

17 MR. STUCKEY: Sure. And on that
18 point, and what I will just simply say, and this

19 goes back to, I think a question that Chairman
20 Sanders asked me in the very beginning. And I will
21 just simply say to you that our history in
22 MetroTech, which I hope we can repeat here, has been
23 for example with businesses to bring them back in.
24 For the Cid's Hardware, for example, the Walter
25 Chin's. And for residence for us to build, for

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2 example, or rebuild the fire house where we are able
3 to accommodate and bring residents who lived in
4 MetroTech back in. And for us to build a school for
5 the people who own units.

6 So we see no reason here, why we
7 would not be able to work with all of the people,
8 whether they are renters or owners in this
9 particular and figure out ways of coming up with
10 satisfactory solutions.

11 COUNCIL MEMBER JAMES: Two last
12 points, again, we need to talk about schools, we
13 need to talk about day care, we need to talk about
14 Fire, Police, and other benefits, and other
15 individuals that will have an impact, that will be
16 affected by this project.

17 And Hansen Place Methodist Church,
18 you promised them in MetroTech that you would

19 provide them parking, you have not. And I would ask
20 that you, again, speak to Reverend Parent at Hansen
21 Place Methodist Church.

22 Thank you.

23 CHAIRPERSON SANDERS: Thank you.
24 Council Member Clarke.

25 COUNCIL MEMBER CLARKE: Thank you,

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2 Mr. Chair. I want to, first of all, just say that
3 this is certainly a historic moment as you have
4 mentioned. But it seems very clear to me in the
5 presentations that have been made thus far, that we
6 are very preliminary stages. And I think that just
7 in listening to my colleague, Council Member Tish
8 James, I think that she certainly has the finger,
9 her finger on the pulse of the immediate needs of
10 her constituency. And that has to be given all due
11 respect.

12 From the perspective of the economic
13 development practitioner, myself, and having worked
14 through the Federal Empowerment Zone Program, I have
15 to frankly state that Forest City Ratner is truly
16 coming to table in a way that is extremely unique in
17 terms of developers. And for that, you are to be

18 commended.

19 It is very rare that developers come
20 to community, open themselves to such scrutiny, and
21 are so frank and open about, at least, what their
22 intentions are. Now it is the responsibility of
23 community and of its leadership to hold people to
24 those commitments. And there are a couple of
25 recommendations that I would make just based on my

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2 own personal experience is that whatever it is, is
3 the will of the community and the ultimate outcome
4 of this particular project that there be a
5 Memorandum of Understanding established between the
6 entities that will be working to pull this together
7 in the interest of the majority.

8 That there be public labor agreements
9 established with the unions that would be a part of
10 the ultimate boom in construction that would take
11 place as a result of this project. And that the
12 community benefits agreement that Council Member
13 Tish James has mentioned, be taken very seriously
14 and be put into effect.

15 This is a very unique opportunity for
16 Brooklyn, and I do not think that there is anything
17 that we can compare this to in our lifetime. We

18 have an opportunity here to get community- based
19 economic development right. And perhaps set the
20 tone for what the City of New York should be doing
21 ideally. If it is to do economic development.

22 However, this is a prime example of
23 the devil being in the details. And where the
24 benefits do not add up to the severe burdens that
25 many of the residents of this community will be

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2 under. I think we have an obligation to really
3 stop, and to really take a look at that.

4 It seems to me that the whole issue
5 of imminent domain, you have looked into creating
6 alternative plans. And that, to me, shows some
7 sensitivity to what I think is probably the major
8 issue with regard to this project. I would ask that
9 as soon as possible you get back to this Committee
10 and to the others here about traffic mitigation.
11 Because that not only impacts on the media area, but
12 certainly, that is a huge corridor for traversing
13 Brooklyn, and I think that all Brooklynites would
14 have a severe problem if the traffic becomes a
15 nightmare, and right now it is in nightmare mode.

16 I want to talk about the residual

17 effect of a project such as this. I think that
18 there is enormous potential for addressing the
19 unemployment concerns of our communities. I think
20 there is tremendous potential for dealing with local
21 enterprise and the expansion and redevelopment of
22 many of those local enterprises. And I hope that as
23 you move forward in your presentations, and as you
24 continue to, I guess, interact with community, and I
25 guess try to get them to embrace this, that you take

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2 into account in terms of your presentation.

3 Certainly looking at the empowerment zone of Harlem
4 in the Bronx, many communities outside of the actual
5 affected community have experienced economic
6 development booms as a result of anchor development.

7 And I think that it is important when
8 we talk about community- based and economic
9 development, we look at the entire benefit to an
10 entire community. In this case we are talking about
11 Brooklyn, and I can certainly envision some
12 ancillary businesses that will be able to benefit
13 from a project as described by yourselves.

14 There is a direct impact in terms of
15 the commercial housing, and in job enterprises for
16 that immediate area. But when I think about an area

17 like Flatbush, where I represent, which is just down
18 the road, it can certainly be an inspiration in
19 spurring further development moving across the
20 Borough.

21 There is no way to minimize the
22 impact that this project would have on the families
23 and commercial entities that are currently in the
24 area. And I think to the extent that preservation
25 remains a core component of the project that you are

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2 talking about, and that you get that across to the
3 various community boards that are affected, that you
4 have come up with a very unique, and I think in an
5 extremely positive development. And I would like
6 for you to certainly consider putting public labor
7 agreements in place. Looking at and establishing
8 clear goals for minority women, what minority- women
9 business enterprises in terms of meaningful
10 Memorandum of Understanding that go beyond this
11 immediate project, but looking at further down the
12 road the development of those businesses. And the
13 Community Benefits Agreement that my colleague, Tish
14 James, has requested.

15 Thank you.

16 MR. STUCKEY: Thank you. Council
17 member, we actually understand all of the points
18 that you have made, and very much agree with you on
19 all of them, and seek to work with all of the
20 officials in the community to try to implement many
21 of the things that you have spoken about.

22 Thank you very much.

23 CHAIRPERSON SANDERS: Council Member
24 Dilan.

25 COUNCIL MEMBER DILAN: Thank you, Mr.

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2 Chair. Just to, Mr. King, I, myself, am a student
3 athlete, and I think even though not basketball, if
4 it weren't for baseball, that I probably would not
5 be in this institution today. It certainly kept me
6 out of trouble, and we want to keep providing that
7 athletic venue to keep children in the books.

8 Today's NBA players probably is not
9 the proper role model. I think our children are
10 losing the role models. But players of your time and
11 people of my time, we had people to look up to. So,
12 if you see any of those fellow NBA players, just
13 tell them that they have to reform their actions
14 because children are watching.

15 MR. KING: May I respond to that,

16 please?

17 COUNCIL MEMBER DILAN: Sure.

18 MR. KING: To put that in general,
19 you have to look at basketball as a profession. It
20 is something that we did for a living, it is
21 something that I certainly did for living. But
22 outside of basketball, I am an individual. And I
23 think that is how you have to perceive each person
24 that plays the game today. I do not think you want
25 to generalize and put everyone in one group

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2 together.

3 COUNCIL MEMBER DILAN: No and I, that
4 is a fair point, fair point.

5 I guess I am going to ask similar
6 questions to you that I asked to the Administration
7 because I thought they were very important. And
8 just the benefit to the local community. Would you
9 be willing to, at least, make a commitment that
10 residents of the community will be involved in pre-
11 and post- construction employment and business
12 opportunities in this program?

13 MR. STUCKEY: Yes, I think Council
14 member that we, in fact, have a program, our

15 Community Workforce Exchange. It has worked very
16 effectively in Brooklyn already, and that we would,
17 obviously, continue that program. I think that from
18 the presentation I gave, if you consider that there
19 were thousands, and thousands, and thousands of jobs
20 that were involved in the creation of MetroTech and
21 in our Atlantic Center and our Atlantic Terminal,
22 and our other projects around the City during the
23 construction of them. And you can say that over 35
24 percent of those jobs were for women and minority
25 workers.

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2 Also, as I mentioned earlier in
3 response to a question, it is not just also about
4 the construction jobs, it is about the professional
5 jobs, it is about the planning of the project. It
6 is about encouraging participation at every single
7 level of a project, and that is what we do to the
8 extent that we can, that is what we do.

9 COUNCIL MEMBER DILAN: That is fine.
10 But what is important here, and I want to say
11 overall I am supportive of development, I am
12 supportive of bringing us in, but this has to work
13 for people. Because New York is becoming a city
14 where the lower- income and middle- income people

15 are not welcomed anymore. And you know, I know in
16 my district, you know, I have unemployment
17 approaching 17 percent. And I know I look at some
18 of my colleagues in the neighboring district, they
19 have the same situations occurring in their
20 districts. So this is something that is bigger than
21 basketball, it is bigger than Forest City Ratner, it
22 is something that if we do not press for these
23 things, then you know, who else is going to do it,
24 our people are out in the cold.

25 So it is very important. We have the

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2 Jets potentially coming. I know I am going to get
3 myself in trouble with all my colleagues up here
4 today. But if they should come, you know, the City
5 needs to understand that you know people in this
6 City need to benefit, and we should not be
7 subsidizing people's condo's and boats in Long
8 Island and Westchester. You know that is not what
9 we want to do.

10 That said, you know, it is a
11 tremendous opportunity. I am glad to see that you
12 are willing to, at least, make some formal agreement
13 when presented with one that people will be included

14 in and we will follow- up.

15 Now as far as the potential for
16 displacement of individuals, I guess in the housing
17 stock that you are planning to create, is there a
18 plan to incorporate people who would be potentially
19 dislocated into this new development?

20 MR. STUCKEY: Yes, of the housing
21 that was discussed as being displaced, some was
22 homeownership and others was rental housing, as
23 Council Member James discussed. And we absolutely
24 would welcome and want to bring back anyone who was
25 displaced by this project into this project. There

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2 are logistical questions that have to be worked out
3 because there is a period of time where you have to
4 knock buildings down to construct new buildings.

5 But we have had a very successful
6 track record in what we have done in MetroTech
7 between the firehouses that we rebuilt and PS 9
8 where we had very much these same issues. And we
9 very much would intend to do that here as well.

10 COUNCIL MEMBER DILAN: Thank you for
11 that commitment. We intend to follow- up, and I
12 think we will look for agreements in writing. Just,
13 I got one question I was told --

14 CHAIRPERSON SANDERS: Your last
15 question, Sir?

16 COUNCIL MEMBER DILAN: I will bundle
17 them together. How much revenue does the Nets
18 currently bring to the State of New Jersey?

19 MR. STUCKEY: I do not know the
20 answer to that, but I will get back to you with that
21 answer.

22 COUNCIL MEMBER DILAN: You don't know
23 the answer.

24 MR. STUCKEY: I do not know.

25 COUNCIL MEMBER DILAN: And then, I

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2 guess, how much then would I say, how much City
3 subsidy are you seeking, City and State subsidy are
4 you seeking for this project?

5 MR. STUCKEY: That is really a matter
6 that is being negotiated right now, Council member,
7 and there are a number of elements involved in it.

8 COUNCIL MEMBER DILAN: Ideally, what
9 would you like to see?

10 MR. STUCKEY: I do not think I can
11 put an ideal number, because I think what ideally I
12 would like to see, is ideally what we would like to

13 see is that the infrastructure be in place. Now we
14 have a level playing field put in place so that we
15 can bring this team and create this arena, and have
16 it make a fair return for ourselves and for other
17 investors.

18 What that exact number is, I cannot
19 answer that question right now.

20 COUNCIL MEMBER DILAN: Well I will
21 sum up by saying that I appreciate the private
22 contribution that your corporation is willing to
23 invest in the Brooklyn area. And you know, I would
24 also like to state that, you know, we do want to see
25 the people who have been "left behind" by this City

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2 incorporated into this project. And if that
3 happens, you would have my continued support for it.

4 MR. STUCKEY: Thank you, Council
5 member.

6 CHAIRPERSON SANDERS: Council Member
7 Gonzalez.

8 COUNCIL MEMBER GONZALEZ: It is
9 afternoon. Mr. Stuckey, how are you?

10 MR. STUCKEY: Thank you, Councilman.

11 COUNCIL MEMBER GONZALEZ: Thank you
12 for your presentation, and Mr. King, it is a real

13 pleasure.

14 MR. KING: Thank you.

15 COUNCIL MEMBER GONZALEZ: I am going
16 to go back to the same question that I asked
17 earlier, but I really would like to know in respect
18 to the methods that you have utilized, or your
19 corporation in the past, or efforts to hire from the
20 community. Is that something you can talk about,
21 and what are your plans for this project?

22 Because you did speak about the
23 Community Workforce Exchange, and you spoke about 35
24 percent women minority workers. But were those
25 people from the community, that is a concern of

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2 mine. I sit on the Economic Development Committee,
3 and it is a question I would love to hear some
4 response today.

5 And I do want to say to you, that I
6 too, graduated from Fort Hamilton High School.

7 MR. STUCKEY: Four of us, that is
8 pretty unique. Thank you.

9 The Community Development Exchange,
10 or their outreach efforts are extensive ranging from
11 our outreach to local associations in the community,

12 to local contractors in the community, to having
13 walk on job applications where people could just
14 walk on site, fill out an applications, and seek
15 employment. To our working with minority
16 contractors associations, women- owned business
17 contract associations, so it is very extensive. I
18 think it is quite unique, in fact, in terms of what
19 we, as a company do, and it has obviously proved to
20 be quite successful for us in terms of the dollar
21 values of contracts that we have been able to
22 reward, as well as the significant amount of
23 workforce jobs that we have been able to award to
24 minority and women employees.

25 And so it really is a very large

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2 program. And in fact, I would be more than happy,
3 we have things written up about that program,
4 Council member, and I would be more than happy to
5 share that with you that gets into the specifics of
6 exactly how it works.

7 COUNCIL MEMBER GONZALEZ: I just want
8 to say that this is just a beginning, but we are
9 going to look at that closely. That is very
10 important for the City, for that district, for all
11 our districts. So, Mr. Stuckey, I would appreciate

12 your response. Thank you.

13 MR. STUCKEY: Thank you very much,
14 Council member.

15 CHAIRPERSON SANDERS: Thank you.
16 Council Member Barron.

17 COUNCIL MEMBER BARRON: Thank you
18 very much, Mr. Chair. I just want to say that this
19 has been an excellent hearing. I think we are
20 getting a good hearing on things, and I do not
21 understand why we got one, two, three, four police
22 officers in here, as though we need some protection
23 from each other. We usually have one police
24 officer, and I do not like the idea when we get more
25 people in here that we have got to have four police

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2 officers. Because everybody came here to have a
3 civil conversation, it is not necessary. So for the
4 future, I would just like to recommend to Speaker,
5 whoever is in the charge of security, that that was
6 unnecessary.

7 Secondly, this is an issue that has
8 the potential, and I hope it does not to divide our
9 community. Those who get a piece of the action,
10 those who do not, want to be out of it. So

11 oftentimes, all kinds of deals are cut, when these
12 projects come into our community. And then those
13 whose leaders cut the deals for them, and get a
14 piece of the action, they are going to support the
15 project. And those who are left out, and will be
16 damaged by the action, will not support the project.

17 And then the developers are very
18 slick, swift, they know how to put fancy stuff
19 together, and then they appealing to, I mean JZ, his
20 Rap, Bernard, basketball, they appeal to that, and I
21 have all due respect for you, Bernard. Not only have
22 you been a great basketball player, but you are very
23 intelligent. And I will give you that respect.

24 However, there are deep issues
25 involved in this. And I just want to caution all of

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2 us, whether we are elected officials, basketball
3 players, Rap stars, hip- hop stars, not to allow
4 anybody to use us to do anything to -- I will let
5 you respond. To use us, and I say that with love,
6 brother, not with any kind of malice or any kind of
7 disrespect. And I want to say hello to Jeffrey
8 Davis, I'm glad that you are here to continue to be
9 supported. But I say that in all due respect,
10 because developers they will get elected officials,

11 they will get sports folks, they will get Rap
12 artist, whatever they have.

13 But we have to stay focused on the
14 core issues. So you could respond to that, but I
15 just want to ask a few of the core issues, and we
16 can come back to that, okay?

17 MR. STUCKEY: Well I would like to
18 respond to that right now, if you do not mind?

19 COUNCIL MEMBER BARRON: Sure.

20 MR. STUCKEY: I respect what you are
21 saying, and I would like to regress back to what I
22 said earlier at the very early part of my speech.
23 That there certainly issues associated with this
24 project, and that is why we are having this hearing
25 today. So that we can table some of that

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2 conversation regarding that very subject.

3 COUNCIL MEMBER BARRON: Right. Thank
4 you very much.

5 Affordable housing, what is
6 affordable housing, what is affordable?

7 MR. STUCKEY: Well I do not think
8 that the current program that talks about affordable
9 is affordable. As you know, Council member, I think

10 under one of the programs today, if you have a
11 household of three people, you could be earning in
12 that household as much as \$140,000 and that is
13 considered to be affordable.

14 I certainly do not think that that is
15 affordable. Our company certainly does not think
16 that is affordable. We think that you could have,
17 we think that this program should, in fact, be
18 developed in a unique way, and it is something that
19 we want to work on with the Administration and with
20 others who are more expert in affordable housing
21 than we are, because we have not built much of that
22 in New York. We have not built much housing in New
23 York, yet.

24 But I think for example, it should be
25 a graduated program. It should be a program where

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2 people who may have a family of three or four could
3 be earning \$30,000 and be able to afford to live in
4 an apartment.

5 COUNCIL MEMBER BARRON: So you are
6 saying \$30,000?

7 MR. STUCKEY: I am saying I think it
8 is a graduation. I think it graduates from one
9 level all the way up to market.

10 COUNCIL MEMBER BARRON: I got that.

11 And you said 20 percent would be affordable, and
12 another percentage would be middle- income.

13 MR. STUCKEY: I did not say a
14 percentage, what I said --

15 COUNCIL MEMBER BARRON: But that is
16 what they said, and that is what you said the
17 presentation.

18 MR. STUCKEY: I think that 50 percent
19 of this project - -

20 COUNCIL MEMBER BARRON: Would be
21 marketed.

22 MR. STUCKEY: -- should be dedicated
23 to affordable, low- income, working class family
24 income.

25 COUNCIL MEMBER BARRON: Because in

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2 the presentation you said --

3 MR. STUCKEY: I understand.

4 COUNCIL MEMBER BARRON: -- you said 50
5 percent was marketable.

6 MR. STUCKEY: And clearly, 50 percent
7 market rate, of course.

8 COUNCIL MEMBER BARRON: But in the

9 presentation, you said 20 percent affordable.

10 MR. STUCKEY: There were statistics
11 of the presentation, but now I am trying to address
12 your question more specifically.

13 COUNCIL MEMBER BARRON: So you are
14 changing your mind on the statistics in the
15 presentation?

16 MR. STUCKEY: No, I am amplifying, I
17 think I am amplifying - -

18 COUNCIL MEMBER BARRON: You are
19 amplifying? When you go from 20 to 50, that is a
20 change not an amplification.

21 MR. STUCKEY: No, Council member - -

22 COUNCIL MEMBER BARRON: I am just
23 trying to get some clarity.

24 MR. STUCKEY: No, I think Council
25 member, if you would like, I will answer the

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2 question. The presentation talked about a program
3 that exists in the City today, which is called the
4 New Hop program, which says 50/30/20.

5 COUNCIL MEMBER BARRON: Right.

6 MR. STUCKEY: Fifty percent market,
7 that is what the presentation said.

8 COUNCIL MEMBER BARRON: Right.

9 MR. STUCKEY: Thirty percent middle-
10 income, 20 percent affordable.

11 COUNCIL MEMBER BARRON: Right.

12 MR. STUCKEY: What I am now trying to
13 do is explain to you the non- fifty percent market,
14 and to say to you, that I think that we have an
15 opportunity here today to create housing that goes
16 beyond the program that exists today, so that we can
17 reach deeper in to where the housing is really
18 needed.

19 COUNCIL MEMBER BARRON: And I see,
20 what we have been trying to do in this hearing, and
21 we have not really succeeded in getting some hard
22 numbers. Even at early projects, and even though
23 this is early stages, and we have got to a lot, a
24 long way to go, but some numbers. I mean what do
25 you consider affordable? A two- family home would

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2 go for what?

3 MR. STUCKEY: I just gave you, I
4 thought an answer to this.

5 COUNCIL MEMBER BARRON: No, that is
6 20 percent. I am talking about how much will the
7 house cost?

8 MR. STUCKEY: We are talking about
9 rental apartments.

10 COUNCIL MEMBER BARRON: Rental, how
11 much will the rent, the range of the rents?

12 MR. STUCKEY: It depends, it could
13 range from a number of different factors, Council
14 member.

15 COUNCIL MEMBER BARRON: I am looking
16 for numbers, not factors.

17 MR. STUCKEY: Well, I am sorry, I
18 cannot give that number today.

19 COUNCIL MEMBER BARRON: All right.
20 So I will move to the next question. Imminent
21 domain, imminent domain, I personally think this is
22 an abusive use of imminent domain. My understanding,
23 and I am concerned about that, even if the project
24 is good, that if a private developer can take
25 imminent domain, it is usually used for national

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2 projects, public works, and things like that, when
3 private developers, and I do not care how many got
4 it in the past. I am sure the courts will resolve
5 that one, one way or the other. But the abusive use
6 of imminent domain that a private developer can come
7 in and say, whether you like it or not, I am

8 exercising the State or Federal authority, your
9 gone. We can move you out because we want to put an
10 arena there.

11 People could say it is cool for jobs
12 and all of that, because it is not your house. But
13 once it becomes your property, if this goes on like
14 this, and it can be used like this, any one of us
15 can be moved out for eminent domain. And that is
16 one of my concerns, do you have that concern?

17 MR. STUCKEY: Well I do, and that is
18 why I said at the earlier part of my presentation
19 that we have worked on readjusting our plan. And I
20 should note that we, as a private developer cannot
21 condemn anyone. That this is a process that the
22 government must go through. And the government must
23 ultimately make a decision after a lot of hearings
24 and a lot of deliberation, and ultimately the
25 government makes the decision, not a developer.

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2 But having said that, we are willing
3 and have been looking at making substantial changes
4 so that we can substantially limit the amount of
5 residential condemnation that would be required.

6 COUNCIL MEMBER BARRON: And the last

7 question on traffic congestion, have you ever been
8 Downtown, with all of those trains that you said
9 exist now, have you ever been there during rush
10 hour?

11 MR. STUCKEY: Yes, I have.

12 COUNCIL MEMBER BARRON: Oh, my God.

13 MR. STUCKEY: Council member, I
14 worked Downtown.

15 COUNCIL MEMBER BARRON: If you are
16 sitting there telling us that you are going to add
17 this to what is already existing in the traffic
18 condition, and it is thing because we have got all
19 of these subways. We need to rethink seriously,
20 because it is hard getting around there now. And
21 when you build this, and you are just counting on
22 the transportation that exists, it is going to be
23 pure de- madness. And anybody that has anything
24 lower, will be hurting, like churches down the road,
25 people are going to have tremendous, the traffic

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2 congestion and the pollution with more cars, because
3 a lot of young people have upper respiratory
4 diseases, and you know, asthma rates and all of
5 that. I mean we have got to address that very, very
6 seriously.

7 And that will be my last question,
8 and I thank you, Mr. Chair.

9 MR. KING: You know one of the things
10 to keep in mind with regard to traffic flow, most of
11 NBA games begin at eight o'clock. So by the time
12 that the traffic starts to move into the very area
13 to enjoy a game, the traffic has eased from people
14 moving throughout the area from their jobs.

15 COUNCIL MEMBER BARRON: I doubt it,
16 seriously, but I will let you --

17 MR. KING: But I am from Brooklyn as
18 well, I live there. My parents live there, as well.

19 COUNCIL MEMBER BARRON: I am from
20 Brooklyn too, seven, eight o'clock, it is still kind
21 of congested down there. But --

22 MR. STUCKEY: Council member, I think
23 that you are right. I think that it is clear that
24 there are some substantial traffic problems. I am
25 aware of the EIS that was just done for another

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2 project that talks about those problems. And our
3 project, in fact, will need to not only look at the
4 impacts of our project, but it will have to do so in
5 the context of everything else that is going before

6 it, or at the same time. And obviously, it is a
7 problem that must be addressed. It absolutely must
8 be addressed, for more ways than we can all imagine,
9 I do not disagree with you. So it is something we
10 must work on together.

11 CHAIRPERSON SANDERS: Let me give you
12 a process for moving forward my friends. At 2:00
13 oclock, we are going to take a half an hour break
14 for lunch. We are going to take an half an hour
15 break for lunch. And then we are going to start
16 hearing from panels of people who want to speak on
17 these issues. I am trying to get as many people to
18 speak to this panel before we start doing those
19 things. So I am encouraging my colleagues to be, to
20 use simplicity of expression and to show a depth of
21 thought. And with that I will call on the foremost
22 practitioner of this, Council Member Quinn.

23 COUNCIL MEMBER QUINN: Thank you, so
24 that is not by choice unfortunately. Just for the
25 record, I played girls basketball for two years, I

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2 got one basket. So WNBA was in no risk of me
3 infiltrating. I remember it clearly, at St. Mary's
4 it was a lay up, it was memorable. I went to a
5 small school, everybody made the team. But as the

6 Chair mentioned, I have similar issues being raised
7 in my district around the Jet Stadium. So the
8 issues that we are talking about today, and I want
9 to thank the Chair because we are going to do a
10 similar hearing on that Stadium, as well. So I want
11 to thank him for spending so much time on these
12 issues, which obviously have a far ranging impact on
13 neighborhoods, and on jobs, and you know, just
14 effect the City in so many ways.

15 One of the biggest concerns or one of
16 the big concerns around the Stadium that is being
17 proposed in my district, is how much public money is
18 going to go into it, and at the moment we are
19 talking, you know, at least 300 City and at 300
20 million State to go in, and there may be more
21 depending on how you look at it.

22 When one of the other Council members
23 asked you how much, you know, would be going into
24 this, you couldn't say, but could you give me a
25 range. Are you in the range of what is going to go

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2 into, what is being proposed for the Jet Stadium,
3 are you in more like the one to ten million, are you
4 in the billions, are you in the hundreds of

5 millions, if you could just give me a range for what
6 your trying to get, it would be helpful to
7 understand?

8 MR. STUCKEY: Yes, we are not, what I
9 will say to you Council member is that we are
10 certainly not in the billions, we are certainly not
11 in the one to ten million, and other than that --

12 COUNCIL MEMBER QUINN: What was the
13 first thing you said, I'm sorry?

14 MR. STUCKEY: We are certainly not in
15 the billions.

16 COUNCIL MEMBER QUINN: Okay.

17 MR. STUCKEY: We certainly not in the
18 one to tens. I do not believe that we will have
19 anywhere near the same degree of infrastructure or
20 platforming cost that that West Side project will
21 have. Although, I have to say, I am really not as
22 specific about that. We have been really focused on
23 this project. But shorter that, it is very
24 difficult for me to plug a specific number.

25 What about, would you say you are

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2 more likely to end up in the tens of millions or the
3 hundreds of millions?

4 MR. STUCKEY: I really do not know

5 the answer. I do not think it will be the tens of
6 millions, though.

7 COUNCIL MEMBER QUINN: So probably
8 the hundreds of millions, but exactly how many we do
9 not know yet.

10 MR. STUCKEY: I think that is fair.

11 COUNCIL MEMBER QUINN: Okay. What
12 are the infrastructure costs that you, in the
13 perfect world that would like the City to take care
14 of or partially address?

15 MR. STUCKEY: There are in this
16 particular project, there are a number of items that
17 are unique and stand out, but first and foremost is
18 just the creation of the land. This like, I guess
19 the West Side consists of railroad or rail tracks
20 that are used for the storage of trains between the
21 morning and the weekend rush hour. There is the
22 ability to try, so that is one item. It is just
23 creating the land, the clean up of the land, the
24 connecting of the project to mass transportation.
25 There are existing tunnels that need to expand and

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2 further exploited. There will be sewers and water
3 mains and other things of that nature that will have

4 to be relocated, and just the general cost of
5 preparing the site. So there is a whole panoply of
6 items that our general infrastructure and the
7 creation of the opportunity so that we can bring the
8 team here.

9 COUNCIL MEMBER QUINN: And are you
10 looking for any money from the State, or is it all -
11 -

12 MR. STUCKEY: Whatever the
13 contribution will be, it will be decided between the
14 public sector whether it comes from the City or the
15 State. We are negotiating with what we call the
16 public parties. And the public parties consist of
17 the City, the State, and the MTA.

18 COUNCIL MEMBER QUINN: The public
19 contribution, that will be capital funds?

20 MR. STUCKEY: It is not clear to me
21 what form the public sector will use, Council
22 member.

23 COUNCIL MEMBER QUINN: Okay. And is
24 your preference for it to be capital funds, or for
25 it to be from the Expense Budget?

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2 MR. STUCKEY: I do not think we have
3 a preference. I think capital funds is more direct

4 in many ways. But again, the government officials
5 that are making these decisions, I guess have to
6 make that based on what they feel is best for the
7 City and State.

8 COUNCIL MEMBER QUINN: If it is
9 capital funds,--

10 MR. STUCKEY: Yes.

11 COUNCIL MEMBER QUINN: -- the debt
12 service that will be paid for by the public
13 entities, or the private entities, Forest City
14 Ratner, whomever, going to make some ongoing
15 contribution to defer the long- term debt payments
16 that would go along with the capital contribution?

17 MR. STUCKEY: I believe, and I think
18 that this is one instance where the Zimbalist Report
19 was very helpful in explaining this, is that, there
20 will be benefits that come from the creation of this
21 project. There will be cost associated with the
22 public's financing, the debt's service, and there
23 will be new taxes that will come as a result of the
24 process itself. How the public sectors pay their
25 debt service is really a matter of how they do

3 What I will say to you is that for
4 the land, the public land, the MTA land, is that,
5 what we have agreed to is that we will lease or buy
6 that land at the fair market value has done by
7 whatever independent process that they normally use.

8 COUNCIL MEMBER QUINN: So there will
9 be no direct contribution of the private entities to
10 the debt service, if in fact, the projection of what
11 will be generated economically by this project, does
12 not bear out, right, and it does not go well for
13 whatever reason, so then there is less in theory
14 money there going there into the tax base of the
15 City to, in theory, offset the long- term debt
16 service. Are you going to agree to then make some
17 direct payments to the City to offset the costs?

18 MR. STUCKEY: It is not our intention
19 to do that. Because under those circumstance,
20 Council member, that would also assume that the
21 project has failed for us as well. And that, for
22 example, the equity that we have committed, and the
23 debt service that we are paying on the
24 construction, we are also on the hook for that, as
25 well.

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2 So under that unfortunate

3 circumstance, I think many of us would have a risk
4 in that case, and I guess the question is trying to
5 examine that risk.

6 COUNCIL MEMBER QUINN: So there is no
7 kind of, I mean, I appreciate that that would be an
8 unfortunate scenario for you all because it would
9 mean that your business venture had not --

10 MR. STUCKEY: Failed.

11 COUNCIL MEMBER QUINN: -- not
12 failed. I was going to say not worked out, but
13 okay, failed.

14 CHAIRPERSON SANDERS: A final
15 question, Council member.

16 COUNCIL MEMBER QUINN: Okay. But you
17 all are making that decision, do you know what I
18 mean, as opposed to the other scenario, where what I
19 am looking for is whether there is a safety net for
20 the taxpayers who are in fact not individually
21 making this decision. But it sounds like at this
22 moment there is not such a safety net for the
23 taxpayers.

24 MR. STUCKEY: The answer is that that
25 is correct, that is not something that we would

2 intend to do. And I think that a business judgement
3 has to be made like it is in virtually every
4 economic development project. You know the City,
5 going back to when I worked in economic development
6 and before, oftentimes makes investments whether it
7 is in the form of direct contributions or, you know,
8 commercial tax breaks, you know, ICIP types of
9 programs, or what the case may be. Oftentimes it
10 results in exactly what the City and State hoped,
11 and sometimes companies go bankrupt. And they made
12 a contribution for a company that unfortunately
13 failed. I think everyone of us are going in with
14 the hope that this is not going to be a failure.

15 COUNCIL MEMBER QUINN: I just want to
16 say, in closing, one, I want to apologize because I
17 have to go next door to Chair a Health Committee
18 hearing. I mean, I have concerns about, certainly,
19 I am very sensitive to this given the huge amounts
20 of money we are talking about on the West Side, so I
21 have concerns about there not being safety nets for
22 taxpayers in these situations.

23 And I just want to say Council Member
24 Barron asked a lot of questions about imminent
25 domain, as have others, and I share the concerns

2 around that, as well.

3 Thank you, Mr. Chair.

4 CHAIRPERSON SANDERS: Thank you. Of
5 course we are going to do due diligence on the
6 developments in Manhattan too, and we will, and any
7 other development, whether it be the cruise line
8 industry or any of these other developments coming
9 through here. And again, that hearing will take
10 place, such as this one, we will stay as long as we
11 need to, to ensure that everybody who has a voice on
12 this issue speaks.

13 Council Member Gerson.

14 COUNCIL MEMBER GERSON: Thank you
15 very much, Mr. Chair, and my colleagues have been so
16 thorough in questioning, I will just briefly follow-
17 up on some of the all important details. I just
18 want to first, though, add my way of general
19 perspective. I certainly hope, and I have had
20 experience working with your company on totally
21 unrelated projects. Experience has, in fact, been a
22 positive for the most part, and I hope it will
23 continue in that way, but this is not the forum to
24 discuss those projects. I just hope that in trust
25 that you will afford my colleague, who represents

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2 the district where this project is proposed the same
3 level of consideration for all of the concerns that
4 she and her district have expressed. And that you
5 will take each of those concerns most seriously.
6 Because I can assure you, that I, and I am confident
7 that all of my colleagues on the Council take all of
8 the concerns, which Council Member James has raised
9 with the utmost of seriousness. So all of the MOUs
10 and all of the requests, which she has set forth
11 really reflect concerns which I and other colleagues
12 will echo and look to you to reach a successful
13 resolution with her and her community.

14 Can you just review one part of the
15 blueprint I did not see, the height of the towers
16 that you proposed, could you just kind of talk
17 through that, the office towers I am referring to
18 now?

19 MR. STUCKEY: Sure. The office hours
20 range, the tallest one, I believe is just over 600
21 feet, if I am not mistaken, 620 feet, which is, we
22 might as well just say it, about 100 feet or so
23 taller than the Williamsburg Savings Bank. The
24 other towers range from 210 feet, the third one is
25 440 feet, and the third rather is 500 feet, so 210,

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2 440, 500, and 620.

3 COUNCIL MEMBER GERSON: The taller
4 buildings will, in fact, be than the tallest
5 buildings in the vicinity. And if I am not mistaken,
6 some of the tallest amount, the tallest in the
7 entire area, and perhaps in the Borough.

8 MR. STUCKEY: That is correct. And
9 that is very intentional when Frank Gehry was
10 putting together his design, it was very clear that
11 he wanted to create a design that had a
12 differentiation between buildings, and not just have
13 a single, one height, one building.

14 This project, as I mentioned earlier
15 in the presentation, does require that we build a
16 certain amount of density in order for it to make
17 economic sense both for us and for the public
18 sector.

19 On the other hand, Council member,
20 there are lots of questions about height. But, for
21 example, one question is, what is this project
22 really going to be like where most people experience
23 it which is on the street level. Because most people
24 on the street level, whether it is 45 stories or 50
25 stories, it really does not make a difference. What

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2 does matter is how does it integrate with the
3 neighborhood. I'm not so sure if the people on the
4 street level would necessarily agree with your
5 assessment. I mean, I can tell you as one who was
6 currently negotiating with the City on any number of
7 height issues that height is one of the factors that
8 impacts on the sense of place, which people bring.
9 And as one actually, my previous incarnation as a
10 Community Board Chair, where we had to deal with a
11 proposed Gehry project that was an issue. I
12 certainly hope you will bring sensitivity to the
13 conjectural concerns that I believe my colleague and
14 the community will raise, and exhibit a willingness
15 to engage constructively those conjectural concerns.

16 MR. STUCKEY: Sure, we will.

17 COUNCIL MEMBER GERSON: Just, you
18 mentioned, I will wrap up, the 50 percent that is
19 non- market, and you mentioned it in response to
20 questions of my colleagues, you mentioned an
21 interest in a graduated approach. Do you have any
22 thoughts as to how that graduated that 50 percent
23 would be, that is non- market? How much would be
24 for very low income, how much would be for moderate-
25 income, how much would be for upper middle income?

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2 MR. STUCKEY: I do not know that we
3 have broken it down yet, Council member. I know
4 that there are a number of groups who are very
5 expert in this, who we intend to talk to and engage,
6 who know more about this than we do. But we do want
7 very much to be sure that it is responsive to all of
8 the needs within that group. We do not want it to
9 be such - -

10 COUNCIL MEMBER GERSON: So within --

11 MR. STUCKEY: Within a group of
12 ranging from very low, quite honestly, to low, to
13 working class family, to middle income, to market
14 rate.

15 COUNCIL MEMBER GERSON: And again, I
16 hope that the groups that you consult with will
17 include both the Council member and the community to
18 assess the income range needs of the community on
19 which you are, would impact if you go forward. Just
20 to follow up, the senior component, is that both in
21 the affordable and in the market rate?

22 MR. STUCKEY: Yes, the answer is it
23 is, although, I think that we see it in many ways,
24 especially given change in demographics as being
25 something that needs to be more heavily weighted

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2 towards the affordable.

3 COUNCIL MEMBER GERSON: I am glad to
4 hear that, because I have been very distressed that
5 so many housing plans fail to address.

6 And will the senior component
7 include, the affordable senior component include
8 affordable, assisted living to some degree?

9 MR. STUCKEY: We have not gotten to
10 that level of thinking yet.

11 COUNCIL MEMBER GERSON: Is that
12 something you would be willing to entertain?

13 MR. STUCKEY: Well our company has
14 and does develop nationwide assisted living housing,
15 so.

16 COUNCIL MEMBER GERSON: I know that.
17 So you will certainly consider that here.

18 MR. STUCKEY: Yes.

19 COUNCIL MEMBER GERSON: There is a
20 great need Citywide for affordable, assisted living.

21 All right, with those caveats, I am
22 just going to conclude with a kind of a request
23 comment that digresses just a little bit. But I
24 have been raising it in the context of another sport
25 institution proposed in my district, and other

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2 sports- related projects. There is a wonderful
3 concept proposal that is very needed that has been
4 raised by many sources, it is very needed in this
5 City, and that is for the creation of a top class,
6 high school that specializes in sports and sports-
7 related disciplines, sports medicine. Just as we
8 have high schools, that address performing arts and
9 sciences. There is a great need to address the
10 needs of many young people who can develop through
11 sports- disciplines, including by the way, sports
12 medicine and sports sciences.

13 I hope, however this proceeds, that
14 you and the Nets would consider, and I have asked
15 this of others, as I said, sports institutions,
16 lending your support, both your financial support
17 and your few political capital support to bringing
18 about this dream that is so needed for so many young
19 people in this City.

20 MR. STUCKEY: Thank you, Council
21 member, sure.

22 CHAIRPERSON SANDERS: Thank you,
23 Council member. Can I encourage my fellow Council
24 members that the more questions we pose, and the
25 longer these questions, means it will be longer

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2 before we hear from the public, and we are intruding
3 on their position too.

4 Council Member DeBlasio.

5 COUNCIL MEMBER DEBLASIO: Thank you,
6 Chair Sanders, thank you for your very fair chairing
7 of this hearing. I want to praise Tish James, she
8 is maybe about to leave the room, but she can
9 receive praise. I want to say, whenever we look at
10 a public project, we are trying to maximize the
11 public benefit. And I think the concerns very
12 strongly raised and eloquently raised by Council
13 Member James have helped that process along. We may
14 not all agree on where this should go, but what we
15 do know is that we have to maximize the public
16 benefit. That is not going to happen if someone
17 isn't saying, here are the standards we need to
18 meet, and she has done that exceedingly well, I want
19 to thank her for that.

20 And I think for all of us in the
21 Brooklyn Delegation, all of us everywhere in
22 Brooklyn, this is a Brooklyn- wide issue, this is a
23 citywide issue, but I think every part of Brooklyn
24 is effected. It is not just my district, which
25 joins the area, but it is all of Brooklyn.

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2 Look, here is a simple point, I see
3 some real potential here, and I have been very
4 public and consistent that in terms of development
5 of jobs for working people both in construction and
6 permanent jobs, and in terms of affordable housing,
7 those are critical to the future of the Borough.
8 But they have to actually happen. If they are
9 actually going to happen, I think there are a lot of
10 us who can continue to be critically supportive of
11 this effort. If they are not going to happen you
12 will see a lot of disillusionment, and you will see
13 people change their position.

14 Now I will say up front, I have a lot
15 of respect for your company, I have a lot of respect
16 for Mr. Ratner. And I think if it was a different
17 company, a different person, some of us who have
18 seen some hope in this, might not see it.

19 Here are some simple questions just
20 to hone your previous answers. If we are really
21 talking about 20 percent affordable and 30 percent
22 moderate, that is a huge contribution to the future
23 of Brooklyn. I am still not clear about your
24 moderate figure. And someone said that that figure
25 could be upwards of 150,000 as an annual income for

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2 a family, on the high end of your moderate figure.
3 I have a problem with that, and by the way, in the
4 interest of consistency I have said the same about
5 the Mayor's affordable housing plan in general,
6 which I respect, but which is highly slanted to the
7 high- end incomes.

8 What we need for affordable housing
9 in New York City is for the lowest incomes slanted
10 downward not upward. And so my question is, can you
11 give us some help in terms of your definitions of
12 what is affordable and what is moderate in terms of
13 annual income for a family?

14 MR. STUCKEY: Not yet because I think
15 we are still trying to develop that with people in
16 the community and with some of the groups that are
17 far more knowledgeable about this than we are. I
18 think that what we understand though, very much
19 understand, that if you are earning \$140,000 that
20 that is not considered to be an affordable housing
21 unit or that you created. But if you have created a
22 unit where somebody could, or a family could be
23 earning 30, 40, or 50 thousand dollars, that that is
24 very well an affordable unit.

25 How we get there? It is going to

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2 take a lot of work. It is going to take looking at
3 the programs that exist. But I feel confident that
4 we are going to be able to do that, Council member,
5 just like I felt confident when we created MetroTech
6 in Downtown Brooklyn, and there were not consented
7 programs, and they were not ideas that were in place
8 then that would help keep programs in Brooklyn. And
9 yet after that there were things like ICAP, there
10 were things like the REAP program, there were things
11 like Energy Cost Savings programs that were created
12 to help us attract and create jobs in Brooklyn. I
13 think very much like that, we have to bring the same
14 attitude to this creation of affordable and moderate
15 income housing. And I do not know exactly what it
16 is yet. I just know that at this early stage that
17 we have to be very committed to achieving it.

18 CHAIRPERSON SANDERS: Well let me be
19 brief and to the point, I appreciate your answer,
20 and I would think a lot of us would agree, you are
21 talking 20, 30, 40 thousand in annual income for a
22 family, that is genuinely what we are looking for in
23 the way of affordable housing. And if you are
24 talking about moderate- income, you know, perhaps

25 50, 60, 70 something like that. But let's just be

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2 clear, and I appreciate your answer. Any time you
3 go over 90, 100, I don't think any of us are
4 thinking it is moderate any more. I think we would
5 say that is market, and that is not what we need as
6 much in Brooklyn right now. We have a boom in
7 market rate housing.

8 We are looking for a judicious
9 balance. You have set the bar in a good place, now
10 the devil is in the details, and we are going to
11 continue to ask you to fill in those blanks. I also
12 know that that does not happen instantly, you have a
13 lot to work out. But I think that is a clear
14 standard that people are going to be looking for.

15 On the other point, which is hiring,
16 I have had an unfortunate experience, I think
17 probably everyone in the public sector has had an
18 unfortunate experience with developers and companies
19 that look for public support and make various
20 promises about hiring, and then those promises
21 either evaporate or get minimized. Again, this
22 project could do a lot of good of Brooklyn, and I
23 have hope it will do a lot of good for Brooklyn, if
24 those commitments are fairly and very

25 conscientiously kept to.

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2 So in that vein, we all know that we
3 cannot compel you legally to name an exact figure
4 for local hiring, both in terms of construction and
5 in terms of permanent jobs, whether it is an
6 absolute number or a percentage. But I strongly
7 believe that as soon as humanly possible, your
8 company should come forward and make a public
9 commitment in terms of some absolute, basic figure
10 that you commit to that you will hold to for the
11 surrounding area, and as Council Member James said,
12 including some of the highest pockets of
13 unemployment in all of Brooklyn. Perhaps you are a
14 company that we could see something new in that we
15 have not seen in so many of the other difficult
16 interactions we have had when public subsidies are
17 involved. But if you can name a figure and stick to
18 the figure, and I think our friends in the labor
19 movement can be very helpful here. And by the way,
20 they too, some unions have done fabulously at this,
21 and some have a questionable history and have a long
22 way to go. But I think some of the unions that have
23 become involved in this project have said up front

24 that they want to do the apprenticeship programs and
25 the new membership programs to bring in people from

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2 the surrounding neighborhood. They want to do a new
3 type of work as well.

4 So something very powerful could
5 happen here, but it begins with you being ready as
6 soon as humanly possible to say we commit to this
7 level of local hiring and construction. We commit
8 to this level of local hiring in the permanent jobs.

9 I would note, Chair Sanders, and Larry Seabrook,
10 and Tish James, and Charles Barron, and myself, we
11 recently had a hearing looking at this specific
12 question of black male unemployment. Just with this
13 one project alone, you could change those statistics
14 fundamentally, if you and the labor unions really
15 worked in concert to stay true to local hiring.

16 What can you tell me about that?

17 MR. STUCKEY: Well I understand what
18 you are saying Council member. And I think you know
19 that we have this commitment, and while I cannot
20 give you a specific number today, I think that if
21 you look at our track record, I think that we would
22 clearly want to do equal to or better than what we
23 have done in the past.

24 COUNCIL MEMBER DEBLASIO: Well I
25 appreciate the spirit of the answer. I will just

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2 say in closing, everyone is going to be looking at
3 how much the public is putting in, and everyone is
4 going to be looking at how much we get back. On the
5 public side, it will be a numerical figure in the
6 final analysis. There is no question about that.
7 If you can make a numerical figure on your side,
8 this could be a win for everyone, and I really urge
9 you to do that as quickly as possible.

10 Thank you.

11 MR. STUCKEY: Thank you, Council
12 Member.

13 CHAIRPERSON SANDERS: Thank you,
14 Council member. Let me say also, gentlemen, that
15 they are using the AMA, the Area Median Income, in
16 terms of housing is not a good standard. The AMA is
17 skewed to, because we include Nassau County, we
18 include Westchester and other great places. So we
19 are looking for something that looks at New York
20 City what is the amount of income in New York City.

21 Having said that, Council Member
22 Kendall Stewart. Can we get him a new mic, why

23 don't you take the one in back of you, Sir, there is
24 one in back of you, Council Member Stewart.

25 COUNCIL MEMBER STEWART: Thank you,

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2 Chairman Sanders. I ought to thank you for your
3 leadership on this issue, and I would like to just
4 make a general comment to Mr. King and Mr. Stuckey.
5 You know my colleagues have been talking about the
6 unemployment, and they have been talking about
7 housing shortage, et cetera. What I want to tell
8 you, I want to commend you on coming up with
9 practical solutions to jobs, to housing, and
10 businesses, new businesses. You know, there is a
11 common saying that I always say all the time, we
12 have to focus on the concept of the solution, rather
13 than the concept of the problem. And that is what
14 you have been doing, you are showing leadership, and
15 I want to commend you for that. And that is
16 basically what I have to say, thank you very much.

17 MR. STUCKEY: Thank you, Council
18 member. Thank you.

19 CHAIRPERSON SANDERS: Let me make an
20 announcement that the Civil Service and Labor
21 Committee is meeting in the Red Room on the first
22 floor of City Hall.

23 The last speaker for this panel, as
24 last, but never least, Council Member Seabrook.

25 COUNCIL MEMBER SEABROOK: Thank you

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2 very much, Mr. Chair. Just a point that, again, I
3 came here purposefully for this hearing to talk
4 about this high unemployment rate. Because this is
5 catastrophic. But you have a tremendous
6 opportunity, a tremendous opportunity, one is that
7 you have the knowledge, because you have been
8 around, so you understand this situation. You have
9 an opportunity because you are now matching private
10 dollars with public dollars, and so that commitment.

11 And I think that it is important the
12 seriousness of this and in the area, and in Brooklyn
13 where you are doing this, that you should come out
14 with a white paper that talks about how you plan to
15 attack this 51 percent unemployment and tie it to
16 this, and call it the Bernard King jobs program,
17 because basketball is one thing, but jobs is
18 another, Daddy ain't got a job.

19 So I think it needs to be addressed,
20 and you have the opportunity to do this with
21 numbers, with numbers. It is easy to say that you

22 are at that 35 percent, but you can, that is your
23 goal. And there is nothing wrong with goals, and it
24 is not illegal to talk about goals.

25 There can be a Memorandum of

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2 Understanding with labor unions. Tish James has
3 this report that goes back, nothing is changed, but
4 they are willing to sit down, labor unions has said
5 that they are willing to sit down, you decide on the
6 contractors, you decide on who is there with a
7 Memorandum of Understanding, and that can be written
8 up. And that is a contract that says how committed,
9 you see, the commitment is on the basis of what you
10 put in writing and what you will stand for.

11 As I said, Mr. Ratner has the will,
12 but if he dies, he might not leave in a will. So
13 what I am saying is that we have to have this in
14 writing to talk about how do we deal with this
15 issue, because it is important and people have to
16 work. And those housing developments, it is so
17 crucial.

18 Secondly, all politics is local.
19 This development is local. You should be working
20 with Pratt to talk about how best you all could pull
21 this thing together, that the community can have an

22 involvement, you can have an involvement, and
23 everybody can be satisfied and work this out. So
24 there are means and ways in which you got the most
25 unique opportunity in this City for development,

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2 partnership, employment, problems, you can solve a
3 whole lot of problems in this room, right here.

4 But unless, it is not about the
5 tallest, it is about the fairest. And I think that
6 if you look at it on those basis, you can solve
7 because you have been around here a long time, and
8 you know what the problem is. And Bernard you are
9 there, and that is your role, that is your
10 responsibility when you go back in that community,
11 in Fort Green, and all those projects and see those
12 young people, not the ones that are playing
13 basketball, but the ones that are unemployed that
14 cannot get and give them a chance, and then if Babou
15 come back, and he did not take that chance, it is on
16 Babou, but you did not give him a chance and open
17 that door. And that is what this is all about.

18 You have got a tremendous opportunity
19 to put a paper together in writing and say, here it
20 is. And that is when I will believe you, that is

21 when the people will believe you, because it is
22 about fairness, and it is about justice.

23 MR. STUCKEY: Thank you, Council
24 member.

25 CHAIRPERSON SANDERS: I almost

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2 started clapping. Gentlemen, if you are not going
3 to respond to that, then I am going to thank - -

4 COUNCIL MEMBER SEABROOK: Yeah, he is
5 going to respond.

6 CHAIRPERSON SANDERS: I see he is
7 also a mind reader. Did any of you want to respond
8 to that, to Council Member Seabrook?

9 MR. STUCKEY: I do not disagree at
10 all that we have a tremendous opportunity here,
11 Council member, and I think that we have to build on
12 what we have done, and we have to do better than we
13 have before. And I think that we, as I said at the
14 beginning of this, this is, we bought this team
15 three months ago. We have not closed on the
16 contract yet, we are about to close soon. And then
17 we are about to start a public process, so there is
18 a lot of talking to go in this, we are at the very
19 beginning, and we certainly welcome the discussion
20 with anyone who is interested in talking to us.

21 CHAIRPERSON SANDERS: Then I want to
22 thank you, and thank you again for coming out here.
23 I know that although it was not required that you
24 come before this Committee at this point, that you
25 had enough respect for this Committee and New York

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2 City.

3 I also want to thank the advocates
4 for pushing for this. There has been a real to see
5 that democracy is upheld in New York City. I am
6 going to do something - - Council Member Clarke, you
7 did not want to say anything? Of course, I am glad
8 to say that, of course. The leading advocate on
9 this issue has been Council Member James, and that
10 should also go into the record.

11 Okay thank you very much.

12 MR. STUCKEY: Thank you.

13 CHAIRPERSON SANDERS: We are going to
14 bring before us the most popular man in Brooklyn,
15 indeed, perhaps the most popular man in New York
16 City, and that of course, is the Brooklyn Borough
17 President, Marty Markowitz.

18 My friends, my friends, no, this is
19 not, neither hand claps nor boos, wrong place.

20 We are also going to bring before us
21 the Public Advocate of the City of New York, Betsy
22 Gotbaum, who I did not see. Oh, there you are, all
23 right, I am glad that both of you here.

24 This is a good moment, if anyone is
25 going out, this is your moment to go out.

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2 Understandable, understandable, you have got to go
3 see some constituents. If you are leaving, this is
4 your moment to do so. If you are wanting a seat
5 down here, this is your moment to get it.

6 All right, I have one. While, my
7 Public Advocate, why don't you come and join. What
8 a tough thing, if I go either way, I am in trouble.
9 But you are the Borough President of Brooklyn, and
10 she says you can do so. Borough President, thank
11 you very much for being here, please, continue. Hit
12 your button, Sir.

13 BOROUGH PRESIDENT MARKOWITZ: Thank
14 you, Chairman, very, very much. And what you heard
15 a moment ago, is what we call a Brooklyn cheer.
16 Thank you.

17 I believe all public officials have a
18 responsibility to provide residents with
19 opportunities for assessing all levels of

20 employment, affordable housing, cultural resources,
21 worthy of our world class city, as I always say, the
22 City of Brooklyn.

23 This particular proposal works
24 towards achieving these goals, and I believe it will
25 be a win/win for Brooklyn, and for the adjoining

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2 communities.

3 Let me begin by stating some
4 important facts, Brooklyn has, regrettably, an
5 unemployment rate of almost 9 percent, and as you
6 have heard with some areas approaching 70 percent or
7 higher, which is among the highest rates anywhere in
8 New York City.

9 Housing costs, as we all know, are at
10 an all time high, and with a deficit of 80,000
11 units, in Brooklyn alone. A simple glance through
12 our newspapers' real estate section will show how
13 high rents in Brooklyn neighborhoods have soared in
14 recent years. The average price for an apartment is
15 now 438,000 dollars, up 18 percent from last year.
16 Homes in many neighborhoods, including Fort Green,
17 are going for near or at, or even above a million
18 dollars.

19 In fact, a single project, this
20 single project provides the prospect of more
21 affordable housing development and job creation than
22 any project in Brooklyn in decades. There is a
23 tremendous need, in my opinion, for a sports
24 facility for national sports. Brooklyn is a
25 basketball town, and our best teams from youth

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2 programs to high school and college athletics should
3 have a real home court.

4 But it is not just about sports, with
5 this arena we can then host national events,
6 concerts and ice capades, graduations that sadly
7 have to go into Manhattan to be held, trade shows,
8 and my hope even some day a National Democratic
9 Party Conventional in Brooklyn, and even, believe it
10 or not, Hasidic weddings. There will be a dynamic
11 cultural resource for Brooklyn that works in synergy
12 with the other outstanding cultural resources in
13 Brooklyn at BAM and many other locations, Downtown
14 Brooklyn, and indeed, Lower Manhattan.

15 The question remains for those of us
16 in government, how do we provide the affordable
17 housing, the jobs, and cultural facilities that
18 Brooklynite and New Yorkers deserve? Unfortunately,

19 government does not build housing itself anymore,
20 and with this era of a fiscally conservative, anti-
21 urban federal government, we do not have the funds
22 to create the jobs that we need. And we cannot
23 alone afford to build cultural facilities, so we
24 must build public/private partnerships to achieve
25 these ambitious goals.

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2 The Brooklyn Atlantic Yards projects
3 is a public/private partnership that serves a public
4 purpose, in my opinion. It will create over 10,000
5 jobs, 22 units of affordable housing, and we heard
6 some of that a moment ago. And build an unparallel,
7 cultural facility, yet, be built by a private
8 entity, which at the end of this, I believe, will
9 represent a very modest, modest contribution from
10 the public sector. And this is the kind of project
11 that, frankly, I have been very happy to support the
12 arena part 1,000 percent. The rest of it, this is
13 why we are having this debate, because all of us,
14 the Council members, Assembly members, Senators, and
15 those that live in the community, and all of
16 Brooklyn, this is all a work in progress. We are
17 all at the beginning of this process.

18 Now the question becomes where should
19 it be built, and how will we make it work best for
20 Brooklyn and the surrounding neighborhoods? The
21 answer to the first question lies underground, this
22 site is practically on top of the Long Island
23 Railroad, nine subway lines, and accessible by four
24 bus lines and three additional subway lines. It is
25 unarguably Brooklyn's public transit hub, which

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2 makes it a smart choice for such a development.

3 But can we make Atlantic Yards work
4 best for Brooklyn and its neighbors? The challenge
5 is to enhance the benefits of the project while
6 minimizing any negative impacts on the surrounding
7 neighborhoods. I believe that this is not only
8 possible, but absolutely necessary, and here are
9 some principles I want to share:

10 First, displacement of any kind must
11 be minimized. I had the opportunity to visit some
12 of the apartments in the area. My wife and I would
13 be overjoyed to live in any of those spaces. They
14 are absolutely wonderful housing, and to see the
15 enthusiasm of those that live in those homes, and
16 apartments, and condominiums, who love Brooklyn as
17 much as I do, and who love the neighborhood,

18 obviously, from day one I have urged the developer
19 to minimize, and of course, with the goal of
20 eliminating any takings at all. And I have
21 forwarded every single proposal. And I must tell
22 you this community are just like the rest of
23 Brooklyn, not shy, and not introverted, when they
24 have got something to say you know about it. And
25 they have come up with, I think, some excellent

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2 ideas that I have immediately shared with the
3 developer, and I have arranged meetings between the
4 community groups involved with the developer.

5 I have always insisted that those
6 individuals who may be impacted by treated with the
7 dignity and respect that they deserve, and that they
8 are compensated, if it comes to that, so well that
9 they feel that they have benefited from the process.

10 Second is affordable housing. I
11 expect, more than I expect, I demand that half of
12 the housing be affordable to moderate- and low-
13 income Brooklynites. Further, it is my hope, I know
14 you heard from the developer, but I will continue to
15 push for 20 percent set aside for seniors who would
16 benefit from the nearby cultural institutions and

17 access to public transportation. This can be a
18 place where the best years in a senior citizens'
19 life can be, right there in that area. And all of
20 these goals must be committed to in writing to
21 ensure the projects success.

22 Third, the jobs that are created must
23 be available to Brooklynites. And that is why I
24 have created the Workforce Development Task Force to
25 look at training, education, service needs such as

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2 day care and other barriers that prevented
3 Brooklynites in the past from benefiting from
4 previous development. Unfortunately, available jobs
5 do not always match the skills of those seeking
6 employment. This project, I am happy to share,
7 offers a range of opportunities from highly
8 technical advanced jobs to entry level, and
9 everything in between.

10 We will develop a strategy that works
11 with the developer and the City of New York, and
12 incoming business and local community organizations,
13 to move Brooklynites into these new jobs. And I
14 fully expect that many jobs will be filled by local
15 residents, especially those living in nearby public
16 housing, Ingersoll, and Faragut, and Whitman, to

17 name several. It is absolutely essential for this to
18 work. It must employ those that live in the area,
19 and by the way, it is for the benefit of the owners
20 and developers because the employees can be within
21 walking distance.

22 I have also insisted that a
23 significant number of minority- women and locally
24 owned businesses be hired throughout the process.
25 And that project be built and operated the right

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2 way, 100 percent union.

3 Fourth, this arena should not simply
4 be another corporate playground. It must be enjoyed
5 by Brooklyn's working families. This means the
6 maximum number of affordable tickets to all games.
7 The arena must also be available for community uses,
8 such as youth sports, cultural organizations,
9 community theater groups, area schools,
10 universities, and cultural institutions.

11 Finally, this project will have an
12 impact on local services and infrastructure that
13 must be addressed by the developer and the City of
14 New York. Of course, traffic, transportation, and
15 parking, top the list. Because of the outstanding

16 access to public transportation, the potential
17 problem is not as considerable as it would be if the
18 proposal were in another location that would lie
19 exclusively on automobiles.

20 Clearly though, traffic mitigation
21 measures must be implemented in the surrounding
22 neighborhoods to ensure that the quality of life is
23 enhanced and not diminished. Many of the
24 recommendations that I have made in response to the
25 Downtown Brooklyn proposal apply here, including

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2 traffic calming, trolley loops, and resident
3 sticker, parking permits.

4 Creating thousands of new housing
5 units may also require additional community
6 facilities, new schools, police precincts. These
7 must be addressed to ensure that the community is
8 prepared to welcome new neighbors. At a minimum, a
9 police substation must be located in the community
10 so that residents feel even safer than they do now.

11 As you can see, I share many of the
12 concerns raised by critics of the plan. The
13 difference being that I believe that over the course
14 of the next two years we will have a process that
15 addresses these concerns and others, and to make

16 sure that this proposal is the best project it can
17 be for all of Brooklyn.

18 It is important to remember, as I
19 have said before, that we are at the beginning of
20 the process, the public debate will not end with
21 this hearing. We look forward to an inclusionary
22 and credible process that includes the community,
23 its elected officials, City, State, Forest City
24 Ratner, to address these and other community
25 concerns.

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2 Committee members I make no apologies
3 for supporting this arena. During my campaign for
4 Brooklyn Borough President, I promised in every part
5 of Brooklyn to try to work to the best of my ability
6 to bring an NBA team to Brooklyn. And I continue to
7 believe that this will not only re- enforce a sense
8 of pride that Brooklynites feel, especially that
9 when that year comes, I hope, when I expect when the
10 Brooklyn Nets will destroy the Manhattan Nicks. But
11 will also produce the tremendous benefits in terms
12 of jobs, housing, tourism, and economic development.

13 I remain eager to review any and all
14 proposals that may improve this project. If we work

15 together constructively, I believe, we can make
16 this, as I have said before, a win/win that will
17 improve the quality of life. I am confident that
18 future generations will look upon those who will
19 make this arena a reality, as much as our generation
20 in Brooklyn looks upon the Brooklyn Academy of
21 Music, the Brooklyn Historical Society, the Bedford-
22 Stuyvesant Restoration Center, and so many of the
23 other great institutions that we have.

24 I thank you very much for the
25 opportunity to testify. I pledge to each and every

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2 Council member, that the doors of Borough Hall, my
3 entire staff, and me, personally, are there to work
4 with every individual, whether they are enthused
5 about this project, or not enthused about the
6 project. But it is my one goal to make this a
7 win/win for all. Thank you very, very much.

8 CHAIRPERSON SANDERS: Thank you. My
9 friends, with neither pro nor negative will have any
10 extra here.

11 Borough President, I would also say
12 that to a sole, this Committee is determined to have
13 an open, transparent, fair process. And among the
14 people who will ensure this, is of course, our

15 Public Advocate, the next speaker. Public Advocate.

16 PUBLIC ADVOCATE GOTBAUM: Thank you.

17 I think it is quite a disadvantages to follow the
18 great Borough President who is, that is why he is
19 the great Borough President.

20 New York City is a city in constant
21 structural transition, but not since the height of
22 Robert Moses' building frenzy, have we had so many,
23 large scale developments ideas. Moses did more than
24 anyone else for the development of New York City.
25 But he also made several big mistakes that have

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2 haunted us every since.

3 I hope we have learned from Moses
4 mistakes, and that we perceive thoughtfully in
5 making more concrete our current plans for
6 development across the five boroughs. One of the
7 most exciting and most controversial plans currently
8 being discussed is the Forest City Ratner Plan for
9 Downtown Brooklyn. The City Planning Commission has
10 already recognized that this area is the next
11 development hotspot, and Ratner's plan builds on
12 that recognition.

13 The Atlantic Yard site, where Ratner

14 proposes to construct an arena, housing, and
15 commercial space, has historically been a
16 problematic development site. Although, there had
17 been many development ideas here, few have come to
18 fruition.

19 Now Forest City Ratner has come up
20 with mix- use development proposal specifically for
21 this site. The plan is encouraging, but the
22 downside of the plan reminds me of Robert Moses'
23 greatest development era. That era, which for
24 decades were a black mark of large- scale
25 development, was and is the forced removal of

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2 families from their homes. And that is the major
3 problem, and it causes me concern with this project.

4 But let's be clear, there is a
5 positive history associated with this builder, and
6 there are many positive components to his plan.
7 Forest City Ratner has had success in the Downtown
8 Brooklyn Development. Pierpont Plaza was the first
9 office building built in a quarter of a century.
10 Ratner has a history of working with people in the
11 communities he builds. His projects have attracted
12 companies and created jobs.

13 And the plan, itself, is a good plan.

14 This development could bring about good use to
15 this prime, but seriously under- used site.

16 The housing component of the plan is
17 undoubtedly the most important aspect. This area is
18 already a very desirable place to live. An addition
19 4,500 units of housing, which I understand the
20 developer will build, would be welcomed not just to
21 this area, but to the whole City, which suffers
22 greatly from a lack of housing.

23 More important, Forest City Ratner
24 has committed to make affordable and middle- income
25 housing. They should make affordable housing the

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2 priority. The plan could also bring about
3 commercial development and sorely needed jobs. We
4 are talking about over 10,000 construction jobs, and
5 thousands of permanent jobs.

6 It I my hope that these will not be
7 simply low income, low- skilled jobs. But will
8 include jobs that provide opportunity for
9 advancement and career development. I also want to
10 be sure that as many of these jobs as possible go to
11 people from that community.

12 Forest City Ratner is a union shop,

13 that makes them responsible developers to the people
14 whom they employ. They pay fair wages and provide
15 good working conditions.

16 Another positive thought for
17 component of the plan is the planned community uses
18 outlined here today, for the Nets Arena.

19 And finally, this development site is
20 located in an ideal and excellent transit hub that
21 connects subways, the Long Island Railroad, and
22 buses.

23 All these things make the plan sound
24 good. But before I give this project my personal
25 green light, I want the following assurances:

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2 I want the people being affected most
3 by this development, the residents who live at the
4 planned development site be protected to the
5 greatest extent possible.

6 I want assurance of a real component
7 of affordable and middle- income housing.

8 I want to maximize public space and
9 make sure that Forest City Ratner takes into account
10 local needs. They need to work with local
11 residents, churches, and other institutions in the
12 community to better understand what the community

13 needs.

14 I want everything possible to be done
15 to ensure that retail space and job opportunities
16 are open to the local area residents.

17 And I want the MTA to be compensated
18 for the development rights, and that the
19 compensation be used to stave off any future fare
20 hike.

21 This plan can have a positive,
22 economic impact for Brooklyn and the City. It can
23 further enhance the other developments currently
24 ongoing and planned for Brooklyn. But we must not
25 forget nor overlook the impact on families who are

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2 being threatened with eviction so that this plan can
3 go forward.

4 And in closing, I am offering my
5 office to broker any dialogue with the developer and
6 the residents who will be impacted. We have already
7 had conversations with both the developer and the
8 residents, and will continue to work towards a
9 positive resolution for all.

10 Thank you very much.

11 CHAIRPERSON SANDERS: Thank you.

12 Council Member James.

13 COUNCIL MEMBER JAMES: Good

14 afternoon. To my Borough President, Mr. Borough
15 President, are you familiar with the Zimbalist
16 Report that was just issued?

17 BOROUGH PRESIDENT MARKOWITZ: I have
18 not read it all. I only saw a little story today in
19 one of the papers, and your response.

20 COUNCIL MEMBER JAMES: And clearly,
21 Mr. Borough President, the housing, they talk about
22 the current income level for low- families as
23 \$28,250, and then middle- income as approximately
24 142,000, and they talk about middle- income as
25 incomes of \$75,000. Clearly, Mr. Borough President,

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2 that would not be your definition of affordable
3 housing, correct?

4 BOROUGH PRESIDENT MARKOWITZ: Well to
5 me affordable housing, middle- income housing is
6 somewhere in the area of 50 to 80 thousand dollars,
7 affordable housing is below that.

8 COUNCIL MEMBER JAMES: And clearly,
9 Mr. Borough President, you would want to set aside
10 some apartments for our seniors, particularly
11 seniors who, some of them, in fact, are living in

12 nursing homes and who can live independently,
13 correct?

14 BOROUGH PRESIDENT MARKOWITZ: Those
15 that live in nursing homes, generally, are beyond
16 assisted living.

17 COUNCIL MEMBER JAMES: Assisted
18 living, correct.

19 BOROUGH PRESIDENT MARKOWITZ: The
20 seniors, that is a critical need in our town.

21 COUNCIL MEMBER JAMES: Yes.

22 BOROUGH PRESIDENT MARKOWITZ: But in
23 Brooklyn besides that, one of the greatest demands
24 and shortages in housing are for the moderate- and
25 middle- income senior citizen, single or married

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2 couple.

3 As you know, in many of our
4 neighborhoods, gentrification has displaced many of
5 those elderly people, and they have few options in
6 front of them. So I am very hopeful that we could
7 maximize the amount of affordable housing,
8 particularly for this, I think, deserve it the very
9 most, and that is our seniors.

10 COUNCIL MEMBER JAMES: And not based

11 on the incomes reflected in this document, as I have
12 just described it to you.

13 BOROUGH PRESIDENT MARKOWITZ: Well I
14 have not read the document. But I certainly know
15 \$140,000 a year, which by the way, is more than a
16 Borough President earns, is certainly, you know, it
17 is not wealth, but certainly you would not call it a
18 low- income.

19 COUNCIL MEMBER JAMES: And you know,
20 Mr. Borough President, I am advocating for your
21 raise, you realize that, right?

22 But Mr. Borough President, you also
23 realize, or you have not read the report, but I am
24 certain that you would not agree that 60 percent of
25 the residents in the 17 towers, they are proposing

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2 that they come from outside the New York State. You
3 would not be supportive of that would you, Mr.
4 Borough President?

5 BOROUGH PRESIDENT MARKOWITZ:
6 Absolute priority must be, the housing from day one
7 when I ran for Borough President and to this very
8 moment, housing for Brooklynites, housing for
9 Brooklynites.

10 CHAIRPERSON SANDERS: Your last two

11 questions, Council member.

12 COUNCIL MEMBER JAMES: And my last
13 two questions, and again, referring to the
14 Zimbalist, no, referring to an interview of Mr.
15 Ratner in the Daily News on April 23rd, he indicated
16 that he wanted, let me find the report, he wanted at
17 least 70 percent or 75 percent of the revenue
18 generated from the project diverted back to him.
19 You indicated in your statement that only a small
20 portion should be used, public funds should be used
21 to subsidize this project.

22 Clearly, you would agree that 70
23 percent of tax revenues to a private developer would
24 be out of line?

25 BOROUGH PRESIDENT MARKOWITZ: I think

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2 you heard the developer say that they want to
3 minimize the amount of public funds that they have
4 to use. And we would all agree, the entire City,
5 all of us in government share that goal.

6 COUNCIL MEMBER JAMES: Well these are
7 just the statements of Mr. Ratner, himself.

8 BOROUGH PRESIDENT MARKOWITZ: Okay.

9 COUNCIL MEMBER JAMES: And lastly, in

10 the Zimbalist Report it indicates that the average
11 salary of the new office tower employees will be
12 \$67,000. Clearly, Mr. Borough President, those do
13 not reflect jobs that would benefit people within
14 the surrounding community, correct?

15 BOROUGH PRESIDENT MARKOWITZ: Well I
16 tell you, I think that if we can make this project
17 have jobs that allow men and women to move up the
18 ladder - -

19 COUNCIL MEMBER JAMES: Certainly.

20 BOROUGH PRESIDENT MARKOWITZ: - - in
21 terms of job opportunity. You know you have to
22 begin somewhere. We have to have jobs for those
23 that are the very technical level, and the advanced
24 degrees, college degrees. But we also have to have
25 jobs for men and women who can be trained and be

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2 given an opportunity. And I believe the arena,
3 Councilwoman, from day one, will offer the kind of
4 jobs in many, many ways that will meet the skills
5 and the dreams of those that live in the immediate
6 area. We have got to create opportunities. The
7 more of our residents in Brooklyn that work, the
8 better it is for all of us in Brooklyn.

9 COUNCIL MEMBER JAMES: And lastly,

10 Mr. Borough President, would you want the City
11 Council to play a role in the negotiations in
12 regarding this proposal?

13 BOROUGH PRESIDENT MARKOWITZ: Well I
14 think that all of us that are elected in office
15 should have a role, without a question. By the way,
16 I have to tell you, listen you know I have been in
17 and around the neighborhood.

18 COUNCIL MEMBER JAMES: Yes.

19 BOROUGH PRESIDENT MARKOWITZ: And I
20 have not met everyone that applauds me, you
21 understand. But when I am approached, and there are
22 many of them in this audience right now, some of
23 them have some of the most brilliant ideas, as you
24 know.

25 COUNCIL MEMBER JAMES: Yes.

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2 BOROUGH PRESIDENT MARKOWITZ: And
3 when I listen to the ideas, I think they are
4 fantastic ideas, I immediately send it over to those
5 that have expertise in it, and I encourage that. We
6 are very fortunate, you and I, that we serve such
7 dedicated Brooklynites, we are really, really lucky.

8 And they, by the way, those that live

9 in the neighborhood represent in many ways the
10 reinvigoration of Brooklyn, and you know that, and I
11 know it. And I do not want to do anything other
12 than to enhance and improve the quality of life, not
13 diminish it. That is my goal from day one.

14 COUNCIL MEMBER JAMES: And thank you,
15 Mr. Borough President, you were able to save the ICD
16 Building on Myrtle, on Flatbush Avenue and
17 Willoughby, you saved that from condemnation, and I
18 would hope that you would use the tremendous powers
19 of your office to save the homes in Prospect
20 Heights.

21 BOROUGH PRESIDENT MARKOWITZ: Thank
22 you, Councilwoman.

23 COUNCIL MEMBER JAMES: And Public
24 Advocate Betsy Gotbaum, thank you for your
25 deliberate comments and your thoughts today.

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2 BOROUGH PRESIDENT MARKOWITZ: Thank
3 you very much, Council member.

4 CHAIRPERSON SANDERS: Even at, you
5 can go ahead, you can start, gentlemen. They need
6 the TV and the screen for the next Committee meeting
7 that is taking place.

8 I again encourage my colleagues to be

9 as brief as possible, because you are standing in
10 the way of more people. The people itself that we
11 all want to hear. So I am encouraging my colleagues
12 to be as brief as possible. We will hear from
13 Council Members Gerson, Reyna, and Yassky, in that
14 order.

15 And as soon as we move this TV --

16 BOROUGH PRESIDENT MARKOWITZ: This is
17 perfect, I have never looked better.

18 COUNCIL MEMBER GERSON: There you go.

19 I just have one question I want to put on the
20 table for either of these witnesses to address in
21 this hearing or afterwards. And also, I know we
22 have in the audience officials from the City's
23 Economic Development Corporation, so I bring this
24 question to their attention, as well, and to the
25 attention of all with interest. And that is the

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2 question of what strategies, if any, we should
3 develop as a City for uses of the 2.1 million square
4 feet of office space proposed?

5 You know I am here as a member of the
6 Council of Economic Development Committee, and I ask
7 this out of concern for the economic development of

8 the area, and the City as a whole. The focus,
9 understandably, has been on the arena. But if you
10 look at the proposal there is a lot more footage set
11 aside for the office space than the arena. And I am
12 wondering if there are, if there is a need to put in
13 place particular, or unique, or special
14 infrastructure that correlates to marketing
15 strategies to get the best possible economic
16 development bank for the buck out of this office
17 space.

18 BOROUGH PRESIDENT MARKOWITZ: Right.

19 COUNCIL MEMBER GERSON: That is
20 proposed. Keeping in mind its proximity to
21 MetroTech, as well as its proximity, by the way, to
22 the Lower Manhattan District that I represent, and
23 our need a City overall, to develop economic
24 development synergies, which are afforded to us.

25 So any thoughts on what we should

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2 look too for infrastructure and strategies for 2.1
3 million proposed square feet for office space. And
4 I put "office space" quotes, because one of the
5 question I have, is should it be traditional office
6 space, should it be high- tech, should it be
7 cultural, should it be arts, should it be something

8 else?

9 BOROUGH PRESIDENT MARKOWITZ: Well I
10 think, Councilman, you ask a question that I think
11 really is most important. First off, we know that
12 investors in this effort are not looking to lose
13 their shirts. Obviously, they are taking market
14 surveys, and are determining the need, and the
15 market is going to drive the need in terms of
16 whether or not this level of space that they have
17 proposed at this moment will, in fact, be what the
18 development will finally be when completed.

19 I know one thing, when I go past
20 Jersey City, as some of us probably do, and I see
21 all those new buildings. All those new office
22 buildings, I know that it is not Jersey City that
23 has created those jobs. Those are our companies,
24 when I say our, New York City companies that have
25 gone over there.

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2 So Brooklyn, potentially, represents
3 whether it is small corporate offices, or regional,
4 northeast regional headquarters of corporations that
5 are in the southwest, or the southeast, or the
6 Midwest, or whether it represents the growth of

7 office needs for our colleges and universities, for
8 our arts organizations in the Borough. We have a
9 lot of home grown organic, you might say, groups in
10 Brooklyn that also need office space.

11 Now what that balance is, I don't
12 know. I am not an expert, I never pretended to say
13 that I am an expert in commercial development, I am
14 not. But I am hopeful that those that are expert in
15 the field, together with the public sector, that
16 they will be able to determine exactly how much is
17 needed, what is the fair return, and what level the
18 public monies go into this.

19 One thing I know, that I know we need
20 jobs, I know that. And if we can attract to
21 Brooklyn corporations and other entities that using
22 that space and employ our folks. For instance, DUMBO
23 is a good example. DUMBO there are lots of
24 corporations, I have met just two this weekend that
25 moved from Manhattan to DUMBO. They love the idea

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2 of being at DUMBO, they are bringing 15 employees in
3 one case, 42 in another case. And the reason why
4 they expect to grow there, and I think that is good
5 for us, because it is my hope that they will employ
6 Brooklynites, and of course, New Yorkers, but my

7 first thing is Brooklyn, you understand, to employ
8 Brooklyn. And I think that is important for our
9 economy, and so we will hear more about this in the
10 days to come, I am confident.

11 COUNCIL MEMBER GERSON: And I
12 appreciate, as always, your most thoughtful, the
13 thoughtfulness of your response.

14 And I just want to, Mr. Chair,
15 conclude by emphasizing the point that, of course,
16 the marketplace will drive, and should drive, and I
17 am a firm proponent in us trying to micro- manage
18 the marketplace. However, we do need to keep in
19 mind that the marketplace does respond both to the
20 infrastructure we put in place, and the strategies
21 we pursue. And that is why I believe it is so
22 important to have the discussion, to begin the
23 discussion at this phase of the project before the
24 infrastructure becomes a fete compli, and as we
25 develop the strategies that will relate to this

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2 project.

3 So I look forward to continuing that
4 discussion, and I thank you very much.

5 BOROUGH PRESIDENT MARKOWITZ: Council

6 member, if I may, Chairman, if I can add? One thing
7 I can tell you, we have a lot more amenities than
8 Jersey City. They have to manufacture theirs, we
9 have ours already. We have the greatest number of
10 cultural attractions, restaurants, I can go on and
11 on and on. So for an employee what a wonderful
12 place to work. As long as we can maintain that very
13 special balance of preserving the quality of life in
14 our beautiful, distinct, diverse neighborhoods.
15 That is the balance that all of us have to find, and
16 I am confident that working together we will.

17 CHAIRPERSON SANDERS: Council Member
18 Yassky.

19 COUNCIL MEMBER YASSKY: Thank you.

20 CHAIRPERSON SANDERS: That is just a
21 sign of saying to be brief, Sir.

22 COUNCIL MEMBER YASSKY: As always,
23 Mr. Chair. Thank you, Mr. Chair. You know, when the
24 Borough President was introduced earlier, he was
25 booed. And I have been to other community meetings

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2 in which that has happened. And I feel that that
3 needs to be responded to, and maybe it means I am
4 going to get booed.

5 BOROUGH PRESIDENT MARKOWITZ: You

6 will, you will.

7 COUNCIL MEMBER YASSKY: There is not
8 a public servant that I know who gives his soul for
9 the benefit of the people he represents more than
10 our Borough President. And whatever people think,
11 please, I understand there are arguments against the
12 arena proposal, there are arguments for it. When, I
13 remember when the Borough President was campaigning
14 for his office two years ago, or three years ago,
15 and said he wanted to bring professional sports back
16 to Brooklyn, and I heard nothing but applause for
17 that proposal, when it was voiced in the campaign.

18 And, but what I also heard was a lot
19 of people saying that is impossible, never happened,
20 it is ridiculous. It is now our job in government,
21 in the Council, and the Mayor's job to make sure
22 that this proposal is a good one, that the public is
23 not asked to bear the cost of what should be a
24 private project. That the benefits do go, both the
25 jobs benefits and the housing benefits to the people

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2 of Brooklyn. That the neighborhoods in which this
3 project is being proposed are protected. That is
4 our job, of course, it is.

5 But to present this idea as far as it
6 has is a historic achievement that I think the
7 Borough President of Brooklyn deserves nothing but
8 credit for, Mr. Chair.

9 Thank you.

10 BOROUGH PRESIDENT MARKOWITZ: Thank
11 you very much, David, thank you.

12 CHAIRPERSON SANDERS: Thank you.

13 BOROUGH PRESIDENT MARKOWITZ: That is
14 why they pay me the big Bucks. Go ahead.

15 CHAIRPERSON SANDERS: Council Member
16 DeBlasio.

17 COUNCIL MEMBER DEBLASIO: Just very
18 quickly, pretty much the same thing. I appreciate
19 what you have done, Mr. Borough President, it is not
20 easy, it is oftentimes when we do something for our
21 community, there is a lot of pain along the way.

22 But you have shown a lot of
23 leadership, and if we keep the pressure on to get
24 the maximum concessions for Brooklyn, this could
25 work out for the good for all of us. So, thank you.

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2 BOROUGH PRESIDENT MARKOWITZ:

3 Councilman, I might add, I really believe - - both
4 of you, thank you. I really believe that out

5 challenge, out of debate, out of opposition, a
6 better plan emerges. Because it requires, it
7 forces, it motivates those that have their plan to
8 adjust, amend, to make it one that is more
9 acceptable. And that is why I am convinced that
10 this hearing and others that will go on, will make
11 this the best that it could be for Brooklyn and for
12 the rest of New York City.

13 Thank you very, very much.

14 CHAIRPERSON SANDERS: Thank you. And
15 I thank the Council members for being brief in that.

16 Here is how we are going to proceed,
17 my friends. At, it is roughly 2:15, at 2:45 we are
18 going to come back here after we have had our 15
19 minutes for lunch. If I did not the staff's union
20 would have a problem with me. And we are going to
21 begin, and could you tell us how we are going to
22 begin, Ms. Reid, with the two panels.

23 MS. REID: Okay, first we will have a
24 presentation by Council Member James. And then the
25 first panel after that will consist of Norman

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2 Siegel, Marshall Brown, Joel Towers, and Brian

3 Ketchum.

4 CHAIRPERSON SANDERS: Thank you very
5 much. We are now ending, in recess, save me from
6 myself, my friends, thank you, until 2:45.

7 (Recess taken.)

8 MS. REID: Marshall Brown, do we have
9 Marshall Brown? Joel Towers, good, and Paul
10 Gessing.

11 CHAIRPERSON SANDERS: This hearing is
12 now called to order. Again, we are discussing
13 development in Brooklyn, what is the future and
14 nature of Brooklyn. There is a proposal, in fact, I
15 see a cut out here of a possibility of Brooklyn. So
16 I, again, congratulate everyone for participating in
17 a democratic process, and in a process that will
18 lead towards history.

19 We are going to hear from a panel
20 that is opposed to this particular plan by Forest
21 City Ratner. Let me alert everyone that this will
22 not be the last hearing that we are going to do on
23 this issue. They did say, Forest City Ratner did
24 say that they were early in the process. That they
25 did not have a full plan, and we will accept that.

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2 But we also have to have them accept that when they
3 do have a full plan, they need to come back before

4 this Committee.

5 Having said that, I believe that we
6 will hear from, who will go first? I suspect that
7 our distinguished attorney will go first. Sir,
8 would you be kind enough, and as everyone speaks,
9 when the light is off, the mic is on. And if you
10 would identify yourself and your affiliation for the
11 record, Sir?

12 MR. SIEGEL: Good afternoon. My name
13 is Norman Siegel, I am one of the attorneys for
14 Develop Don't Destroy- Brooklyn (DDD- B). DDD- B is
15 a diverse body of individuals who live and work in
16 the Forest City Ratner Atlantic Yards proposal
17 footprint, and the surrounding community.

18 You have prepared testimony that I
19 gave, but I must deviate from that at this moment in
20 view of what has happened here, and what is
21 happening here at this moment.

22 At 10:30, this morning the Honorable
23 Chair began by talking about that history was about
24 to be made. And I think that one of the other City
25 Council people made reference to it, as well.

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2 With due respect, Mr. Chair, I think

3 this process was extremely unfair. We had five
4 speakers this morning from 10:30 to a little after
5 two o'clock. Four speakers were super pro the
6 project. And one, in my opinion, was wishy washy.

7 We had this morning, at one point, 14
8 City Council people. This room, the magnificent
9 City Council room was filled, it was standing room
10 only. It was, as you just said, democracy in
11 action. The area where it says press only was
12 filled. Now other than Michael Scotto from New York
13 One, and a camera up above, where there were five or
14 six cameras, and I assume that camera is the camera
15 that is here, which is the New York City Public
16 Station that airs these proceedings all the time.
17 There is no one from the media here as far as I can
18 see.

19 As of this point, now that Ms.
20 Gonzalez has just sat down, we have Sanders, James,
21 and Gonzalez. Where are the 11 other City Council
22 people?

23 When I look around the room now, we
24 have got probably about 25 percent of the room
25 filled, where there was 100 percent this morning.

3 see any of the people from Forest City Ratner. If
4 they are here, would they please designate. Thank
5 you. Okay, well we got three people there. None of
6 the speakers that were here this morning are here.

7 CHAIRPERSON SANDERS: Speak into the
8 mic, Sir?

9 MR. SIEGEL: Is the President of the
10 New York City Economic, is it called Commission,
11 Economic, is anyone from that agency here? And
12 clearly not the President who was here before.

13 Is there anyone here from the Borough
14 President's Office? Is the Borough President here?
15 No.

16 Is there anyone from the Public
17 Advocate's Office here? Is the Public Advocate
18 here? No.

19 What this demonstrates is that a lot
20 of what was said this morning is at best rhetoric.
21 When people say it is an open process, when people
22 say they want community involvement, and they say
23 they want to listen to the people, where are they
24 now? They are not here now.

25 And with due respect to the City

2 Council, the City Council also this morning was
3 talking the talk. And except for the Council people
4 that are here now, I want to know where the other
5 Council people are? Because we have a story to be
6 told, and I did not come here this morning to talk
7 the way I am talking now. I came this morning to be
8 loyal like, to be able to present my position
9 representing my clients from DDD- B. But after what
10 happened with the break, this is the night shift,
11 this is a completely different hearing. We are
12 talking maybe to the wall here, we cannot get our
13 points across. And moreover, if the opponents were
14 here, they could hear and they could see Joel and
15 Marshall's presentations, and maybe then begin to
16 have a real dialogue with the people from the
17 community as they said they wanted. But we do not
18 think that is what is happening.

19 And when they say, as the Borough
20 President said, this is the beginning of the
21 process, hell no. What we think, it is almost the
22 end of the process, and the meetings have taken
23 place. When they say they do not have the answers
24 with regard to the money, we think they have the
25 answers, but they are not telling you the answers

2 right now. And when you say this is going to be the
3 first of many hearings, time will tell. Because if,
4 in fact, you are not correct, we will remember the
5 statements of all the City Council people telling us
6 that this was the beginning of the process, and this
7 is the first of many hearings. This process, up to
8 this point, has been extremely unfair, it has been
9 lopsided, and the people that I represent don't get
10 a fair shake.

11 And I know that the people that are
12 here from the City Council, who are here right now,
13 you are committed to fairness, but you bought into
14 protocol, you bought into procedure. For example,
15 you should not have hearings like this in the
16 future. You should have hearings where one speaker
17 or one panel comes who is procedure. And then
18 another speaker or a panel that is in opposition.

19 When we fill out that form it says,
20 pro, con, for or against. You should alternate it.
21 I have been involved in City Council hearings before
22 where that is exactly what happened. The Chair and
23 the Committee people put the stack of speakers in
24 one pile pro, and one against, and they go
25 alternating one from the other.

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2 If you are told that that is not the
3 protocol, it is not historically accurate. We need
4 to make sure that when people take the day off, when
5 people come here and believe in democracy and
6 believe in this process, they are treated with
7 dignity and respect. They were not given that
8 dignity and respect today.

9 My prepared remarks thanked the
10 Committee and thanked the Chair. I am now removing
11 my thanks.

12 Today, we reiterate our opposition to
13 the current Atlantic Yards proposal in this public
14 forum. Today, we continue our efforts to persuade
15 our fellow New Yorkers, including our City Council,
16 even though they did not have the respect to come
17 back after lunch to join us in saying no to the
18 current Atlantic Yards proposal.

19 Since you have my written text, I am
20 not going to do it word for word, in view of the
21 fact that there are plenty of other people here who
22 want to speak, and hopefully someone from this
23 Committee will stay, whatever it takes to listen to
24 every single person who came here today. Because
25 that would be the greatest insult if people sat here

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2 for six or seven hours and no one was here to listen
3 to them, or at sometime later in the afternoon, the
4 gavel is clapped and it is said, that is the end of
5 the hearing.

6 We believe that this proposal
7 presents an enormous challenge, a David versus a
8 Goliath match between the tenants, the business
9 owners, and homeowners of Prospect Heights versus a
10 prominent, successful, politically well connected
11 developer.

12 We object to the use of eminent
13 domain to condemn the property of residents and
14 business owners of Prospect Heights for the benefit
15 of one, private developer. Especially, especially
16 when that developer owns property adjacent to the
17 proposed condemnation site, which could be used for
18 the proposed development.

19 I saw the buttons, there is one right
20 over here, one of your Council people, Fidler, if
21 that is the way pronounce his name, he wore the
22 button, which he is entitled to, he has a first
23 amendment right. And it says, jobs, housing, hoops.

24 I and most of the people I represent have no
25 objection to jobs, housing, and hoops.

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2 The question is at what cost, the
3 means to that end. You will see very shortly from
4 Joel and Marshall with the excellent work that they
5 have done. We can achieve jobs, housing, and even
6 hoops without a single person being forced to leave
7 the condemnation site. So people can live and work
8 in that site, and we can still achieve the goal of
9 jobs, housing and hoops. I will come back to jobs
10 and housing in a couple of seconds. But the point
11 is that there should be no disagreement between the
12 people wearing that button, and the people who are
13 wearing the paste on that says, "Eminent Domain
14 Abuse." They, in fact, go hand in hand. We can be
15 an "are" for jobs, housing, and hoops, and we do not
16 want eminent domain abuse. There should be common
17 ground here, and yet, there is not.

18 We object to the fact that eminent
19 domain is going to be used, and eminent domain is
20 used for public uses. This morning there was some
21 loose language, public purposes, the Borough
22 President and some of the people who were making
23 this proposal. Constitution uses the word "public
24 use." What eminent domain is about, you want to
25 build a public highway, that is what public eminent

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2 domain is about. You want to build a school, you
3 want to build a public hospital, that is what
4 eminent domain is about. It is not, or was never
5 intended to be about a private sports arena.

6 Remember this arena is not going to
7 be owned by the people or the City of New York, it
8 is privately owned. This team, the Brooklyn Nets, it
9 is not the Green Bay Packers, which are publicly
10 owned. It is going to be privately owned. What has
11 happened in the last 50 years, and I can give this
12 talk somewhere else, eminent domain began with a
13 focus on one thing, and now developers and City
14 governments all across this country have used it to
15 broaden it.

16 Charles Galgano talks about the
17 public good. This morning you heard public purposes.
18 Read the Fifth Amendment to the Constitution of
19 the United States, it has public use. There is a
20 conceptual difference and a fundamental difference,
21 and if need be, we will make it into court. But
22 hopefully, we can get this point across to City
23 Council people that this is not what eminent domain
24 was supposed to be about. And even though other
25 people have used it, as my Mom and Dad taught me

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2 when I grew up in the streets of Brooklyn, two
3 wrongs do not make a right. And if it has been done
4 before, and it is wrong, do not repeat it. That is
5 one of the key points of the eminent domain.

6 The bottom line here is elementary,
7 no one, I repeat, no one should be forced out of
8 this community against his or her will, not
9 everything is about money, not everything is about
10 money. There are people in this condemnation site
11 who grabbed my hand, shaking it, and said, I have
12 lived here for 40 years. It is not about money. I
13 need to stay here, my family is here, I cannot go
14 anywhere else. And when people say, oh, that is a
15 good strategy to get more money, it is not about
16 money.

17 There are seven things, very quickly,
18 that must be done if we want to develop Atlantic
19 Yards. And it is on page 4 and 5 of my testimony,
20 so I will not go through every single thing.

21 1. No use of eminent domain.

22 2. A full and public Environmental
23 Impact Study and hearing.

24 3. An open process that invites,
25 encourages, and allows for community participation.

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2 With due respect, including today, that has not
3 happened.

4 Send a message to MTA, because MTA is
5 literally and figuratively right in the middle of
6 this proposal. And by the way, they are literally
7 and figuratively in the middle as Councilperson
8 Quinn pointed out in the Hudson Yards area too. So
9 let it be very clear, an open, competitive, bidding
10 process by the MTA with Request for Proposals, and
11 most important, an independent appraisal of the land
12 and the air rights is necessary.

13 Woody Guthrie had a song and it went
14 something like, this land is our land. That is the
15 point we are trying to bring home. The MTA is a
16 public agency, it is charged with acting in the
17 public interest.

18 The MTA cannot sell the land at an
19 under-valued price, and then come back and tell in
20 a year from now that they do not have enough capital
21 funds, for example, a fair increase they have to now
22 ask for. Two, they do not have enough wages, money
23 to pay the MTA workers, or even three, they cannot
24 go ahead with the Second Avenue Subway System.

25 The way you get capital money is when

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2 you sell your assets you make sure you get, not only
3 fair market value, but what I like to call fair
4 market value plus. When an economy is as it is
5 right now, they can even do better than fair market,
6 at this point. And when they come back and they
7 say, they do not have enough money because they
8 under- valued the sale or the property, that is
9 simply unacceptable.

10 The jobs, and I have looked at this
11 situation in other places around the country. If
12 there is to be building at the Atlantic Yard site,
13 the neighborhood people, especially those who live
14 in Ingersoll, Faragut, and Whitman must be given an
15 equal employment opportunity. That means that you
16 need to condition this project on an Equal
17 Employment Opportunity Plan and jobs training. When
18 Councilperson Fidler this morning was asking can we
19 guarantee jobs, and people said we cannot guarantee
20 jobs or even the mix housing, just not true. All
21 you have to do, is condition any public funds, where
22 there should not be any, but any public funds or
23 approval of the project on a written statement that
24 you are going to have an Equal Employment
25 Opportunity plan. It goes in time tables, that you

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2 are going to have job training, that you are going
3 to have, at least, 50 percent affordable housing in
4 this project. And you put it into writing, the
5 developer signs it, the community signs it and the
6 government signs it.

7 And why is that important? Because
8 as history tells us, when they do not come through
9 with the promises, you call my number, 532- 7586,
10 and I go to court. Because it is a contract. And
11 when they responded to the Councilman and said, we
12 cannot guarantee that, just not true. If people are
13 committed to those goals, and I know the three
14 people up here, it is talking to choir, you are
15 committed to those goals, you can make it happen,
16 you can make it a contract that is legally
17 enforceable in the future. When I look at this
18 issue, I do not understand why there is a debate
19 about MetroTech and other kinds of development as to
20 whether or not the promises were fulfilled. If you
21 have got a written contract that conditions the
22 approval for the project, and the developer does not
23 fulfill those, you have a contractual right that you
24 can go to court to enforced it. It can be done, and
25 it is not even genius talking here, it is just

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2 elemental common sense and some legal principles.

3 The same thing with the housing,
4 written agreements detailing the jobs and housing
5 aspects of this proposal are essential, all promises
6 are simply unacceptable.

7 And finally the process, we really do
8 need your help and your leadership, because so far
9 the process has been gamesmanship, enough of the
10 games, enough of the confusion, enough of the
11 unanswered questions, including this morning's
12 presentation. We want, we demand, an open, fair
13 process where the community has ample notice of
14 hearings, status reports, and an adequate
15 opportunity to participate in the planning of this
16 project and in the hearings. We did not get it
17 today, hopefully, we will get the future.

18 Today, we call upon the members of
19 this Committee, the three that are here, and our
20 fellow citizens and residents from Coney Island to
21 City Island, from Cambria Heights to Brooklyn
22 Heights, from Murray Hill to Cobble Hill, from
23 Rosedale to Riverdale, to join us in this crucial
24 battle to stop the abuse of eminent domain, and stop
25 the loss of people's homes and businesses.

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2 We hope this Committee, and
3 eventually the entire City Council will support DDD-
4 B in its struggle to preserve and protect the homes
5 and businesses of the people who live and work in
6 the condemnation site in this part of Brooklyn.

7 Again, Andrew Alper talking about
8 balance, community concerns, and an open process, I
9 do not believe it. With regard to Markowitz talking
10 about the beginning of the process, you know what is
11 going to happen, there will be an announcement soon
12 about a Memorandum of Understanding and all the
13 details will have already been worked out. This is
14 not what it is supposed to be.

15 The City Council, Mr. Dilan, has now
16 joined us, so we have four, we are still missing the
17 other 10. This process, you must get involved in.
18 The technicality of the Memorandum of Understanding
19 going to the State, the City is going to be a
20 signature of that. You, a part of the City of New
21 York, you all have been elected to represent the
22 interest of the people in the City, three of the
23 four of you are from Brooklyn, do not let them steal
24 the process away from us. You need to be strong,

25 you need to be creative, if the powers be, as I was

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2 told just before the break, are saying something
3 different, come together, stand up for what you ran
4 on, why you ran, your dreams of representing people,
5 don't let this cynicism that takes place in this
6 building corrupt you all. Go with your heart, use
7 your mind, and help the people here.

8 And this one is not difficult. You
9 can have the development without the eminent domain,
10 you can have the jobs and the housing, as I said
11 before, without a single person having to lose their
12 home or their business. And if you do not get that,
13 it is unacceptable, the answer is no, down the line.

14 Do not buy into the methodology that people have
15 to suffer, and there has to be pain for progress, it
16 is not true. You stand on principle, and then we
17 can make this thing go the right way.

18 If I was critical and a little
19 dramatic here, I felt I had to be. Thank you.

20 CHAIRPERSON SANDERS: Thank you, Sir.

21 Can I encourage all further speakers that since,
22 if you have feeling of what happened this morning,
23 just to day ditto to the Attorney Siegel, I almost
24 said Seabrook there, would do well, and then we can

25 go straight into the conversation that brings us

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2 here this afternoon.

3 Sir, would you be kind enough?

4 MR. TOWERS: My name is Joel Towers.

5 I am the Director of Sustainable Design and Urban
6 Ecology at Parson's School of Design, Division of
7 New School University here in New York City. I am
8 also an architect and urban designer, and I live in
9 what is known as the footprint for this project, I
10 live underneath where the arena is planned to be.

11 And since the very beginning I have
12 felt that, and speaking of beginnings, in fact, I
13 will just deviate briefly from my prepared remarks
14 because there has been a lot of talk about this
15 being just a beginning. And in addition to what
16 Norman has just articulated about that issue, the
17 fact is that it is not just a beginning. And it is
18 not just a beginning because we have spent most of
19 today talking about one very specific proposal for
20 this project. And people have been grouped into
21 either for that or against that, and those of us who
22 are perceived as being against it are being asked to
23 speak now at 3:30 in the afternoon. And in fact,

24 the for or against, the pro or the con is, indeed, a
25 false choice here.

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2 And what I would like to talk to you
3 about today, and what my colleague, Marshall Brown
4 will speak about in addition are alternatives. We
5 are in favor of development. We are in favor of
6 smart development, and we believe there are
7 alternatives to the proposal that has been presented
8 by Forest City Ratner, in, in fact, some detail.
9 Although, schematically I would say today, although
10 there is more information about it out there, one
11 can certainly gather that information. And it is
12 misleading to see this as a beginning, because
13 architectural plans have a way of fixing in the
14 public imagination, and a funny way of becoming
15 reality.

16 And if we do not address from the
17 very beginning the principles on which those plans
18 have been developed, than we run the risk of
19 building projects that are contrary to intelligent
20 urban design, issues of economic and social justice,
21 and principally do not engage the creative
22 imagination of the design communities of this city,
23 and I would argue even that of Frank Gehry, who has

24 not been challenged to look at this project from a
25 perspective that is indeed inclusive and responsive

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2 to the existing community.

3 It is the responsibility of this
4 Council, I would hope, I would see the opportunity
5 that you have the public voice to push that issue.
6 We have had difficulty getting people to discuss
7 alternatives with us, because it has been very much
8 this, are you for it or against it issue. In fact,
9 we have alternatives and I want to turn to those
10 right now as a matter of presentation. This is not
11 a discussion about architecture, it is a discussion
12 about how it is we frame the question of the future
13 of the City. It is right now a problem of
14 shoehorning a project into a particular
15 neighborhood, it need not be that.

16 These drawings are taken directly
17 from the published images of Mr. Gehry's office, the
18 only difference is that we have superimposed the
19 numbers of the heights of the buildings on the
20 projects, they typically show them to the side. We
21 felt it would be a bit more useful if you could
22 understand the specific height that is proposed and

23 the impact of that project.

24 In addition we have identified the
25 location of the Atlantic Center Mall, which is a

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2 much disliked project in Brooklyn, I do not think
3 that you would actually find a group of people who
4 would be willing to stand up and say that they think
5 it is a great piece of architecture or urban design,
6 even within the offices, perhaps, of the developer
7 himself.

8 The point of identifying that is to
9 suggest that the footprint of this project from the
10 very beginning has been perceived as including the
11 neighborhood and the properties to the south of
12 Pacific Street, that is the area that is demapped in
13 this project, right? And we actually think Pacific
14 Street is a dividing line that should not be
15 crossed. That the use of eminent domain should be a
16 last choice option, and not a first choice option,
17 which is what it seems to have been in terms of the
18 imagination of the developer to say, hey, there is
19 property over there, I would like to develop it, and
20 I am not going to build on my own land, even though
21 it is a two- story mall that nobody likes, because I
22 want to build on that in the future.

23 Future development rights do not
24 justify the use of eminent domain. We believe that
25 he should be required to use his own property if he

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2 is to build in this area.

3 We have provided, from looking at
4 this plan, and actually fairly quickly in December,
5 in fact, was the first time that we put out the
6 first alternative you are about to see, which we
7 call a shift plan. It is possible to shift the
8 arena onto the property owned by Mr. Ratner, the
9 Atlantic Center Mall, as well as much of the
10 commercial development. In fact, you will notice
11 there is five commercial office towers there, and
12 off of the land that is owned by private
13 individuals, people who live and work in this
14 neighborhood.

15 The shift plan is that says, rather
16 than take people's private homes, you use your own
17 property first, and you have to explore that first,
18 and there has been no serious exploration of this.
19 There has been some critique and I would be happy to
20 discuss that with you, have questions about it,
21 because we have answers to those critiques, but this

22 is a very serious proposal. We have not changed the
23 architecture, we have just relocated it.

24 One of the problems of this project,
25 and I think that has been addressed somewhat this

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2 morning through some of your questions, is that it
3 represents a kind of development that is perhaps
4 inconsistent with the existing landscape of
5 Brooklyn, which is to say they are using point
6 towers, very tall buildings. And we have suggested
7 that if they were to shift it, they should all show,
8 what we like to say as shimmy, which is redistribute
9 the bulk of this building, the project horizontally,
10 and also to shrink it down to appropriate heights
11 consistent with the existing neighborhood.

12 A lot of what you are seeing here is
13 replicate, and is built upon for what is later part
14 of a community design effort that Marshall will talk
15 about. But the densities that you are able to do
16 with this type of a horizontal distribution begin to
17 approach the densities that Mr. Ratner has suggested
18 he needs in order to achieve his project goals.

19 Yet, another proposal, again, working
20 with the graphics of the arena as presented by Mr.
21 Ratner, is to say, well if your plan is to move the

22 rail yards, the rail yard tracks back anyway, you
23 could also relocate or swerve Atlantic Avenue in
24 order that you could build an arena at grade level
25 on the property, again, that you already own, and

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2 the land that would be created by the swerving of
3 the street.

4 This plan has a number of advantages
5 over the current Ratner proposal, and that includes
6 the possibility of significantly buffering the
7 neighborhoods to the south of this project through
8 landscaping and the development of perimeter block
9 housing topology, which is a way of building in the
10 City far more consistent with what is currently the
11 Brooklyn neighborhood, that this project exists in.
12 And, in fact, I would argue the entire topology of
13 Brooklyn is far more horizontally dense than it is
14 vertically dense, especially in the realm of
15 housing.

16 And so this project says you could
17 swerved Atlantic Avenue, develop the sites around
18 that swerve in such way as to achieve, in fact, the
19 same densities of the project and not displace
20 anybody to the south of Pacific Street, that is a

21 very possible thing to do.

22 Yet another proposal, and the theme
23 of this presentation is choice alternatives. Yet,
24 another proposal has emerged through the very hard
25 work of Congressman Major Owens and some dedicated

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2 members of our community, whose names are listed on
3 this slide. And suggest that if you were to take a
4 particularly straightforward algebra and say, the
5 Nets are here, but you do not use the site in terms
6 of eminent domain that has been proposed, that that
7 would lead you towards the East River. And the East
8 River would get you to the Brooklyn Navy Yard.

9 This is the Brooklyn Navy Yard site
10 number one, over 300 acres of land in comparison to
11 the current Atlantic Yard site at 21 acres,
12 remindful that 10 of those acres are currently
13 private, the City owns all of the Brooklyn Navy
14 Yard.

15 The scale differential here and the
16 location of the Brooklyn/Queens Expressways, which
17 is number six in this slide, are really critical
18 points in starting to evaluate whether or not this
19 arena is being sited in the right location. Keep in
20 the that relocating the arena does not disallow the

21 possibility of developing the rail yards. It does
22 not even disallow the possibility of developing the
23 rail yards by Mr. Ratner, should that go forward.
24 It simply says, that it may not be the right place
25 to put an arena. The financial incentives of

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2 developing the property in addition to an arena that
3 we understand, according to Zimbalist's own report,
4 make, they only way you can develop an arena,
5 according to Mr. Zimbalist, Professor Zimbalist, is
6 if you do additional development around it. The
7 arena itself will not work, financially, which is
8 why there is all this other development around.
9 Although, we have no access to numbers to actually
10 to understand if 7.6 million square feet is what we
11 would need to make that financially viable, and that
12 is a very important question.

13 Nonetheless, some additional
14 development would be associated with any development
15 of an arena, and we are not against an arena per se,
16 we are against an arena that is inappropriately
17 located, and the first two plans and this plan
18 suggest an alternative site for that, but it does
19 not mean that you do not develop the rail yards.

20 The Navy Yard provides a multiple
21 reasons and it is a very desirable site for
22 development of this type of project, it has a
23 relatively low overall cost, it has a significant
24 amount of open space. There is direct waterfront
25 access, I will go into all of these points very

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2 briefly. It is an Empire Tax Zone, creation of jobs
3 in this area, and there has been a lot of talk about
4 jobs as real potential here, because of its Empire
5 Tax Zone statue.

6 It is a landmark site, meaning that
7 it is a place that has a tremendous amount of
8 history, and the development of that site, and
9 building on that landmark status, would be, offer
10 tremendous potential to a new arena in Brooklyn. It
11 would represent adaptive reuse, it would be visible,
12 and therefore, iconic from so many points within New
13 York City.

14 It would tie into the New York City
15 20/12 plan, as one of the questions earlier today
16 asked, because it would be specifically tied to the
17 water borne transportation that makes that plan by
18 the 20/12 Committee possible in the perspective of
19 the IRC. You will be building on the existing

20 economic productivity, the development of the
21 Steiner Studios, which is currently about to come on
22 line, and it would be a model of a much more
23 progressive type of development.

24 These are the reasons why we think
25 the Navy Yard makes sense for the arena. The

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2 existing conditions as you can see are of a series
3 of park spaces to the Manhattan side numbers 2, 7,
4 and 6 that are existing parks, number 5, a proposed
5 waterfront park at Brooklyn Bridge, as well as
6 Olympic sites 10 and 3 that are proposed, and green
7 space along Greenpoint and Williamsburg. Number one
8 is the Brooklyn Navy Yard and would fit into a
9 future idea about the development of the East River
10 as a park structure for New York City.

11 In addition, water borne
12 transportation is one of the future forms of
13 movement around New York City that we are likely see
14 develop as we attempt to deal with public
15 transportation problems and infrastructure issues.
16 This proposal suggests that you could tie into that
17 very easily, it takes, for example, seven minutes to
18 get from Greenpoint, point number 10 on this map, to

19 the Brooklyn Bridge Park, point number four, by
20 water taxi, 10 minutes. You cannot do that any
21 other way in New York City.

22 Water borne transportation is one of
23 the future growth industries in New York City. It
24 was, it is coming back, it is our future, I think,
25 in many ways. The Brooklyn/Queens Expressways as

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2 well, is another reason why this project makes
3 sense, an off ramp there would allow for car traffic
4 directly into the Navy Yard site in a way that the
5 Atlantic Terminal site does not.

6 And additionally, the proximity to
7 the Clarke, Jay, and York Street Subways through a
8 combination of surface, either trolley or shuttle
9 bus would make this a very desirable location for
10 the arena.

11 Some images of what might happen, if
12 that were to be the case in terms of mixing together
13 a type of development of sports, of entertainment,
14 and of industry within the Navy Yard. Additionally,
15 the possibility that you could open up the Navy
16 Yard, which is currently sort of walled off site
17 from its immediate vicinity through the extension of
18 streets, points of view, as well as the proposed

19 possibility of an arena, and a series of other
20 development possibilities.

21 Lastly, what I would suggest about
22 this series of proposals is that an arena located in
23 this location would, indeed, be part of New York
24 City. It would be quite remarkable, and if it were
25 to be designed by Frank Gehry, it might look

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2 something like this.

3 I would like to having, I think,
4 articulated what we hoped would have been a
5 conversation about alternatives, but rather has been
6 an indication of our willingness to have a kind of
7 stamina about this issue. And I can assure that
8 this evidencing of our stamina is but the tip of the
9 iceberg when it comes to this project.

10 We are here for the long haul. We
11 believe that if this is indeed a beginning, it ought
12 to be a beginning that is a discussion about the
13 parameters of this project, not about whether or not
14 Mr. Gehry's and Mr. Ratner's project is the right or
15 wrong one. That is a false conversation. If we
16 focus too much on that conversation, we will not
17 actually get to the alternatives.

18 And in response only to one comment
19 that was made this morning by President Alper, who
20 said that it is unavoidable that there is a certain
21 amount of location with this type of development.
22 In fact, what we are showing that it is avoidable,
23 and demanding the avoidance of that location ought
24 to be part of our civic responsibility.

25 What I would like to say is that

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2 having, hopefully relieved some of the pressure of
3 whether or not the Gehry/Ratner plan is the right
4 one. I would like to turn this over to Marshall
5 Brown to talk about how the relieved pressure on
6 this site might actually result in some fairly
7 visionary and compelling design options for the
8 Atlantic Yard site, itself.

9 So, Marshall.

10 MR. BROWN: Thank you, and good
11 afternoon to the choir. My name is, oh, yeah and
12 ditto, my name is Marshall Brown. I am an architect
13 and urban designer as well as a resident of Fort
14 Green, Brooklyn. I represent today an organization
15 that we call the Atlantic Yards Development
16 Workshop. I would also like to thank my partners
17 John Napseger (phonetic), Sarah Strauss, and Honor

18 Dietch who could not stay for the entirety of the
19 day, for their assistance with this work.

20 Like Joel said, we are here to talk
21 about choices in terms of making good urban design
22 on this site, the Atlantic Yards. The Atlantic
23 Yards Development Workshop is a collaborative
24 association with a clear mission, physical
25 transformation of the Atlantic Yard site into a

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2 place that is culturally and economically
3 productive. In cooperation with City Council Member
4 Letitia James, a team of architects and urban
5 designers from the neighborhood are working to
6 create a menu of development choices for the
7 Atlantic Yard site. Alternatives, of course, to the
8 recent 7.6 million square proposal by Forest City
9 Ratner companies.

10 The Atlantic Avenue Rail Yard is 11
11 acres of fallow land that forms the border between
12 Prospect Heights, Fort Green, and Park Slope. It
13 sits at the intersection of Atlantic and Flatbush
14 Avenues, and major crossroads in New York. There is
15 mass transportation available to the site. Property
16 values in all of the surrounding neighborhoods have

17 skyrocketed in recent years. The Brooklyn Academy
18 of Music, only two blocks away attracts visitors
19 from not only around New York, but also around the
20 world.

21 And positive development potential of
22 this public land has been, unfortunately, I think,
23 mostly unrecognized by its surrounding communities
24 and New York until very recently.

25 We insist that there are many

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2 possible futures for the Atlantic Yards, futures
3 that can bring social, cultural, and economic
4 benefits to its surrounding neighborhoods. We
5 insist that there are choices.

6 The next one, please, Joel. A choice
7 of process, the inaugural event for the Atlantic
8 Yards Development Workshop took place on March 20th,
9 2004 at the Hansen Place, Central United Methodist
10 Church in Fort Green. You can see an image there on
11 the right of the attendees and the work that we were
12 doing there. Urban designers, architects, and
13 landscape architects from around the New York area
14 sat down at this programming workshop with members
15 of the community and public officials for a day long
16 session of brainstorming and guest speakers.

17 Participants discussed a broad range
18 of topics, local housing needs, traffic and transit,
19 public amenities, landscape and ecology, and
20 commercial development. As the result of this work,
21 we are producing an alternative development program
22 for the Atlantic Yard site.

23 The choice of programs: We are
24 proposing a diverse menu of possibilities for the
25 site, as opposed to the developers usual mix of

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2 luxury housing, chain retail and sports
3 entertainment. We are interested in real affordable
4 housing, which was debated heavily this morning, but
5 still really, I think, only given lip service to.
6 We are interested in real public space, not
7 privately held open space. We are interested in
8 schools, new schools. We are interested in creating
9 a special development district possibly for the
10 Atlantic Yard site. We are interested in local
11 retailers and businesses, and their ability to not
12 only survive, but to thrive on this site. We are
13 interested in bringing back more light manufacturing
14 to the site. We are interested in possibly even
15 other kinds of venues of sports venues which could

16 be located on the site, perhaps, really into the
17 Olympics, but without, as Frank Gehry said in a
18 recent interview, stuffing the turkey down the neck
19 of an ostrich. This is the architect of the arena
20 himself making this comment.

21 And then finally we are interested,
22 what we are insisting on is an alternative, it is a
23 choice of proposals. And if we can kind of direct
24 our attention more to the model, I apologize to the
25 crowd or to the choir, if you all cannot see what it

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2 is we have up here for you to see.

3 I will quickly go through the current
4 choice that we are putting in front of you, which
5 again, we would like to emphasize, what we think are
6 many possibilities, possible futures for this site.
7 What distinguishes this proposal from the Forest
8 City proposal is, in a lot of sense is what we are
9 not doing as much as what we are doing. Instead of
10 using eminent domain, we are using adaptive reuse by
11 retaining not only every building that currently
12 exists, but proposing that the two buildings which
13 sit in the center, in the direct center of the site,
14 which is currently sitting in the center of the
15 site, could be reused in the future, if possible,

16 for public programs.

17 Instead of removing streets, as in
18 the Ratner/Gehry proposal where Pacific Street would
19 be closed for the length of two City blocks, we are
20 actually extending existing streets, if you can see
21 the plan, from Fort Green into the site stitching
22 the two neighborhoods together, Prospect Heights and
23 Fort Green.

24 Instead of creating enclosed open
25 space surrounded by skyscrapers we have created real

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2 public space, if you see this kind of green path,
3 which runs through the site connecting to a new
4 public open space at the heart of the site. We are
5 proposing the real public space that is connected to
6 the street, which is, as I think we can all agree is
7 the space of real public life in New York City.

8 And finally, instead of creating
9 towers around a park, we have created a very dense,
10 urban, mid- rise fabric that allows for a range of
11 development scales, that would, in turn, allow for a
12 range of opportunities for the economically and
13 culturally diverse population that we have in
14 Brooklyn. By developing horizontally we are actually

15 able to achieve on the rail yard site alone
16 something close to, I would say 60 to 70 percent of
17 the density of the Forest City Ratner proposal, that
18 is without building 600- foot towers, 400- foot
19 towers, 100- foot towers, or 200- foot towers.

20 Bad things happen when you sell the
21 City. Could you please grab that, thank you. Many
22 of you may know or recognize the image on this
23 board. What you see there is the Williamsburg
24 Savings Bank in the background, foregrounded by the
25 new Forest City Ratner Building at the Atlantic

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2 Terminal, which is, again, foregrounded by the
3 failed Atlantic Center Mall. Bad things happen when
4 you sell the City.

5 Good things happen when you recreate
6 the City. Good things happen when you have the City,
7 good things happen when you educate the City, good
8 things happen when you culture the City.

9 These are the choices being proposed
10 by Council Member James and our team. Thank you for
11 your time and good afternoon.

12 CHAIRPERSON SANDERS: I believe that
13 the next speaker is not so much speaking of these
14 particular plans, but you are representing the

15 National Taxpayers Union. He is put into this
16 session because he, of course, has come from out- of
17 town and we want to respect that, and he, for
18 whatever reason wants to leave, we do not understand
19 it, but we will respect that.

20 Having said that, Sir, if you can
21 identify yourself and begin your testimony.

22 MR. GESSING: Good afternoon. My
23 name is Paul Gessing, and I am Director of
24 Government Affairs with the National Taxpayers
25 Union.

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2 And yes, I do have to catch a train
3 back to Washington this evening, and I have to leave
4 sooner rather than later. National Taxpayers Union
5 is America's oldest and largest grassroots taxpayers
6 organization with 350,000 members nationwide, and
7 more than 2,300 in New York City. You can learn
8 more about NTU on our Web site www.ntu.org.

9 First, I would like to say ditto to
10 Mr. Siegel's remarks.

11 As you know, I came today from
12 Washington, D.C. To give you taxpayers perspective
13 on the proposed development. I am not here to tell

14 you whether basketball players should or should not
15 be role models, but I can comment on whether stadium
16 projects are a sound of investment of public funds.

17 Stadium proponents often quoted the
18 movie, "Field of Dreams" line, if you build it, they
19 will come, for stadiums. I like another quoted when
20 stadium advocates try to reach into the taxpayers'
21 pockets, "show me the money." If basketball or any
22 sports stadium is really such a great business
23 model, private developers should be willing to
24 invest their own money.

25 Certainly, there are many in New York

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2 City who would very much like to see a major league
3 franchise return to Brooklyn after a long absence.
4 However, having researched stadium deals across the
5 nation in my work at NTU, I can attest that
6 professional sports franchises operate in a
7 marketplace far removed from the traditional field
8 of economics. And in doing so, they often exact a
9 significant price from communities, when they choose
10 to relocate.

11 In fact, owners of professional sports franchises
12 have created a multi- billion dollar industry by
13 subverting the political process in their full court

14 press to extract money, land, and resources from
15 taxpayers, usually contrary to public opinion, and
16 often with no public input.

17 According to most recent estimates,
18 the total cost of taxpayers of the B- A- Y
19 redevelopment effort would be \$2.5 billion, with 500
20 million of that going towards arena construction.
21 That, by the way, would be more than twice the
22 average cost of the eight NBA arenas built since
23 1999, and it would easily surpass the \$375 million
24 cost of the staple center in Los Angeles.

25 It is expected that much of that

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2 project, this project will be financed via tax
3 increment financing, better known as TIF. Using TIF
4 as an integral part of financing public projects is
5 a political, rather than an economic decision that
6 often results from strong voter opposition to higher
7 taxes. Large amounts of money, in this case 2.5
8 billion dollars are nonetheless transferred from
9 productive taxpayers to unproductive recipients of
10 corporate welfare under TIF financing schemes.

11 In theory, TIFs are supposed to work
12 in the following manner:

13 A geographical area or district is
14 designated and a development plan is crafted.

15 Bonds are then issued and the
16 proceeds are used to pay for planned improvements,
17 in this case, a basketball arena and several
18 apartment buildings.

19 The improvements are then supposed to
20 encourage local, private development, thus raising
21 property taxes above previous levels, and increasing
22 revenues enough to service the debt.

23 The reality of TIF is a bit different
24 than the theory. Actual revenues often fall short
25 of projections for several reasons:

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2 Property values may decline or rise
3 too little to cover costs.

4 Grants and tax abatements for
5 properties in the district may further reduce
6 revenues.

7 And often the original revenue
8 estimates are simply based on unrealistic or
9 politically motivated factors.

10 Although it has had a TIF Law in
11 place since 1984, New York State has never used this
12 type of financing mechanism. They are rather common

13 elsewhere, however.

14 In a 1998 study by the Public Policy
15 Institute of California, found that only 10 percent,
16 four out of 38 of the TIF products in the State
17 generated enough revenue to pay off their loans.

18 Not surprisingly, the TIF districts
19 with the most vacant land were the most successful
20 in creating economic improvements.

21 In the case of the proposed B- A- Y
22 Development, since the project displaces at least
23 150 housing units filled with middle- and upper-
24 income taxpayers, it is unlikely that the added tax
25 receipts, particularly given the burden of a tax

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2 exempt arena, would generate enough tax revenue to
3 cover the loans.

4 The chief proponent beneficiary of
5 the redevelopment plan, Bruce Ratner, even stated in
6 a December 2003 New York Times article that the
7 arena project is "not viable" without the housing
8 component. Given the likelihood, high likelihood of
9 failure, taxpayers will probably be forced to pay
10 off the loan with general revenues at some future
11 date.

12 The facts are clear, economically
13 speaking there is just no such thing as a free
14 lunch, never has been, and never will be. That same
15 applies to arenas.

16 Getting the necessary money up front
17 for construction of a new arena may appear to be
18 less costly than hiking the sales tax, or raising
19 the property tax, but they are really the same
20 thing, a tax increase.

21 For this reason, NTU and its members
22 have long opposed these and other taxpayer funded
23 development schemes, like convention centers,
24 because they so often fail to live up to their
25 backers expectations. Rather than the very pleas

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2 for public money on the part of stadium advocates,
3 belie claims that these projects are economic
4 engines in their communities. In fact, if stadiums
5 and arenas were such hot items, investors would be
6 lining up to get a piece of the action. Sports team
7 owners would never have to gravel for cash before
8 elected officials, nor would they be forced to use
9 their political connections to undermine the
10 democratic process and gain permission to reach
11 their greedy hands into the taxpayers pockets.

12 Politicians would be justifiably outraged if Walmart
13 asked for taxpayer subsidies to build a new store in
14 Brooklyn, the situation here is no different.

15 Before embarking on a risky schemes
16 to attract jobs to New York City and State,
17 politicians should concentrate on the basis. New
18 York State tax burden, already the highest in the
19 country, has been a leading factor in forcing
20 businesses, big and small, to flee, and has
21 contributed to the State having a 6.5 percent
22 unemployment rate, fifth highest in the nation.

23 At 7.5 percent, New York City's
24 unemployment rate is not only a full point higher
25 than the State, it is the third worst of major

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2 metropolitan areas analyzed by the Bureau of Labor
3 statistics, beating out only Detroit and Portland,
4 Oregon.

5 With the having raised or considering
6 raising taxes and fees on everything from parking to
7 plastic surgery to coffee, drinks, and cigarettes,
8 the tax and spending situation appears designed to
9 hasten the exodus of people in businesses to the
10 suburbs by further making the City too expensive and

11 inconvenient for middle class residents. Massive
12 expenditures of public money for a sports arena
13 would be another body blow for taxpayers.

14 Before concluding, I would like to
15 briefly mention the abuse of eminent domain laws
16 upon which this entire house of cards has been
17 constructed. As a taxpayer advocacy group, we
18 largely concern ourselves of the taking of money
19 through the use of taxes. However, we are also
20 deeply concerned with maintaining the rule of law
21 under the Constitution as our nation's laws are
22 intended to protect individuals and taxpayers
23 against the encroachment of both government power
24 and special interests.

25 According to the Fifth Amendment to

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2 the United States Constitution, private property
3 shall not be taken for public use, without just
4 compensation. Nowhere in the Constitution do the
5 founding fathers give the federal government or the
6 states the power to take private property for
7 private purposes such as sports arenas and apartment
8 buildings.

9 If Mr. Ratner, or any other private
10 developer wants to purchase the land for a stadium,

11 the owners of the 150 or so houses that he plans to
12 demolish, have every right to sell it to him. Yet,
13 government intervention to force taxpaying citizens
14 to move is directly contradictory to the US
15 Constitution, and is harmful to both democracy and
16 individual freedom.

17 And by the way, I would point you to
18 your own ceiling here, where George Washington is
19 quoted as saying, "Our commercial policy should hold
20 an equal and impartial hand." I would advise you
21 strongly to obey the words of George Washington as
22 you look at this issue, because subsidies inherently
23 kill the otherwise fair playing field in one
24 developer or one person's direction.

25 In closing, thank you for allowing

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2 NTU to testify today. Our 350,000 members stand
3 ready to work with you making New York State and
4 City more hospitable to taxpayers. Thank you.

5 CHAIRPERSON SANDERS: Thank you. For
6 the record, let me say that, of course, much has
7 been said, and we really appreciate the passion and
8 the plan, I guess you need both in this life, and
9 the analysis, of course, that people have put out

10 here. For the record, it should be remembered that
11 there are other Committee meetings going on even as
12 this Committee meets. This is one of the many, and
13 several of the Committee members are on several
14 committees.

15 I am committed to being here to the
16 last speaker speaks, if that means that it is
17 midnight, and God forbid it does, then me and that
18 person, we will close up, we will do whatever we
19 need to do. I trust that we will not be here until
20 midnight.

21 As Chair, I have been entrusted to
22 represent the Committee, during and after meetings,
23 which means that the Committee members are going to
24 come back to me, those who are not here are going to
25 come back to me. And they are going to look for an

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2 objective report, they are going look for the pros
3 and the cons, they are going to look for what was
4 said positive, what some may perceive as negative,
5 and by the grace of God and hard work I am going to
6 give it to them and let them make their own
7 decisions.

8 But first I have to punish someone in
9 here, and I have to punish myself. First things

10 first, Sir, I have to rule myself out of order.
11 This is an Economic Development Committee, our
12 jurisdiction is one where the land use is not within
13 our jurisdiction. It is better in the Land Use
14 Committee. However, I also realize that the Land
15 Use Committee of the City Council may not get a
16 chance to hear this issue.

17 We will, this Committee will, to the
18 best of our ability do due diligence on this issue.
19 The points that you have raised are excellent
20 points, and I have a couple of questions, all right,
21 almost ruled myself out of order again, but I will
22 do it anyway. I have a couple of questions on one
23 of the plans. I saw a plan that basically, one had
24 the arena sit above Atlantic Avenue, and I believe
25 the other one went around or it changed the flow of

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2 Atlantic Avenue. Of course, you are aware that
3 there is a security concern if you place the arena
4 under Atlantic Avenue, we live in a crazy day and
5 age. A day and age where it is not inconceivable
6 that people may pack some explosives and go under
7 there while you are in a game or whatever people are
8 doing.

9 and Atlantic Avenues from the same person who wants
10 to pack a truck full of explosives and detonate it
11 and have a horizontal blast, which is what took down
12 the Alfred P. Morrow Building with such devastating
13 effects.

14 So, personally, I find the argument,
15 with all due respect, to be one that I would
16 hesitate to make in public that we should design
17 from the perspective of fear.

18 On the other hand, I do not think
19 that it rules out either of these proposals, because
20 I think if the issue is you are concerned about
21 potential terrorist target, then locating an arena
22 in the heart of Brooklyn is a highly questionable
23 maneuver.

24 So I think we have to decide what we
25 are talking about here. I do not think either, I

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2 think both of those two plans can be addressed, but
3 I do not think they address the larger question,
4 which is, are we putting an arena there or not?

5 CHAIRPERSON SANDERS: A very
6 interesting point. Council Member James.

7 COUNCIL MEMBER JAMES: To Mr. Brown

8 and Mr. Towers, have you had discussions with Forest
9 City Ratner with regards to your alternate plans?

10 MR. TOWERS: No, not yet, I suppose
11 if they were here, we could be having that
12 discussion now.

13 COUNCIL MEMBER JAMES: Okay. And Mr.
14 Towers have you, Joel, have you discussed the
15 swerved and the shift and the other plan with Forest
16 City Ratner, and what was the outcome, if any?

17 MR. TOWERS: We were able to meet
18 with Mr. Ratner's office and with Mr. Ratner,
19 himself. And in fact, Frank Gehry by
20 teleconference. In January, I think they had gotten
21 hold of the shift plan, which was, the swerve plan
22 had not been developed at that time, and ask that we
23 come in and have a conversation. And we agreed that
24 we would go and hear what they had to say about
25 where their project was. And I thought it was a

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2 very informative conversation.

3 Among the things that came out of it
4 were comments from Mr. Gehry like, well, I really
5 like the arena over Atlantic Avenue, it would be far
6 more visible, from an architectural perspective.
7 But he had some concerns about whether or not you

8 would be able to service an arena that was located
9 on a platform, and there is a concern that was
10 voiced to us, at that time, and has been repeated a
11 number of times by Forest City Ratner. That they do
12 not want to build an arena that does not have an
13 event floor at ground level.

14 We developed the swerved plan as a
15 result of that critique. In order to have an event
16 floor at ground level, you have to move the rail
17 yards, and so we thought all right, if that is in
18 play, you move the rail yards and you look at the
19 question of traffic. And you look at the question
20 of how, whether or not an arena can withstand, if
21 the neighborhood could withstand those issues. But
22 if you are going to move the rail yard lines, you
23 can swerved Atlantic Avenue after that and put an
24 arena at ground level. If you are not going to move
25 the rail yard lines, then the question of whether or

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2 not it is on a platform or not is immaterial since
3 they are both on the platform.

4 So that was the conversation that we
5 have had, only conversation that we have had with
6 them about the plans, other than one other meeting

7 in public, so- to- say, which was a kind of debate
8 on the issues.

9 COUNCIL MEMBER JAMES: Thank you.

10 CHAIRPERSON SANDERS: Thank you. Is
11 there any other Council member who wants to address
12 this issue? Council Member Dilan.

13 COUNCIL MEMBER DILAN: I did not get
14 your name, but it is obvious that you have put a lot
15 of thought and effort into your alternative plan.
16 And I think you have addressed, I think, 99 percent
17 of what they have said. But just knowing the
18 Brooklyn Navy Yard site, I think one of their
19 arguments were that the Atlantic site, and I am not
20 proposing for either site, I am just generally in
21 concept of the Nets coming to Brooklyn, and
22 development for Brooklyn.

23 In your opinion, how do you think
24 transportation at the Brooklyn Navy Yard, public
25 transportation could be improved if this were to go

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2 there? Because, in my opinion, the public
3 transportation in that area is not the same as it is
4 at the Atlantic site, and that is the only place
5 where I see your proposal falling short. And if we
6 extended lines, of course, that would cost taxpayers

7 much more money. Do you have any comment?

8 MR. TOWERS: Yes, first of all, we
9 show three alternatives. Two alternatives at the
10 site, right, the shift plan and the swerve plan do
11 not dislocate --

12 COUNCIL MEMBER DILAN: Yes, only
13 towards the -

14 MR. TOWERS: The Navy Yard.

15 COUNCIL MEMBER DILAN: -- alternative
16 Brooklyn Navy Yard.

17 MR. TOWERS: The Navy Yard, I think
18 there are a couple of issues there. The first is
19 that one of the perceptions about the arena is that
20 most of the people will come to it by subway. I
21 think that is an assumption that is, ought to be
22 really challenged based on the statistics of how
23 much car traffic goes currently to other locations,
24 and how much car traffic goes to Net games and so
25 forth. And the car traffic issue is a significant

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2 problem at the Atlantic Terminal site, Atlantic Yard
3 site.

4 The proximity of the Brooklyn/Queens
5 Expressways to the Navy Yard is an opportunity to

6 address that problem. So the people coming from
7 Westchester and from Long Island who would, perhaps,
8 come to Nets games, and I would imagine that there
9 would be significant fan base from those locations,
10 who are likely to drive, would actually have an
11 option of getting there by a highway rather than
12 through the City streets. So from that perspective,
13 transportation is actually better at the Navy Yard.

14 I will not argue that there are more
15 subway lines at the Navy Yard. Of course, there are
16 more subway lines at Atlantic Terminal, but the
17 possibility of ferry service as a real alternative,
18 which, as you know, is how we are planning to move,
19 hopefully the millions of people we get for the
20 Olympics around New York City during that time is a
21 real alternative. In fact, I believe it is the
22 future of transportation infrastructure in New York
23 City to a large degree because of the cost
24 associated with things like Second Avenue Subway and
25 so forth. It is much less expensive to increase

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2 public transportation through ferry service than it
3 is, and surface transportation to those ferry
4 terminals than it is through subway construction.

5 And so this is an opportunity for the

6 City to see not only how would you address question,
7 vis- a- vis, the Navy Yard, but to also put forward
8 an image of the future of transportation for the
9 City at the same time.

10 So, I think that you can, again,
11 there is a lot of thinking inside the box about this
12 project. And the box, right now, is the
13 Gehry/Forest City Ratner proposal. What we are
14 proposing is thinking outside of that box. With
15 some creativity, and there is no lack of creativity,
16 not just in our community, but in the City, we can
17 solve these problems, but we have to establish the
18 parameters first as to how we are going to solve the
19 problems. And my feeling is, very strongly, that
20 those parameters have not been established, and that
21 if this is, indeed, the beginning of the process, we
22 should be saying, okay, we have got a sketch from
23 Mr. Gehry, but let's look at some other options.

24 MR. SIEGEL: If I could just add one
25 quick note, when I was a young boy and went to the

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2 Dodger games at Ebberts Field, we went by trolley
3 car. And I would say in addition to the ferry that
4 we could, even from Atlantic Yards have trolley car

5 systems that could take people to all different
6 parts of Brooklyn, and using trolleys, the ferries,
7 I think that is the future for public
8 transportation. And you take a project like this,
9 and then kind of inch it toward that kind of
10 progressive change. A project like this is, I
11 think, Council Member Seabrook was saying, with
12 regard to dealing with the unemployment rate for
13 African- American males, it was an excellent point,
14 I do not think they took the challenge up. But
15 similarly, with public transportation, you take
16 these kinds of mega projects and the City kind of
17 conditions and inches people towards some
18 progressive new vision, and get the private sector
19 to contribute to that kind of public activity. So
20 ferries and trolleys would be a very good
21 introduction to that part of Brooklyn.

22 MR. TOWERS: And if I could follow
23 that point about job creation, and maybe help the
24 Chair be a little bit in order. Another thing that
25 I forgot to mention about the proposal on the model

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2 in front of you, is that, even at this somewhat
3 lower density, we are actually able to create twice
4 the amount of retail space on the ground level of

5 the Forest City Ratner proposal, by building more
6 densely on the ground without kind of outsized,
7 publicly held, open spaces.

8 And if you want to talk about local
9 job creation, let's kind of have more of those
10 bodegas, which the Forest City Ratner
11 representative, Mr. Stuckey, kind of talked
12 negatively about this morning. We can do better.

13 CHAIRPERSON SANDERS: Thank you.

14 COUNCIL MEMBER DILAN: Mr. Chair,
15 just to end up, I wish all of you luck in your
16 negotiations. And if you and Council Member James
17 cannot come to an agreement, I mean, the other
18 alternative is you can move it to East New York, and
19 we will gladly take it.

20 CHAIRPERSON SANDERS: Well I was
21 trying to make a case for the Rockaways, personally,
22 but since I do not think that that would get me on
23 first.

24 MR. TOWERS: Make the case.

25 CHAIRPERSON SANDERS: Well I want to

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2 thank this panel, and I hope that you make it, no, I
3 hope that you do not make your train, Sir. I hope

4 that you stay in New York and help us straighten
5 things out here.

6 I do want to thank everyone for
7 coming out here with your passion, your vigor, and
8 your analysis. And we, in the Committee, will do
9 everything that we can to ensure that your voices
10 are heard with the developers, and that they, at
11 least, answer the questions of why this plan and not
12 that plan, and these types of things. But I am sure
13 that we will gather together on another day in this
14 very Chamber.

15 MR. SIEGEL: I would hope that you
16 would let our voices be heard with your fellow
17 Council people, that is really our focus for this
18 morning. You have the power to, at least, stop the
19 current plan, in our opinion, and that would be a
20 great service to us. Thank you.

21 CHAIRPERSON SANDERS: Thank you very
22 much. Now I think that there may be, at least, one
23 or two people I have not made mad this morning, and
24 let me make them mad. We are about to call the next
25 panels, my friends, we are going to hear from

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2 everybody, but I am going to insist that each

3 speaker speak for no more than two minutes. Each

4 speaker speak for no more than two minutes, that way
5 we get a chance that everyone has heard before
6 midnight. And that, well, we get a chance to hear
7 everyone before midnight.

8 Would you be kind enough to read the
9 names of the next panel?

10 MS. REID: Sure, is Anthony Pugliese
11 still here? MarySol Rodriguez for Catherine Wilde,
12 Ed Ott, Mike Fishman, and Bertha Lewis.

13 CHAIRPERSON SANDERS: Read the names
14 again.

15 MS. REID: Again, the names are
16 MarySol Rodriguez, Anthony Puglise, Ed Ott, Mike
17 Fishman, and Bertha Lewis.

18 CHAIRPERSON SANDERS: We will go from
19 left to right, since you are already seated, why
20 don't you begin. And then if you would identify
21 yourself into the mic, and when that light is off,
22 it is on. No, no, there you go.

23 MS. RODRIGUEZ: Thank you, Chairman
24 Sanders, Council Member Dilan, James, and Gonzalez.
25 My name is MarySol Rodriguez. I am the Director of

3 York City. I want to thank you for conducting this
4 hearing to focus attention on the proposed
5 development of the Atlantic Yards in Brooklyn.

6 On behalf of the City's business
7 community, the Partnership appreciates the
8 opportunity to offer our general support on this
9 very ambitious redevelopment project. While we
10 recognize that the plans and the financing are yet
11 to be finalized, we are confident that this project
12 will merit the widespread support that it has
13 already generated.

14 I want to congratulate Bruce Ratner,
15 who is a member of the partnership for his
16 successful effort to win a legalized franchise. The
17 presence of an MBA team will help galvanize
18 additional private investment in economic
19 development, housing and badly needed recreational
20 facilities throughout Brooklyn. Both Ratner and
21 Borough President Marty Markowitz deserves our
22 thanks for their vision.

23 Second, let's express confidence, as
24 far as we want to express confidence, that Forest
25 City will do the right thing by the neighborhood

3 business located. This is a developer who has
4 remained dedicated to Brooklyn for more than two
5 decades. Long after he could have pulled up stakes
6 and focus exclusively on Manhattan projects.

7 The Partnership through our housing
8 program had the opportunity to work with Mr. Ratner
9 on the residential component of Atlantic Center.
10 Based on this experience and our knowledge of the
11 way he has approached other affordable housing and
12 commercial property we are confident that Forest
13 City will accommodate community concerns on every
14 front. Importantly, Forest City has constantly been
15 successful in the delivery of quality, affordable
16 housing.

17 Just to sum up, the Partnership
18 believes that the proposal for the Atlantic Yard
19 merits the support of the entire City. This is a
20 good example of what urban design experts label
21 smart growth. A development that capitalizes on
22 public transportation hub and urban infrastructure
23 to create a vibrant, life work community.

24 I thank the Committee for this
25 opportunity to speak.

2 CHAIRPERSON SANDERS: One moment,
3 okay, name these names.

4 MS. REID: I would like to call
5 Reverend Norman, Brian Ketchum.

6 CHAIRPERSON SANDERS: Okay. I am
7 just trying to make sure that there are four people
8 on these panels so we can get this thing moving as
9 quick as we can.

10 Good to see you, again, Ms. Lewis. I
11 am going, you are about to go in about a second, Ms.
12 Lewis. I just wanted to, thank you very much, Ms.
13 Lewis.

14 MS. LEWIS: I would like to start my
15 remarks by agreeing with the esteemed barrister, Mr.
16 Norman Siegel.

17 I have to say that my members, who
18 were talked about today as working people, and
19 people for the community, were absolutely
20 disrespected. If this Committee and any future
21 Committee wants to actually deal with the community,
22 then the policy of hearings needs to be changed.
23 Everyone that was here prior, it is their job to be
24 here.

25 And with all due respect, Mr.

2 Chairman, you can stay here until seven o'clock
3 tonight, but my members have to work, have to pick
4 up their children from school, and they made a
5 commitment to get here. And if this is about the
6 community, I would advise you to listen to the
7 community first, let the professionals and the
8 elected go after that. This is not the first time we
9 have come to a hearing and been treated in this
10 manner. I would have thought that this new, fresh
11 democracy of this Council would have changed this
12 policy. The next time there is a hearing on this,
13 and I hope that there are many hearings on this
14 particular, that they be held in Brooklyn, and that
15 they also be held with the community speaking first
16 and the professionals afterwards. Thank you.

17 Now, and I do have to say from this
18 morning, people were allowed five and ten minutes,
19 the professionals whose job it is to do that, and I
20 would be like to be afforded the same courtesy.

21 Now, my name is Bertha Lewis.

22 CHAIRPERSON SANDERS: I cannot do
23 that, Ms. Lewis.

24 MS. LEWIS: Executive Director of New
25 York Acorn. And I do want to thank you for doing

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2 this in the Economic Development Committee, because
3 I do not know of any other Committee that could have
4 done it. New York Acorn is the largest grassroots,
5 community organization representing thousands of
6 low- income families in New York's lowest income
7 communities. And for years, we have watched vital
8 resources, such as money and land go towards
9 creating housing that New York's working poor cannot
10 afford. This was done under the philosophy that too
11 much low- income housing would continue the
12 deterioration of these communities.

13 Now that so many of these vital
14 resources have been drained away from New York's
15 needy, we see the crisis of affordable housing
16 growing, and not declining. This is no surprise.
17 As the process of building housing --

18 CHAIRPERSON SANDERS: Thirty seconds
19 to conclude, Ma'am.

20 MS. LEWIS: -- from higher income
21 residents and low- income communities has increased
22 the values of property and the cost of renting in
23 those communities to low-, moderate-, and middle-
24 income families. They are now worse off then ever
25 before. We believe the most critical need facing

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2 Brooklyn is the need for increased numbers of
3 affordable housing, and if this project could
4 accomplish addressing that need by allocating, at
5 least, one half of the proposed units it is building
6 to truly affordable housing, then we can support
7 this project. And the Ratner organization had made
8 the commitment to build housing that is truly
9 affordable.

10 What does that mean? That means that
11 families making \$18,000 up to combined incomes of
12 \$98,500, would each have housing that would rent for
13 no more than 30 percent of their income. That means
14 that if this project goes forward as planned it will
15 be remembered because we are breaking new ground
16 here. Not just new ground for an arena to bring
17 sports to Brooklyn, but new ground in how we build
18 mix income housing in this city that actually allows
19 people to mix. That does mean white people, and
20 black people, Latinos and Asians.

21 CHAIRPERSON SANDERS: Ms. Lewis, if
22 you could conclude, please?

23 MS. LEWIS: You gave everyone, this
24 entire morning as long as they wanted.

25 CHAIRPERSON SANDERS: You are taking

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2 their time away, also, Ms. Lewis.

3 MS. LEWIS: You know what, you took
4 their time away, and I would respectfully ask that
5 when the community gets a chance to speak --

6 CHAIRPERSON SANDERS: I can live up,
7 I am here till seven, I am here till eight.

8 MS. LEWIS: Good.

9 CHAIRPERSON SANDERS: If you are
10 taking their time away, then everyone realize where
11 the time went.

12 MS. LEWIS: Then fine, then fine.
13 Can I speak? Thank you. This means that low- income
14 and wealthy and working families, the cops and the
15 firemen, the teachers and the Con Ed guys, the
16 people that actually keep our City alive and moving
17 can live in this housing, and that is what is
18 exciting. And it is exciting because as most of you
19 on this Council who have signed off on 80/20
20 projects. This is not that, and we have insisted
21 that it not be that. That it not be for apartments
22 for people who can hang out in luxury skyboxes. The
23 commitment is for over 50 percent, or at least 2,200
24 of these units to be built the way that we, the
25 people, think that they should be built.

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2 And ladies and gentlemen, that is
3 history because it has never been done in any
4 development in this City before. We build housing,
5 we know how much it costs, we get mortgages, and we
6 fight not only for better neighborhoods, but for all
7 walks of people and all working people. We want
8 Forest City Ratner to make this project work, and we
9 want to hold him through his word and to his
10 agreements to do something different in a way that
11 sets a precedent and a model for other developers
12 We can pay her, what is going on with the Jets
13 Stadium on the West Side to this project, the
14 differences are stark.

15 The West Side project has no housing
16 components, none. The money from Battery Park City
17 that was supposed to be set aside for affordable
18 housing has been cleverly diverted to other things.
19 This Economic Development Committee ought to be
20 thinking about that, and we ought to have a hearing
21 on that.

22 This is cheap, we know housing, and
23 we understand that there are a lot of concerns with
24 this project, and we share those concerns because
25 our members actually live in the footprint, around

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2 the footprint, and have been living there. You
3 cannot build housing on other people's ashes and on
4 other people's dreams.

5 So yes, we are concerned about
6 eminent domain. But we do not believe that eminent
7 domain has to be eminent, and we will work toward
8 making sure that that does not happen. We also want
9 a commitment to an open process, our religious and
10 our civic leaders have to be at the table for what
11 works, for the entire community. Again, if this
12 table is big enough and we believe it is, and we are
13 going to make sure that we see that it remains big
14 enough, if we get together, we can make this flow.
15 If we get together, we can actually make sure there
16 is accountability not only from our elected
17 officials but from our community residents. We are
18 committed to the diversity of this project, and we
19 know that we are all in this together. We can build
20 it better, (in Spanish), we can do it.

21 Thank you.

22 CHAIRPERSON SANDERS: Reverend
23 Norman.

24 REV. NORMAN: Mr. Chairman.

25 CHAIRPERSON SANDERS: Bring the mic

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2 towards your mouth, Sir.

3 REV. NORMAN: Mr. Chairman and
4 members of the Committee, I am here today
5 representing the 2,000 members of the First Baptist
6 Church of Crown Heights, many of whom who came with
7 me today and are still here.

8 We have come to express our strong
9 support for the Forest City Ratner's Company's
10 development of the Atlantic Yard project. We view
11 this proposed venture as an opportunity for the
12 residents of Central Brooklyn to participate an
13 initiative that can result in the creation of jobs,
14 job training, chapel investment, development of
15 small businesses, medical, educational, and social
16 service facilities. We strongly recommend that
17 there be meaningful community participation in the
18 planning, execution, and operation of all facets of
19 this project.

20 There must be, or there should an
21 advisory board or governing board, inclusive of
22 members of the community that represents civic,
23 social, religious, political and community- based
24 organizations. This board would work with the
25 developer in order to ascertain the needs, concerns,

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2 and aspirations of the community at large. In past,
3 all too often, developers of these kinds of projects
4 have come into our neighborhoods, made their fortune
5 and have given nothing back. Therefore, every
6 effort must be made to ensure that the Atlantic Yard
7 project give something meaningful back to the
8 community.

9 Additionally, studies have
10 demonstrated that 50 percent of the black men of New
11 York City are unemployed. This is a horrifying
12 statistic, and I say now we have an opportunity
13 through this Committee and through the Forest City
14 Ratner Companies to create positive job training,
15 entrepreneurial, and internship programs that would,
16 indeed, further enhance life in Central Brooklyn.
17 It has been wisely said that society is judged on
18 how we treat its most needy. Therefore, we believe
19 that Forest City Ratner and Companies will be judged
20 on how it responds to the most needy in this
21 community.

22 CHAIRPERSON SANDERS: Sir, if you - -

23 REVEREND NORMAN: Specifically, I
24 just want to conclude now.

25 CHAIRPERSON SANDERS: Okay.

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2 REVEREND NORMAN: Specifically, some
3 of the initiatives that we would like to see flow
4 from this project, there should be a binding
5 contract between Forest City Ratner Companies and a
6 representative community group to guarantee that the
7 developer will provide an opportunity for all
8 participants in this community to benefit from the
9 creation of this project.

10 We would like to see a very, very
11 strong and binding community benefit agreement.

12 We look forward to working with the
13 Forest City Ratner Companies, not only in developing
14 the Atlantic Yard project, but in building a better
15 Brooklyn for all of its citizens can live in
16 security and in harmony.

17 Thank you, Mr. Chairman.

18 CHAIRPERSON SANDERS: Thank you, Sir.
19 Our last speaker on that panel.

20 MR. KETCHUM: Thank you, Mr.
21 Chairman, members of the Committee. My name is
22 Brian Ketchum. I am Executive Director of Community
23 Consulting Services, a not-for-profit that
24 provides technical support to communities like the
25 Downtown Brooklyn area. I am a licensed

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2 professional engineer, a transportation planner.

3 And I do live in the Downtown Brooklyn area.

4 CCS believes strongly in the economic
5 development of transit, oriented communities where
6 most trips do not require a car. With intelligent
7 investment, Brooklyn can be a model of sustainable
8 development. However, so far there is no evidence
9 that there is even a market for the two million
10 square feet of office space that is proposed for the
11 arena site.

12 However, the issue on the table is
13 really not entirely the Nets arena, it is the 40
14 million square feet of new development in and around
15 Downtown Brooklyn, 18 million approved, much of it
16 under construction. Downtown Brooklyn rezoning
17 approval will permit building another 14 million
18 square feet, in Forest City Ratner is asking for an
19 additional eight million square feet. Altogether,
20 40 million square feet will require 80,000 jobs to
21 fill up that space, that is twice the official job
22 forecast of Brooklyn for the Year 2025.

23 But what if we do build it, and what
24 if they do come. Forty million square feet will
25 generate more than 100,000 more auto trips in and

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2 around the Downtown Brooklyn area, 100,000 more bus
3 trips, and 400,000 more subway trips on a typical
4 week day. This is more than doubling the demand for
5 travel on our streets, and in our subways, which are
6 already at capacity during certain times of the day.

7 The EIS for the Downtown Brooklyn
8 project avoids responsibility for fixing conditions
9 like shifting the cause to background conditions and
10 other development, neither of which is fully
11 accounted for. How much of this is attributed to
12 the Nets arena, about 20 percent. I am going to
13 skip some of this stuff.

14 While we have examined and reported
15 in detail of the flaws and emissions of Downtown
16 Brooklyn EIS in regard to the Nets arena, we can
17 only offer advice as how to avoid the same folly in
18 the next round.

19 First, there must be, and you have
20 heard this by several speakers, there must be public
21 oversight that is equipped with its own technical
22 advisor to oversee and sign off on all assumptions
23 and methods.

24 Second, EIS must not use the

25 fictional City traffic analysis methods that ignore

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2 the spill back that plaques each of the roads
3 leading to the extraordinarily complex intersection
4 at the area site. Graphic travel modeling must
5 visually demonstrate how the entire area would
6 handle simultaneous events at the arena, at the BAM,
7 the Queens Mary boarding, and IKEA sale day.

8 Traffic planning must be done in
9 conjunction with the City's long awaited Downtown
10 Brooklyn transportation blueprint. The MTA should
11 make its Transit Demand Model available for this,
12 but as with the traffic model, --

13 CHAIRPERSON SANDERS: Sir, if you
14 take 30 seconds to wind up.

15 MR. KETCHUM: I will try. Okay, what
16 we need is a transportation master plan for the
17 Downtown area. A hundred thousand more auto trips
18 is impossible to deal with under present
19 circumstances. The EIS that have been done so far
20 do not deal with mitigation. They simply sweep this
21 problem under the rug. I think we need to put a
22 hold on these projects, at least, new development,
23 until we have a clear understanding of what 40
24 million square feet is going to do to those of us

25 who live and work in Downtown Brooklyn. How we can

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2 mitigate, how are we going to pay for that

3 mitigation. And I suggest that the City Council step

4 in and force that issue.

5 Thank you.

6 CHAIRPERSON SANDERS: Thank you very
7 much. I want to thank this panel for their comments
8 and statements. We are going to call the next panel.

9 If anyone has written comments or
10 statements, they can certainly submit it.

11 MS. REID: John Ginsaley, Gustav
12 Peebles, Irene Van Slyke, Vernon Jones, and Jim
13 Vogel.

14 CHAIRPERSON SANDERS: We will start
15 from, okay, I see, why don't we start from you,
16 Ma'am. Would you be kind enough to identify
17 yourself for the record and to begin?

18 MS. VAN SLYKE: Okay. My name is
19 Irene Van Slyke and I am representing State Senator
20 Velmanette Montgomery.

21 "Thank you to Council Member Sanders
22 and members of the Committed for holding this
23 hearing." I will try and make it shorter than what

24 the Senator has here.

25 The Senator, this is her testimony:

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2 "I am adamantly opposed to Bruce
3 Ratner's plan to construct a 20,000- seat sports
4 complex, commercial space, 5,500 units of rental
5 housing in 17 skyscrapers. The proposed development
6 will be the size of a new town, and will be larger
7 in population than the average incorporated village
8 in New York State. Buildings will range from 250 to
9 600 feet and eliminate several public streets in the
10 heart of Downtown Brooklyn where there are now low-
11 rise and historic Brownstone neighborhood.

12 The Ratner plan also calls for the
13 government to use eminent domain to condemn
14 buildings and to displace residents and businesses.
15 Worse yet, the community is being threatened by a
16 State takeover, which will preclude any local input
17 in to such a huge undertaking. The City, however,
18 will be responsible for the necessary infrastructure
19 to accommodate more than 10,000 new residents, as
20 well as the cost of providing future essential
21 services.

22 I urge the Committee to insist that
23 no State takeover take place and that any

24 development go through the City's uniformed, land
25 use review procedure. I have written to Governor

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2 Pataki and the Chairman of MTA urging a democratic
3 process to address the concerns of the community in
4 the City.

5 If there is to be new housing
6 development in that area, we need the City Council
7 to require that any developer meet certain standards
8 of height and bulk in keeping with the surrounding
9 low- rise brownstone neighborhoods. We need to plan
10 for the many new families, for water and sewer
11 services, schools, open space, and other amenities.
12 Future development needs to accommodate small and
13 local businesses to complement existing neighborhood
14 stores that have begun to open on Flatbush Avenue.

15 We are against the self- contained
16 commercial development, such as Mr. Ratner has built
17 in that area. Atlantic Terminal I and II in the
18 Central Mall, for example, are built to attract car
19 drivers with huge garages. They are there now.
20 They present a hostile facade to the community while
21 trapping people inside the building. One building
22 has a 20- foot high blank wall facing the

23 neighborhood. These developments are designed for
24 big box stores such as Target and other chains, such
25 as Chucky Cheese and Army Navy. To prevent people

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2 from going outside, Mr. Ratner has now constructed a
3 bridge high above the street, to connect his two
4 developments.

5 Unlike neighborhood retail strips - -

6 Yes, it is one more paragraph. Unlike
7 neighborhood retail strips where one store benefits
8 from the foot traffic of another, Mr. Ratner's
9 development solely benefit his firm, and voluntary
10 they are designed to entrap people to spend money
11 only in his developments. They have proved to be
12 big money losers.

13 Business after business has failed in
14 his buildings, and to bail out Mr. Ratner's
15 development, the State and City now rent space there
16 for millions of dollars, adding to the initial cost
17 of subsidies and tax abatements to build the
18 original Atlantic Terminal.

19 Thank you very much.

20 CHAIRPERSON SANDERS: Thank you.

21 Sir, would you be kind enough.

22 MR. JONES: Yes, my name is Vernon

23 Jones, I am the founder of the
24 NewYorkCityBasketball.com. Approximately one
25 million people visit our on- line community every

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2 month. Ninety percent of those people from New York
3 City, and about 85 percent of those people are
4 voting age.

5 Our reason for existing is to help
6 the kids with a basketball community, and to make
7 sure that they are no longer taken advantage of by
8 companies by Forest City Ratner. I am not here today
9 as the founder of NewYorkCityBasketball.com, I am
10 here as a lifelong Brooklynite who grew up in the
11 projects of Brownsville in East New York. I am here
12 to let the politicians know that I am aware of the
13 millions of dollars that are still on the books and
14 are still earmarked on all amateur arenas to be
15 built in Brooklyn. Brooklyn Borough President Marty
16 Markowitz has confirmed that fact.

17 I believe I speak for the community
18 when I say we do not want one dime of those funds to
19 find their way into the hands of Forest City Ratner
20 for any project that they are developing. Those
21 funds are to go to a completely separate arena that

22 would be used by the amateur athletic community 365
23 days per year, with real community leaders at the
24 helm.

25 As a matter of fact, that amateur

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2 arena should be put at the forefront by the
3 politicians and every effort should be made to have
4 the building process begun immediately. The public
5 wants full disclosure of those funds, how they
6 originated, the total amount available, and which
7 politicians are controlling those funds. Political
8 careers are on the line in this issue.

9 I am also here to address the issue
10 of Forest City Ratner using our kids for cheap
11 publicity stunts. That must stop at once. In their
12 desperate attempt to look as though they have
13 community support, Forest City Ratner put together
14 what was supposed to be a basketball camp for 8 to
15 10 year old kids. The camp was held at Pratt
16 Institute located in Fort Green. The sad part about
17 the camp was that it was run by former New York Nick
18 and former Fort Green resident Bernard King. The
19 camp was filmed and documented by Forest City
20 Ratner, just what our kids need, more exploitation.

21 According to one of the film crew

22 members, the production was for a documentary that
23 Forest City Ratner is putting together. I would
24 wager to guess that they spent more on the film crew
25 than they did for the entire expense of the actual

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2 camp. The further, to further show Forest City
3 Ratner's lack of community outreach expertise, they
4 went all the way to Coney Island to bring in a coach
5 and play as to assist them at the camp, and they
6 completely bypassed the very school that Bernard
7 King attended when he was a child in Fort Green.
8 Not only did they not ask the Fort Green basketball
9 coach to help with the camp, they never even invited
10 him or his kids to be present at the camp for any
11 reason. Needless to say, when the coach found out
12 about the camp, he was outraged. That is when he
13 called me and told me about it. The school that was
14 left out, that was not even asked to be an advisor
15 was Susan McKinney High School, which is right smack
16 dab in the middle of Fort Green.

17 CHAIRPERSON SANDERS: Sir, if you
18 could take 30 seconds to end.

19 MR. JONES: Thirty seconds. In fact,
20 I was in attendance I seen united Susan McKinney

21 High School when Bernard King did come by a few
22 months ago to rile the kids up about the Nets coming
23 to Brooklyn. But he totally ignored them in regards
24 to the camp. That is more exploitation of our kids.
25 To be honest, I am more outraged when

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2 I see Bernard King or other former or present
3 community members assisting Forest City Ratner in
4 his exploitation of our community and our kids. My
5 God, people, this is 2004 and exploitation is
6 getting worse.

7 That is all I have to say.

8 CHAIRPERSON SANDERS: My friends,
9 your hand claps are slowing down the process in
10 making sure that the last speaker will speak closer
11 to midnight. Sir.

12 MR. PEEBLES: My name is Gustav
13 Peebles. I want to thank Councilwoman James and
14 Sanders for calling this very important meeting.
15 Thanks everyone for coming.

16 I am an academic, a researcher at the
17 Department of Anthropology at Columbia University.
18 I also teach there, and an economic historian in
19 that department. And so I was quite happy to hear
20 that the Land Use was actually out of order, the

21 discussion by my colleagues of the alternative
22 plans, because what I have to present to you today
23 is, a review of the Zimbalist Report. It got
24 sandbagged on us last night so I assume you will be
25 more than happy to let me go a little bit over a

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2 minute and a half. Because that is what we are
3 really here for when we actually to suffer through
4 four hours of Land Use proposals by Forest City
5 Ratner.

6 CHAIRPERSON SANDERS: Why don't you
7 begin, Sir, and depending on what you say, we will
8 see.

9 MR. PEBBLES: All right, so, as I
10 began to try to understand and unravel all the
11 things that seemed totally undemocratic about
12 everything that is happening in Prospect Heights
13 these days. I was struggling to figure out why it
14 was happening in America today, just like Vernon
15 just said, 2004. And then it occurred to me that
16 1989 the Cold War might not have ended.

17 We have got State seizure of
18 property, we have got propaganda origins coming from
19 Markowitz right to our doorsteps. I have got the

20 example right here, it is ridiculous, straight from
21 the State. You got sheep architecture that is
22 inhumane and it is inhumane because we give it
23 subsidies. That is why it is no good.

24 You guys complain about the
25 architecture that Ratner puts up, it is because he

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2 does not have to make it nice. It is not for a
3 market, okay? He gets subsidized, that is why it is
4 ugly. He cuts corners.

5 And finally, like any good Sylvia
6 project, he uses lots of our public money. And that
7 is what I am here to talk to you about today.
8 Because I reviewed the Zimbalist proposal, and I
9 have been in touch with three well known and
10 renowned sports economists who have all leveled
11 their critiques in the last 12 hours.

12 In a hail of scientific double-
13 speak, Professor Andrew Zimbalist has only just
14 yesterday fed us all the reasons for why we should
15 be excited about the proposed arena and high- rise
16 development at Atlantic Yards.

17 We will soon be releasing a more
18 formal reputation of the Zimbalist Study, but in the
19 meantime, a brief summary of some of our critiques

20 is very appropriate here in the Economic Development
21 Council.

22 First and foremost, is this one, so
23 silly that it is actually hard to explain. As
24 reported by the Stanford and Washington State
25 University Economist, why are the high rises and

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2 arena, you know, lumped together under one project.
3 If the buildings are as profitable as Zimbalist
4 points them out to be, and that by the way, every
5 dollar that you put into that investment for the
6 buildings, and it is in there, I urge you to crush
7 the numbers, comes out as three dollars. Okay?

8 Now every dollar you put into the
9 arena comes back as less than a dollar. Okay?

10 So it is a bad investment for the
11 arena, it is good investment for the buildings. So
12 if the buildings are such a great investment, almost
13 plausibly good, why does he need the eminent domain,
14 why does he need the subsidies, why does he even
15 need the arena? Answer: From an economic
16 standpoint, he does not. Ratner should be buying
17 the land he needs on the open market and going
18 through the standards, zoning, environmental, and

19 tax regulations as any other developer in the City.

20 CHAIRPERSON SANDERS: Why don't you
21 go through all of the points, but take 10 seconds on
22 each point?

23 MR. PEEBLES: All right, all right.
24 It does seem unfair that I am here - -

25 CHAIRPERSON SANDERS: Sir, you are on

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2 your time.

3 MR. PEEBLES: All right. Inversely,
4 if you are to believe that the arena is so good
5 public good,-- Oh, I do want to point out one
6 thing, by the way, if we are paying for all those
7 buildings, they should be all low- income and
8 moderate- income housing. I do not understand, we
9 are giving them the money, it should at least all be
10 low- income and moderate, it should not be for
11 profit. Inversely, if you are to believe that the
12 arena is a so- called public good, that is to say,
13 something we all need, but the market could not pay
14 for on its own, such as a road or police protection,
15 and that is why we are helping out so sizably with
16 this construction, then why does the arena need
17 skyscrapers? Guess what? It does not.

18 CHAIRPERSON SANDERS: Point two, Sir.

19 MR. PEEBLES: Okay, that is point
20 two. All right, sorry, I will keep moving, totally
21 ridiculous.

22 Beyond this need problem, this arena
23 proposal bears all the marks of arena projects in
24 the past, particularly in the manner in which it
25 will transfer public funds into private hands.

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2 The Zimbalist Report is a mess, in
3 fact, his report is so rife with problems relating
4 to its methodological assumptions that I cannot
5 elaborate them all to you now, but here are some
6 examples. For example, the important claim that it
7 will bringing jobs, Zimbalist is very careful to
8 state the quote, "The general conclusion that has
9 come from all the academic literature, all the
10 academic literature on this subject is that a city,
11 county, or state should not anticipate a positive,
12 economic, or fiscal impact from a new sports
13 facility. As with the vast, vast majority of sports
14 facilities built since 1960, with the Brooklyn
15 arena, Zimbalist also finds that:

16 A) The arenas are, at itself, a
17 losing position, and does not bring jobs from the

18 standpoint of costs benefit analysis. And even the
19 jobs that he discusses are rarely created, but
20 instead move from one jurisdiction to another.

21 He then goes on to make a
22 methodological error in his own report that he
23 accuses many others of making in the past: Not
24 accounting for the many jobs that might well be
25 created if the neighborhood is left to develop on

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2 its own.

3 CHAIRPERSON SANDERS: Point 3, Sir.

4 MR. PEEBLES: Okay. Though in his
5 other writings, he is quick to point out that few
6 arenas last for 30 years without becoming obsolete
7 or requiring large infusions of renovation money, he
8 has, himself, in this report neglected to add these
9 assured costs to the final tally of his figures.
10 Don't think for a minute that at some point in the
11 next 30 years, you will not be getting sent a new
12 bill. Okay, it has always happened.

13 There are methodological problems
14 with the way in which he calculates the number of
15 New Jerseyians who will come to watch the Nets in
16 Brooklyn, and the problem with this is that they are
17 the major source of new revenue for the State of New

18 York, according to his new model. For example, he
19 bases his numbers for the crucial statistic on the
20 number of fans from New York who go to see the Jets
21 in Jersey, but this cannot be seen as equivalent
22 for, at least, two reasons:

23 1. The Jets have always been a New
24 York City team and used to play at Shea, and thus,
25 have a different fan base than the Nets.

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2 2. If you want to watch football in
3 New York City, you have to go to the Meadowlands,
4 where as you can always go to the Garden to watch
5 basketball.

6 He claims on page 22 that the vacancy
7 rate for Class A office space built since 1985 in
8 Brooklyn is below 1 percent. Sounds great, right?
9 But then why does he fail to tell us the actual
10 vacancy rate for all of Brooklyn's Class A office
11 space, that is to say, the office space that would
12 also include that built before 1985, which of course
13 is a huge amount. This is either a shocking,
14 oversight or a willingly crafty use of numbers.

15 He claims on page 32 that "Based on
16 conversations with former budget officials," this is

17 my favorite one folks, "FCRC concludes that the
18 increment in fire and police budgets would be
19 negligible." Is it truly conceivable, in our post-
20 9/11 age, that taking care of the residents and
21 workers of 17 new skyscrapers and a 20,000- seat
22 arena that is filled 240 night per year will not
23 require one more police or fire workers than are
24 currently allotted to the area? This seems
25 preposterous and surely untenable, just as many of

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2 the other numbers used in tissue report that come
3 straight from Ratner's own offices.

4 His assumptions for the relative
5 success of the arena, which is as we have noted,
6 still fails to break even, relies on the assumption
7 that the Meadowlands arena will be shut down and
8 that there will be no new arena in Newark. But
9 anyone who follows sports at all knows that the New
10 Jersey Devils must play somewhere during the year.
11 Thus, we will of course have a competitor in the
12 battle for supplementary income for Ratner's arena,
13 and you will be getting that bill as well.

14 Upon reviewing the Zimbalist report
15 for us, Professor Lars Nesheim, an economist at
16 University College London made the highly astute

17 observation that the entire analysis ignores the
18 distribution of the benefits of the project. Who is
19 gaining, and who is paying?

20 In preparing our testimony, we also
21 contacted Professor Fort, a renowned authority on
22 sports economics. Dr. Fort is already quoted on the
23 public record - - I will skip that, sorry. But be
24 that as it may, Professor Fort suggested that
25 answers to the following questions would put the

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2 discussion of the Ratner proposal on solid ground.

3 1. Even in the aggregate, the
4 benefit to cost ratio for the arena is .99, but
5 spending is set, I am sorry. How does this justify
6 the arena? That is to say, it makes less than 100
7 percent of the money put into it. If you assert
8 that the answer is other values, then we need to
9 know why didn't Zimbalist, the expert, bring them
10 into the picture.

11 2. Using the income and sales tax
12 rates,-- I can explain any of these, by the way if
13 it is SO- teric (phonetic) Economics, but since I am
14 in a rush, I am not allowed to.

15 Using the income and sales tax rates in the he study

16 to define proportional benefits for NYC and New York
17 State, it looks like the benefit to cost ratio of
18 the arena is less than one for New York City and
19 probably less than one for New York State once
20 infrastructure and eminent domain costs are added
21 in. If the arena is built anyway, doesn't this mean
22 that New York City is subsidizing New York State?

23 Why is the City Council not only
24 handing its deck of democratic rights over to the
25 state, but additionally handing our money over to

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2 it, as well.

3 CHAIRPERSON SANDERS: Your next
4 point, Sir.

5 MR. PEEBLES: Okay. By similar
6 reasoning about benefits and costs, it looks like
7 the ratio is nearly 3.0 for the housing/commercial
8 portion of the project. And isn't that extremely
9 high? And doesn't it mean that, even if we grant
10 that Zimbalist's crystal ball is clear out to 30
11 years, that the \$261 million public dollars intended
12 for the arena would generate a much higher return
13 expanding the housing/commercial part of the
14 project?

15 CHAIRPERSON SANDERS: Let me stop

16 you, Sir. Let me invite you to meet with me to
17 discuss this further, but let me also call upon the
18 next speaker. I congratulate you for your, for many
19 different things, including looking into that report
20 in such a timely fashion.

21 MR. PEEBLES: Thank you.

22 CHAIRPERSON SANDERS: Sir, if you
23 could identify yourself for the record?

24 MR. VOGEL: Good afternoon. I am
25 James Vogel, and I am here on behalf of the Brooklyn

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2 Vision Foundation, which is an organization founded
3 to better involve the citizens of Brooklyn and the
4 planning for Brooklyn. I want to thank the
5 Committee for holding these hearings and allowing
6 the development proposed by Forest City Ratner for
7 the LIRR storage yards to be discussed in the New
8 York City Council where the discussion truly
9 belongs.

10 I am deeply concerned by the review
11 and approval process, and the very dangerous
12 precedents, which are being proposed. There have
13 been arguments made that these chambers need not be
14 involved in meaningful review because this

15 development is sited on state and private land, that
16 Council deliberation and the ULURP process are
17 somehow inappropriate, as though changing the street
18 grid is a trifle. As if setting in motion a project
19 which will absolutely require that New York City
20 commit hundreds of millions of dollars is a matter
21 of no consequence.

22 As we have heard so eloquently today,
23 there are many factors involved in this proposal,
24 which will profoundly impact the character and
25 economic life not just of Brooklyn, but of New York

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2 City entire. It is more than appropriate that the
3 Council be not just involved but central. It is the
4 duty of the Council to ensure that the interest of
5 the City and its citizens are decided by the
6 residents of the City, and the citizens
7 representatives, the City Council.

8 As you are well aware there is an
9 effort being made right now to draw up a Memorandum
10 of Understanding which will remove all review and
11 meaningful oversight of this troubled proposal from
12 New York City and place this responsibility squarely
13 in the hands of State legislators, many of whom have
14 proven in the past not to carry as high a regard for

14 Let me make a quick comment to say that the City
15 Council, as a whole, and this Committee in
16 particular, feels strongly that our role as the
17 guardians of New York City, our role as the
18 representatives of the people of New York, is not
19 one that we would willingly concede to the state or
20 to the federal government for that matter. This
21 Committee is not going to surrender any grounds on
22 this particular issue. With that in mind, that is
23 why we are in this hearing today.

24 There are those who have told us that
25 it is not in our jurisdiction even as we speak.

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2 There are those who have said that this is not a
3 matter for us to trouble ourselves with. I hear
4 them, I respect them, but our position has been the
5 one that prevailed. We are here, we are going to go
6 through this, this is not the last moment that we
7 will speak of this issue.

8 We will use any and all powers that
9 we have, because after all is said and done, we are
10 responsible to those people who sent us to these
11 fine chairs that we sit in, and that is the people
12 of New York City, not the people of the State, not
13 the people of our fine federal government, but the

14 people of New York City. And if you speak of
15 changing New York City, if you speak of an arena or
16 any of these other mega projects that are out there
17 and coming down the line, it is necessary that we
18 are here today, because this is drawing the line,
19 not simply on this issue, but other issues that are
20 going.

21 If the City Council were to have
22 surrendered its proper jurisdiction, then it would
23 not be relevant for the West Side, nor for the
24 cruise lines, as we are having difficulty with the
25 World Trade Center.

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2 Having said that, I will, that was my
3 heart responding, I will see if my fellow Council
4 people want to say anything on this issue. Council
5 Member Gonzalez.

6 COUNCIL MEMBER GONZALEZ: I want to
7 say thank you for your testimony. I sat here for
8 the last five hours, and I truly, truly appreciate
9 everything that you have said. I will process it,
10 and I will say that my experience here in the
11 Council thus far has been that these Committees work
12 hard, we are not ceremonial people. Okay?

13 So I thank you today, and I have go.
14 Have a nice evening.

15 CHAIRPERSON SANDERS: Understandably.

16 I want to thank this Committee, perhaps, what
17 would be the difference if you were the Committee,
18 imagine that. I want to thank this panel, let's not
19 add to that one, I want to thank this panel, and let
20 us call our next panel forward. I look forward to
21 speaking with you again, at another moment.

22 MS. REID: Ed Molloy, Dick Anderson,
23 James Heyligier, Bill Howell.

24 CHAIRPERSON SANDERS: I see two, I
25 want four up top. I know that you men are capable

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2 of speaking and being more than one at a time.

3 MS. REID: Is Michael Slattery here?
4 James Caldwell, okay, Langston Austin.

5 CHAIRPERSON SANDERS: While she gets
6 that list together, I am trying to make sure that we
7 move this as fast as possible. With that in mind, I
8 will let you gentlemen to go first. I am too scared
9 to say who should speak first. But certainly
10 introduce yourselves.

11 MR. HOWELL: Good afternoon. My name
12 is Bill Howell. In addition to being President of

13 Howell Industries, a small minority owned business
14 located in Red Hook, Brooklyn, I am a member of the
15 New York Chapter of the National Association of
16 Minority Contractors, and a member of the Minority
17 Business Leadership Council. I chair the Downtown
18 Brooklyn Advisory and Oversight Committee, the
19 DBAOC. The DBAOC has functioned without fanfare or
20 legal mandate, but with success for 17 years as an
21 advocate for jobs and business opportunities for
22 Brooklyn's minority and women contractors and
23 community residents. The DBAOC was established for
24 the purpose of ensuring Brooklyn local residents who
25 were minority and women have the maximum opportunity

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2 to participate in major construction projects that
3 are built in Downtown Brooklyn. Thousand of Brooklyn
4 residents have received jobs and tens of millions of
5 dollars in contracts have gone to minority and women
6 contractors through our efforts.

7 The members of the DBAOC are
8 volunteers and are residents of Brooklyn. They also
9 include Downtown Brooklyn elected officials, the
10 Training and Employment Council, and Community Board
11 2. We are not funded by any developer or

12 contractor, nor do we receive any government grants
13 for assistance.

14 Over the 17 years of the DBAOC we
15 have had oversight over Forest City projects that
16 include MetroTech, Atlantic Center, 330 Jay Street,
17 283 Adams, Atlantic Terminal, and the Regal Theater,
18 and Barnes and Noble Bookstore. When MetroTech was
19 proposed there were critics who said that Forest
20 City would not provide jobs to the community, they
21 were wrong and the evidence is clear. Just check
22 the certified payrolls and the addresses of the
23 workers at the job sites, and they will show that
24 jobs actually went to the community.

25 Forest City commitment to

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2 participation exceeds the commitment of other
3 developers, even though there is no government
4 mandate. Forest City was the first developer to
5 embrace the concept of the DBAOC. Forest City was
6 the first developer to establish goals for
7 participation on construction contracts, which was
8 23 percent, including 14 percent minority and 9
9 percent women. Forest City was the first developer
10 to establish goals in the workforce for
11 construction, 30 percent. Forest City was the first

12 developer to establish goals for community
13 participation. They created a community labor
14 exchange where one of every four hard hat jobs go to
15 the community.

16 In conclusion, the DBAOC supports
17 economic development initiatives that recognize the
18 important contributions that small business,
19 particularly, minority and women owned businesses
20 make to the economic vitality of our City. We
21 support this project for the economic benefits and
22 because it will provide job and contract
23 opportunities to minority contractors. Forest City
24 has a very good record for not only achieving its
25 goal, but in many instances exceeding their goals

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2 with the full inclusion and participation of
3 minority and women- owned businesses.

4 As Chairman of the DBAOC, I support
5 the Brooklyn Nets Atlantic Yards project because it
6 will bring jobs, and the continuum revitalization of
7 Downtown Brooklyn. And I thank you.

8 CHAIRPERSON SANDERS: Thank you, Sir.

9 And if this gentleman next to you will explain who
10 he is?

11 UNIDENTIFIED SPEAKER: Yes, good
12 evening, my Committee. Let me first thank
13 Councilman Sanders and Councilwoman James for
14 calling this meeting, such a major project. It
15 makes me feel all the more the reason why one of us
16 should, in fact, be the head of the City Council,
17 and perhaps in the near future these projects will
18 come with better presentations, if that was the
19 case.

20 Let me say that, I do not want to sit
21 and echo the praise of Forest City Ratner, because
22 they do not lie, they are pretty good developers,
23 they are very good, and they do what they say they
24 are going to do. I think what we are missing here
25 is, and Councilman Seabrook put it on the table, we

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2 have to design a method for participation, and
3 Forest City Ratner had that opportunity because they
4 had the mind- set for participation. I am not
5 worried about Forest City, I am worried about the
6 City and the State allowing us to participate in
7 this project.

8 Oddly enough the other two panelists
9 who should be at this table with us, who you called,
10 is the key to whether or not the local community

11 participates in this program. Because the minority
12 business community, which I represent as the
13 President of the Association Enterprises of New
14 York, does not have a working relationship with
15 Colletti and Molloy, no Memorandum of Understanding
16 is going to work. We have to design a program that
17 should come from our own community, and I say with
18 other industries, that will guarantee this
19 participation.

20 Do not be tricked by an
21 apprenticeship that just opens the door as opposed
22 to giving our kids a career and is not affiliated
23 with all of our schools. Do not be tricked by the
24 fact that you cannot have a set aside, because that
25 is not true, it is not true. In a private project

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2 such as this, it should be all the more easier for
3 us to do this.

4 The New York City Department of
5 Business Services has new found monies that will
6 enable us to work along with such banks as Community
7 Capital, Kingsborough, SBD, and we, in fact, can
8 relocate the merchants back onto the project, and
9 the merchants that are currently on the project to

10 be able to come back in better style. Such a plan
11 like that can be facilitated. SBA could be brought
12 into the fact to help finance that situation. So we
13 are in a position to not displace people, but to
14 improve their situation.

15 I simply say to you that Memorandum
16 of Understandings are only good, as somebody said
17 earlier, is that if the detail by the devil is made
18 honest by us angels. I strongly suggest to you that
19 you have a planned designed by the minority business
20 community along with your union, and you can do it -
21 - Let me give you an example of what we did.

22 CHAIRPERSON SANDERS: If you could do
23 so in 10 seconds.

24 MR. HEYLIGIER: In southeast Queens
25 we said, if we don't work, nobody works. Very

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2 simple, academic, you take your planning boards and
3 you take the zip code that they are in, and you give
4 the jobs to the people in those zip codes. Ninety
5 percent of the people who are going to get trained
6 come zip codes 113 and 114.

7 CHAIRPERSON SANDERS: Let me stop
8 you, Sir, only because time is not our friend. Let
9 me ask this panel some questions, and see if I have

10 an understanding.

11 It has been said before, and I
12 believe I have heard echoes of it now, that Forest
13 City Ratner has one of the best affirmative action,
14 whatever we want to call it, programs that there is,
15 right in this city, let me say it that way.

16 MR. HEYLIGIER: It's the money.

17 CHAIRPERSON SANDERS: In days gone
18 past.

19 MR. HEYLIGIER: No, Forest City
20 understands that it is good business to do business
21 with us and local folks. Do you understand what I
22 am saying?

23 CHAIRPERSON SANDERS: Absolutely.

24 MR. HEYLIGIER: All right. Most
25 major developers and big contractors are of other

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2 opinion that it cost them money to do business with
3 us. But if you hire us locally, first of all we are
4 going to walk to work, so if you hire us locally and
5 you train us locally, you improve the economy of the
6 city, not turn to outside of the city.

7 CHAIRPERSON SANDERS: Okay. Let's
8 see, I will yield to Council Member James, as she

9 has a question.

10 COUNCIL MEMBER JAMES: You referred
11 to Mr. Molloy and Mr. Colletti, as you recognize I
12 held up previously a report that was done in 1993
13 about the Construction Trades Industry, and Mr., I
14 know your first name is James, but I do not want to
15 disrespect you.

16 MR. HEYLIGIER: Heyligier.

17 COUNCIL MEMBER JAMES: Heyligier, I
18 know that you have been out there in the struggle,
19 and I remember you when I, in my previous life, as
20 Counsel to the Black and Puerto Rican Caucus. But I
21 do know that we still have a way to go with the
22 Construction Trades, everywhere I go and every job I
23 look at, I can count on the hands of my fingers the
24 number of people of color who are working in the
25 Construction Trades Industry, and it continues to be

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2 a problem. And so all of this major development,
3 unless we have a project labor agreement, unless we
4 have some sort of MOU, we are not going to make any
5 in- roads.

6 In a project in a district, it is
7 called the James Davis Building, it is the BAM LDC
8 Arts Building. We worked out a project labor

9 agreement where individuals were hired from several
10 zip codes. And the zip codes that I provided them
11 were all from Ingersoll, Whitman, and Faragut, and
12 Atlantic Terminal, and Ebberts Field. And so, as I
13 go by the project site every day, because it is
14 right across from office, I can see, visibly I can
15 see people of color working on the project.

16 And so I would hope that you would
17 work forward, you would work with us as we go
18 forward in this process to ensure that we get a
19 project labor agreement, and that we open up doors
20 and opportunities for people of color, particularly
21 in pockets where we have high rate of unemployment.

22 And I guess I am tired, so I am
23 forgetting your name as well. Mr. Howell. Mr.
24 Howell, again, I too look forward to working with
25 you because I do want, as I have indicated before, I

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2 believe in affirmative action, but it would be nice
3 once in a while to have all the action. And so, as
4 opposed to just subcontracts, I want joint ventures,
5 I want to build wealth in our community, and I want
6 to provide opportunity. I think we have talked
7 about subcontracting for far too long, it is time to

8 go up.

9 Thank you.

10 MR. HEYLIGIER: I would just like for
11 you to take under consideration the five points that
12 the industry has put forward that Ratner has also
13 endorsed. If you would simply have them implement
14 the five points, and we would help you and work with
15 you, Councilwoman, to design a plan to facilitate
16 our local merchants and employment, I think that
17 would be the key.

18 MR. HOWELL: And let me just add,
19 okay, the Councilwoman, we do agree with you. We
20 agree with project labor agreements, because it
21 provides opportunities for smaller minority
22 businesses who are non-union to get work okay on
23 some of these construction sites. Because right now
24 they are prohibited, okay, if they are not signed up
25 with the union.

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2 We also agree with formalizing the
3 process and having Memorandums of Understanding and
4 other vehicles, which would ensure, and an oversight
5 committee, which would ensure that minority and
6 local businesses have the maximum opportunity to
7 participate. But again, I will add that Forest City

8 in comparison to other developers that I have
9 personally worked with over the 17 years with the
10 DBAOC, I mean they have been very, very, very good.

11 CHAIRPERSON SANDERS: Council Member
12 James, both of us can concede that these gentlemen
13 and other people like them need, we need to look
14 into the issues, these particular issues. So I
15 invited you to join me, I am calling for these
16 gentlemen and others to come to a session of the
17 Black/Latino/Asian Caucus and speak more in depth of
18 what they believe are issues and measures that can
19 resolve some of the 50 percent problem, which you
20 have been one of the City's best champions on.

21 MR. HEYLIGIER: The opportunity.

22 CHAIRPERSON SANDERS: Thank you both
23 for being here.

24 MS. REID: Is Scott Turner here?
25 Michelle de la Uz, Bettina Damiani, Joe Wright,

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2 Sandy Balboza.

3 CHAIRPERSON SANDERS: I believe we
4 have two, we are looking for four. Okay, if you are
5 kind enough, from my left to begin, Ma'am, that is
6 you, I cannot see you right now, but that is you.

7 MS. DE LA UZ: Hi, my name is
8 Michelle de la Uz, and I am the Executive Director
9 of the Fifth Avenue Committee, which is a community-
10 based, community development corporation in south
11 Brooklyn, which is dedicated to social and economic
12 justice.

13 I guess I should start by saying,
14 ditto to Norman Siegel's comments, even though he
15 might have left the room, but I think he certainly
16 expressed the sentiment of many people.

17 The Fifth Avenue Committee perceives
18 its mission by building affordable housing, and a
19 number of other things, including creating economic
20 opportunities and organizing residents and workers
21 around critical issues effecting our community,
22 including gentrification and displacement. There
23 are significant development projects totaling more
24 than \$18 billion slated for Downtown Brooklyn, as
25 well as other parts of south Brooklyn, which taken

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2 in their entity have the potential to remake nearly
3 a third of Brooklyn racially and socio-
4 economically. Nearly all of these projects are
5 moving without meaningful community input or
6 participation, and certainly with limited to no

7 accountability to community residents.

8 Bruce Ratner's 2.5 billion dollar
9 Brooklyn Atlantic Yards proposal, of which the
10 19,000- seat Nets arena represents only 10 percent
11 of the square footage of the entire proposal. I am
12 not going to go through all the percentages, because
13 we really talked about that earlier. But a big
14 piece, obviously, is a piece of eminent domain that
15 was talked about, and you know with half the land
16 proposed for development currently and private
17 ownership, that is something that we feel is
18 absolutely unacceptable, and really is about
19 increasing his profit in increasing the scale of the
20 over all project.

21 And we believe that in its current
22 scale and focus on high- end retail and residential
23 and commercial space, that the Brooklyn Atlantic
24 Yards proposal will have significant ripple effects
25 by further gentrifying displacing residents in

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2 surrounding neighborhoods. Despite the significant
3 community impacts of the project as is currently
4 proposed the specter of thousands of jobs, and more
5 than 4,500 units of housing, causes many

6 organizations that pursue social and economic
7 justice to pause. And to think about leveraging
8 that investment on behalf of the low- income
9 residents that surround the projects.

10 But it really raises a lot of
11 questions, and I am just going to go through a few
12 of them. Mainly, what tools do we currently have to
13 ensure that those jobs go to local Brooklyn
14 residents most in need, help lift them out of
15 poverty and provide them a living wage, good
16 benefits, and a career ladder. It is really assumed
17 that new development will create new and better
18 jobs, and I think we have already heard from Council
19 Member James about the Long Island University
20 professor's research that points to the fact that
21 with MetroTech more than a billion dollars of
22 development there, and several hundreds of million
23 of dollars in subsidies actually did not create many
24 new jobs at all. And that is really unfortunate,
25 given the fact that across the street the

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2 unemployment rate is 60 percent.

3 We also, we do not have tools to
4 ensure that the proposed housing of this developer
5 is actually affordable. As we heard earlier today,

6 they were quite slippery on the definition of
7 affordable housing. That is something that the
8 Fifth Avenue Committee has significant experience
9 with having built more than 600 units of affordable
10 housing in our 25- year history.

11 We also do not have the tools to
12 ensure the public subsidies that Ratner is likely to
13 receive, truly result in public benefits that can be
14 shared by all.

15 The answers to many of these
16 questions are woefully inadequate and point the need
17 to acquire a new model of accountable development in
18 New York City, which addresses the power imbalance
19 between the public and private sector. A new model
20 of accountable development has emerged in Los
21 Angeles and more recently in Milwaukee, where their
22 Municipal government is considering a Community
23 Benefits Ordinance, to ensure that the benefits of
24 development are shared by all. Accountable
25 development and community benefits agreements would

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2 require that developers that receive public
3 subsidies or build on public land - -

4 CHAIRPERSON SANDERS: Ma'am, if you

5 would take 10 seconds.

6 MS. DE LA UZ: Sure, that they invest
7 in the human side of development. I guess, in
8 closing, you know right now the primary focus that
9 we, that the City, at this point, looks at the
10 impact of projects is around environmental impact,
11 and really the City Council has an opportunity to
12 really explore through not only the Nets arena, but
13 the Jets and many other projects that are going
14 around, to think about community impact statements,
15 not just environmental impact statements. This is a
16 true opportunity for, as legislators, to show
17 leadership, and we would like you to have that shift
18 in paradigm and really demonstrate that leadership.

19 CHAIRPERSON SANDERS: Thank you.
20 Sir, would you be kind enough?

21 MR. TURNER: My name is Scott M. X.
22 Turner, and I represent Fans For Fair Play, which is
23 a group, coalition of sports fans, which is firmly
24 against the arena project. Sports fans are a group
25 of people who much like my grandfather whose tie I

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2 am wearing today who broke his hand when Bobby
3 Thompson hit the famous home run against the
4 Dodgers. He was a big Dodger fan. I can only

5 imagine what he would do with his hand and with
6 someone in front of him, if he were faced with this
7 project today.

8 I want to go through these points
9 very quickly, because you know that thing over there
10 on the wall, you know, if this were a different
11 context, that would be called a shot clock, and it
12 would be in a basketball arena, but it really has no
13 place in a place of democracy. And I think, you
14 know, it would be a great idea for it to be removed.

15 CHAIRPERSON SANDERS: Sir, you are on
16 your time.

17 MR. TURNER: I don't care, I am
18 telling you, I am using my time to tell you.

19 CHAIRPERSON SANDERS: Absolutely.

20 MR. TURNER: And I will tell you
21 another thing, if my friends and my comrades treated
22 me the way you are being treated by not showing up
23 for a Committee that you are hosting, I would have a
24 word with them afterwards, I would have some serious
25 words with them.

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2 But let me go through this very
3 quickly. Sports fan constituency, blah, blah, blah,

4 Ratner will be a dillion (sic) ton owner from the
5 sports perspective, he will not get a very good team
6 on the card, blah, blah, blah. NBA blood on their
7 hands will remind them of that. Check. Nostalgia
8 syrup, Brooklyn Dodgers, those times have passed.
9 Check. Bernard King abdicated his hero status,
10 check. Media response, Mike Glupergon and Mike
11 Francesa have done a great job talking about how
12 evil it is to use money. If those guys can come out
13 in a progressive way, everyone in this room should
14 be able to, check. Jobs and housing lies, the
15 people in the blue badges, share your concerns, but
16 you are being lied to by Bruce Ratner, he is a liar,
17 check.

18 New York City is now being run like a
19 corporation. The kind of corporation where Wall
20 Street looks at corporations today and says, if you
21 are not growing at some outrageous rate, than you
22 are a disaster, we will not invest in you. That is
23 the way that New York City is being run right now.
24 And New York City should not be run like a
25 corporation, it should be run like a community, like

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2 a town where everything is taken care of at a decent
3 and controlled rate, where everyone is looked after.

4 It is not about growth, it is about taking care of
5 people, check.

6 Finally, I just want say that you are
7 talking about two groups of people here who have
8 been taken advantage of. The disenfranchised, which
9 is the poor and working class, and the disempowered
10 where sports fans kind of realm, because sports
11 fans, the very word of being a fan, is being
12 powerless. You ask others to win for you. And what
13 we are trying to do here is say that sports fans who
14 are against this, and I talk to them all the time,
15 we are not going to sit down and let others take
16 advantage of us, we are not going to let them do it
17 for us, we are going to do it ourselves. And I
18 finally just want to remind people that, people who
19 speak of democracy, but they fail to practice it,
20 are actually very terrified of the implications of
21 democracy.

22 And I just want to say you have to
23 get rid of that shot clock. Thank you.

24 CHAIRPERSON SANDERS: Thank you.
25 Ma'am.

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2 MS. BALBOZA: Good afternoon. Ditto

3 to Norman Siegel -- What?

4 CHAIRPERSON SANDERS: Pull it closer
5 to you.

6 MS. BALBOZA: Closer to me?

7 CHAIRPERSON SANDERS: Absolutely,
8 start all over.

9 MS. BALBOZA: That is good? Okay.

10 Ditto to Norman Siegel's remarks earlier. And good
11 afternoon, thank you for holding this hearing. I am
12 Sandy Balboza, President of the Atlantic Avenue
13 Betterment Association, (AABA), a grassroots
14 membership organization of merchants and residents
15 on and around Atlantic Avenue from Hicks Street to
16 Fourth Avenue adjacent to the arena Atlantic Yard
17 site.

18 The Association welcomes development
19 over the Long Island Rail Road yards that can ensure
20 the existing community remains viable. The right
21 kind of development would connect the neighborhoods
22 of Prospect Heights and Fort Green with Park Slope
23 and Borum Hill.

24 We strenuously object to the proposed
25 2,000 seat arena Atlantic Yards plan, which would

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2 eliminate several streets, widen Flatbush Avenue,

3 construct 17 skyscrapers, and condemn homes and
4 businesses to benefit one private developer, Bruce
5 Ratner. His plan competes with the Downtown
6 Brooklyn Development plan, which also proposes to
7 build commercial and residential towers just a few
8 blocks away.

9 We are asking the City Council to
10 oppose a state takeover of two square city blocks of
11 private land as well as the air rights over 11 acres
12 of railroad storage yards. Council members should
13 demand that every developer be required to submit to
14 the uniformed land use review procedures, ULURP, to
15 ensure input by locally elected officials and
16 community boards. New York City needs a democratic,
17 transparent process through open bidding.

18 Under a state takeover, the City
19 Council would have not input over the use of eminent
20 domain, which threatens to displace hundreds of
21 people. We think, instead, the City Council should
22 reassert local control over local projects. And I am
23 skipping some.

24 We also question the economic
25 underpinning of this plan, the Ratner plan. Mr.

2 Ratner has not provided a reliable study of how many
3 and what kind of jobs will be created temporary or
4 permanent. He also has not divulge which
5 corporations or businesses are committed to moving
6 into his development. He has also not reported how
7 much the arena will cost and how it will be
8 financed.

9 AABA supports the community planning
10 process initiated by Councilwoman Letitia James and
11 Congressman Major Owens.

12 Thank you.

13 CHAIRPERSON SANDERS: Thank you.

14 Sir, would you be kind enough?

15 MR. WRIGHT: I am Joe Wright. I am
16 speaking on behalf of the Castle Coalition, an
17 organization developed by the Institute for Justice
18 in Washington, D.C. Specifically to fight eminent
19 domain abuse.

20 Norman Siegel, correctly described
21 the perversion of the term public use in the
22 Constitution into public benefit and public good.
23 New York State happens to be the worst state in the
24 union for eminent domain abuse. There are a couple
25 of reasons for that:

2 One is that no notice is even
3 required of the property owner telling him he is
4 being condemned.

5 Also, the courts in New York State,
6 they have actually been a rubber stamp for Empire
7 State Development Corporation.

8 There developers are not content with
9 stealing property, they also want the City and the
10 State to subsidized their plan through tax
11 deferrals, abatements, and exemptions. If the
12 government or the developer does have to pay for the
13 property, they never pay market value for two
14 reasons.

15 First, is that as soon as the
16 condemnation is announced, the value of the property
17 begins to decline.

18 And second, there is a negotiation
19 for a purchase price that has nothing whatsoever to
20 do with either the real or the depressed market.

21 I am reminded of a statement by Mark
22 Twain, he said, "There is nothing lower on the face
23 of the earth, except a snake, except the French." I
24 would rephrase that and say, there is nothing lower
25 on the face of the earth than a developer in cahoots

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2 with a bureaucrat who has the power to exercise
3 eminent domain.

4 Make a note of this, somewhere in the
5 background of all eminent domain actions, there is
6 almost always a developer who is politically
7 connected and who promises the City or State higher
8 tax revenues, if the government will only help them
9 steal the property he needs.

10 Developers are losing eminent domain
11 cases everywhere in the country, except New York
12 City. We want to make sure that Bruce Ratner loses
13 his. We must also make sure that Marty Markowitz,
14 unless he mends his way in the next election,
15 becomes the former Borough President.

16 And I close by saying without the
17 right to property, the rights to life, liberty, and
18 the pursuit of happiness cannot be secured. I await
19 the day when everyone comes to the understanding
20 that taking property from its rightful owner is
21 nothing more than legalized theft. That eminent
22 domain abuse is unquestionably unconstitutional and
23 profoundly immoral.

24 Thank you.

25 CHAIRPERSON SANDERS: It would be

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2 fair to say that the, to a person, the Economic
3 Development Committee is troubled by the question of
4 eminent domain. Would you argue with that? We are
5 absolutely troubled by this issue. Again, it is a
6 state, this one is a state- driven process, meaning
7 that to find a solution we much either have our
8 State representatives take a different position or
9 take a position, or the courts are the place of last
10 refuge for us.

11 Be that as it may, this Committee
12 will have tried to enforce every single right, every
13 single responsibility that we have to oversee this
14 process. As I encourage everyone to weigh- in with
15 our State officials, to weigh- in with the
16 Governor's Office, to do whatever we need to do,
17 including the courts to resolve this question of
18 eminent domain.

19 If you have any question or
20 statement?

21 COUNCIL MEMBER JAMES: Mr. Wright,
22 there was a pending case in federal court. Do you
23 know the outcome of that case, there was a challenge
24 to the Constitutionality of our State's statute?

25 MR. WRIGHT: Is this a New York Times

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2 case? There was a challenge all through the New York
3 State courts, and up to the Supreme Court, a very
4 well argued Constitutional case on the argument, on
5 the basis that the transfer of property on Eighth
6 Avenue to Ratner, Forest City Ratner project, and
7 the New York Times was unconstitutional because it
8 was not a public use. Although, I am sure the New
9 York Times would love to make them think they were a
10 public use.

11 Anyway, it did get all the way to the
12 Supreme Court, the court refused even to allow a
13 single word to be said.

14 COUNCIL MEMBER JAMES: Thank you.

15 CHAIRPERSON SANDERS: Thank you very
16 much, Council member. I want to thank this panel
17 for coming forward in presenting this testimony.
18 Would you call the next panel?

19 MS. REID: Is Leroy Gains here?
20 Langston Austin, Pam Adams, Jim Abommo, Thomas
21 Sicignano. How many do we have? Just two. Duke
22 Sanders, Eileen O'Connor, Marie Louis, Jezra, we
23 have four.

24 ACTING CHAIRPERSON JAMES: The
25 Chairman is taking a break for a moment, so we can

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2 proceed.

3 MS. LOUIS: Good afternoon. Thank
4 you for the opportunity to testify before this
5 Committee today. My name is Marie Lewis, and I am a
6 member of Brooklyn Community Board 8, a social
7 service worker in the Prospect Heights area, a
8 resident of Crown Heights, Brooklyn, and the First
9 Vice President of BUILD, Brooklyn United for
10 Innovative Local Development.

11 And in response to the economic
12 benefits involved, building of the Ratner plan this
13 is a statement from us.

14 The majority of those of us who live
15 in and around the target site are in the state of
16 economic crisis. The Community Service Society found
17 that nearly 50 percent of black men in New York City
18 are unemployed. Brooklyn, historically and today,
19 has the second highest unemployment and poverty
20 rates out of the five Boroughs of New York City.
21 Over 70 percent of residents in and around the
22 target area are of African descent. Moreover, while
23 the majority of residents share the commonality of
24 race, the same population is ethnically diverse,
25 featuring a large Caribbean community. Neighboring

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2 Eastern Parkway is the site of the Annual West
3 Indian Parade on Labor Day. The large black
4 population in the area developed as a result of both
5 migration from the South and immigration from the
6 Caribbean. This movement to New York City and other
7 large cities throughout the United States was in
8 search of economic opportunities.

9 Unfortunately, white flight from
10 urban areas in the forties, fifties, and sixties was
11 followed by the vast disinvestment from urban inner-
12 cities like New York City, in general, and Brooklyn
13 in particular. This disinvestment has deprived many
14 in search of economic opportunities from prosperity
15 and imprisoned many in the clutches of working class
16 poverty, and under class entrapment that belies
17 astronomical rates of poverty and unemployment.

18 While alone it cannot eliminate
19 working class poverty and under- class entrapment,
20 the next arena in Atlantic Yard Development
21 epitomizes the type of development needed to make
22 urban areas like Brooklyn dynamic, economic centers
23 complete with opportunity.

24 We are currently living in an era
25 characterized by a large, back to urban center

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2 movement in New York City and across the nation.

3 This trend places those most in need of economic

4 revitalization intrinsic to the arena project and

5 Downtown Brooklyn Plan at risk for large scale

6 displacement and further marginalization.

7 Consequently, those who have been

8 loyal residents of urban centers like Brooklyn, may

9 be deprived of partaking in the economic renaissance

10 to come after contending with tough economic times.

11 To safeguard against this, Bruce Ratner and Forest

12 City Ratner Companies has committed to working with

13 BUILD to negotiate an agreement aimed at:

14 1. Developing the capacity of

15 working age adults to economically gain and benefit

16 from the revitalization spurred by this project.

17 2. Preparing youth for the global

18 marketplace success so that they have the capacity

19 to live anywhere they choose, well.

20 3. Create an environment with

21 opportunities, services, and supports for a growing

22 senior population.

23 4. And cultivate and promoting a

24 positive civic ethic and pride among resident youth,

25 adults, and seniors in part through a sense of

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2 connection to this project.

3 BUILD strongly supports this project
4 and appeals to elected representatives to support us
5 and the developer in the negotiation of an agreement
6 to ensure that residents most in need of economic
7 opportunities in and around the project site are
8 connected to those business employment housing
9 opportunities.

10 Thank you.

11 CHAIRPERSON SANDERS: Thank you.

12 Sir, if you would be kind enough, and identify
13 yourself also.

14 MR. GAINES: Good afternoon esteemed
15 Council members, the Honorable Council Member James.
16 My name is Leroy Gaines. I am the Executive
17 Director for the Washington Avenue Merchants
18 Association.

19 At this time, if I may, I would like
20 to share with you comments and observations
21 expressed by my merchant members, and the community
22 at large, since the arena announcement was made.
23 The comments were from an economic development and
24 commercial revitalization point of view. Unless
25 otherwise noted, they represent a consensus opinion,

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2 they are general in nature, and are not meant to
3 speak for any other groups or individuals.

4 Washington Avenue Merchants
5 Association was established in 1989. We served the
6 Crown Heights and Prospect Heights communities, both
7 commercial and residential. Specifically, Washington
8 and Classon Avenues, between Eastern Parkway and
9 Atlantic Avenue, that is our catchment area. We are
10 a not- for- profit community- based organization
11 funded through a combination of foundation grants,
12 merchant member dues, and in- kind assistance.

13 We have received support from the New
14 York City Department of Small Business Services,
15 State of New York, and private sector foundations.
16 Our catchment area is rich historically, and has
17 been a hub for manufacturing retail goods and
18 services, businesses, many of which are small and
19 family owned. Business growth and development has
20 been part of our community legacy. We enjoy close
21 proximity to permanent educational and cultural
22 institutions, and we serve approximately 161
23 merchants.

24 Our area has undergone a tremendous
25 change over the last five to seven years. The

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2 demographic continues to be a work in progress, in a
3 sense, and the changes in the ethnic, economic, and
4 intellectual complexion of our community is, indeed,
5 a story in and of itself.

6 I would briefly like to detail so
7 what has transpired, and what I have observed over
8 the last couple of months. We like to consider the
9 following:

10 Forest City Ratner, in this
11 development, we would like to see implement a
12 meaningful solicitation for comments and suggestions
13 from community- based organizations, such as ours,
14 parents and local community boards in the project
15 area, and the area immediately adjacent to the
16 arena.

17 We would like to see Forest City re-
18 engineer their corporate culture and attitude for
19 more effective and sincere future presentation, and
20 to be more sensitive to the fact that they are
21 effecting an extremely intelligent, savvy,
22 passionate, and very volatile community,
23 particularly, when it comes to opposing upon their
24 home life and business survival.

25 We would like to see them establish

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2 --

3 CHAIRPERSON SANDERS: Sir, if you
4 take 10 seconds to complete.

5 MR. GAINES: Sure. We would like to
6 see them establish a partnership with community
7 trustees that would not only represent key community
8 business concerns, but can actually incorporate a
9 majority of the issues raised into the arena
10 project.

11 We would like to have them
12 aggressively research traffic congestion trends in
13 the project area, and utilize findings to develop
14 traffic flow that minimize impact on the area,
15 incorporate a Jitney (phonetic) or mini
16 transportation entity that encourage parking at
17 adjacent commercial centers, such as ours, so they
18 can also benefit from this arena project.

19 In closing, the entire premise for
20 these comments is simply to highlight elements,
21 which will effect the timing and impact of the
22 project on our community. Respect for all of this is
23 critical, just as much as an honest and open
24 approach to complete this new adventure. A

25 carefully crafted community development agreement

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2 will, at least, appear to pay attention to detail,
3 clearly communicate the expectations and
4 responsibilities of all, and would be inclusive of
5 competing interest and demonstrate a real commitment
6 by all to make this a positive and profitable
7 project.

8 On behalf of the Washington Avenue
9 Merchants Association, we thank you for the
10 opportunity to share these comments with you today.

11 CHAIRPERSON SANDERS: Thank you.
12 Ma'am, would you be kind enough. You need to pull
13 the mic toward you, and cut the button, push the
14 button.

15 MS. DOHERTY: My name is Liz Anne
16 Doherty, and I am Chair of the Board of Managers of
17 the Brooklyn Center YMCA, and I am here on behalf of
18 Eileen O'Connor, the Executive Director who had to
19 leave.

20 We are building on the site of Court
21 and Atlantic a 40,000 square foot facility, which
22 will have a swimming pool and a full court
23 basketball gymnasium. We serve, the Brooklyn Center
24 Y serves Fort Green, Clinton Hill, Borum Hill,

25 Carroll Gardens, Cobble Hill, Brooklyn Heights, and

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2 DUMBO. We provide funded after- school programs,
3 focusing on literacy, spirit, mind, and body at PS
4 8, PS 20, PS 67, PS 58, and Middle School 117.

5 I am here today to talk about the
6 possibility of partnering with programs with the
7 Nets, and I would like to just outline a couple of
8 the ideas, and we would like to continue our
9 conversation with the developer and with the Nets.

10 The YMCA of New York has a junior
11 Nicks program, which we run in most of our schools.
12 This program is a mentoring leadership, athletic,
13 value based, educational program. We would like to
14 propose a junior Nets program for Brooklyn, and have
15 the Nets provide that kind of support for our YMCA
16 youth. We serve school- age children as well as
17 teens.

18 I would like to address one question
19 that was brought to Mr. King, which is why sports
20 for kids, how does that help them, and the Y has a
21 longstanding philosophy of getting kids together,
22 gathering them, educating them through values, team
23 work, and promoting education when we get them

24 together for these sporting activities.

25 We also have other programs that we

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2 would want to propose to Forest City Ratner, such as
3 our New Beginnings Program, our Mini- Teen Program,
4 and Senior Programs for particularly
5 intergenerational programs.

6 Thank you.

7 CHAIRPERSON SANDERS: Thank you,
8 Ma'am. Sir, would you be kind enough?

9 MR. SICIGNANO: Good afternoon, and
10 my name is Thomas Sicignano. I am the Director of
11 Brooklyn USA Basketball. It is the largest youth
12 basketball program in Brooklyn. And for the last 14
13 years, I wanted to give everybody a little
14 perspective about basketball, over 342 children from
15 our program have received college scholarships
16 through basketball all over the country. And as of
17 three o'clock today, one of my players, which would
18 make number 11, Sebastian Telfair(phonetic), who
19 started in our program in the fourth grade, has
20 announced that he will opt for the draft and go to
21 the NBA.

22 As a basketball man, and as I am
23 speaking for the youth in our program, Brooklyn is

24 the capital of basketball in the world. There are
25 two NBA owners from Brooklyn, there are three NBA

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2 coaches that were born in Brooklyn, and the greatest
3 basketball player of all time, Michael Jordan, was
4 also born in Brooklyn. He moved out when he was
5 five years old, but he did breathe our air and drink
6 our water, and I feel it is very important that
7 people understand that the kids that play in my
8 program, basketball, it is on powered religion.

9 And the Nets, the New Jersey Nets
10 coming to Brooklyn would be such a fantastic thing,
11 because colleges here, the biggest arena we have
12 holds 1,500 people. And I have run tournaments
13 where I have had teams from Washington, D.C.,
14 Philadelphia, Baltimore, come and we have had to
15 turn people away. We do not have a facility in
16 Brooklyn.

17 And even though I have coached
18 Stephen Mulberry, who came up for my program, I had
19 a hard time getting tickets to go to Madison Square
20 Garden, tickets are sold out.

21 Also, in closing, because I do not
22 want to take up too much time, I want to talk about

23 one other player, and I also want to make a comment
24 that I hope, I am a Brooklynite, and I do hope that
25 everyone who came to this table today and before

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2 this Committee gets satisfied in their needs and
3 their concerns. I think that is very important,
4 even though I do support the project 100 percent.
5 Jamal Tinsley was a player in my program, since he
6 was 10 year- old. Twice I put him in high school, I
7 literally took him to high school, twice he left.
8 He never went to high school in four years. Through
9 basketball and through taking him around the country
10 on AU elite teams, I was able to get him a
11 scholarship to a college in California, where you do
12 not have to have a degree or a GED to play. He is
13 four credits short of graduating Iowa State, and
14 this summer he is going to sign a multi- year
15 million dollar deal with the Indiana Pacers. He has
16 played in the league for three years.

17 So I just wanted to bring that up.
18 And one more thing, I am a Brooklynite, and I love
19 Brooklyn so much, I named my daughter, Brook Lynn,
20 so I just wanted to put that on record.

21 CHAIRPERSON SANDERS: Indeed, Sir, it
22 is on the record. I just had one small question for

23 you. My question was, I was also drank the water
24 and breathe the air, and I did not make the NBA.
25 But do you know, I was not born in Brooklyn, and

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2 that explains it clearly.

3 Council Member James, did you? But I
4 want to thank this panel and ensure that your points
5 are well made. I keep hearing over and over a
6 community partnership, if, if, let it be clear, if
7 there is such, there must be a true community
8 partnership agreement, which does not just take in
9 economics, it takes in the cultural aspects of the
10 community.

11 Thank you very much.

12 COUNCIL MEMBER JAMES: Ms. Louis, you
13 had, BUILD has extended an invitation to me today,
14 as you can see, I am going to be a little bit
15 delayed, and I may not make it this evening. So
16 hopefully at the next meeting, you will extend an
17 invitation, and I will be there.

18 MS. LOUIS: Understandable, thank
19 you.

20 CHAIRPERSON SANDERS: I do want to
21 say that Domenic Recchia, a member of this Committee

22 was not here today, he had death in his family, and
23 you reminded me, and I put that on the record.

24 The next panel, please.

25 MS. REID: Is Mindy Fullilove still

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2 here? Ruby Lawrence, Chelsea Altman, Simon Lou,
3 Daniel McCalla, Constance Lesold, Sue Montgomery.

4 CHAIRPERSON SANDERS: If you are
5 here, if you kind of put your hand up in the air as
6 you walk, that way we will know. All right, I see
7 two, two are coming. Keep reading until we get
8 four.

9 MS. REID: Rahim Fauler.

10 CHAIRPERSON SANDERS: If we can
11 identify ourselves, and let's go that way. Ma'am,
12 would you begin?

13 MS. ALTMAN: Hi, my name is Chelsea
14 Altman, and I am a small business owner in Fort
15 Green. I own two businesses there, and I am also
16 opening a third in Clinton Hill, and I am also a
17 member of the community.

18 I am very glad that I have been
19 supported enough in Fort Green to come here for an
20 entire day, and that I have people working in my
21 business. Because I imagine that there are a lot of

22 people in Fort Green who would like to be here, who
23 couldn't, because they are working. That is the
24 first thing.

25 And I did not prepare anything, I do

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2 not have a written preparation. But I would like to
3 talk about a couple of things that I think were not
4 addressed, which is that statistically crime goes up
5 around a stadium. And I am concerned, I own a bar,
6 I am concerned about the late hours that people that
7 might infiltrate our neighborhood bar. This is one
8 of my partners in the bar. I am concerned that this
9 project is so big, and there will be so many new
10 members in our community, all of a sudden, that
11 would be able to support that kind of, that the
12 magnitude of that, how our police force is going to
13 handle that.

14 Sanitation is already a problem.
15 There have been cutbacks by Bloomberg already, I
16 cannot even imagine the amount of debris that a
17 stadium will bring to the area. Obviously, the
18 parking is going to a huge issue, and it is already
19 an issue. I am on South Portland and people who
20 come to my restaurant, you know, circle for half an

21 hour to find some place to park. I do not know what
22 they are going to do now.

23 And I also think that these chain
24 restaurants are going to push business away from me.
25 Many of these companies, I know that they could

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2 not give exact names, but I heard stuff like Red
3 Lobster and TGI Fridays, and a lot of those
4 companies are not based in New York at all. So that
5 revenue will not even stay in New York.

6 As a small business owner, it is hard
7 enough to stay alive and these chains could push us
8 out. And also, they are not going to pay taxes for
9 something like 25 years. I have to pay taxes, I do
10 not know why they should not pay taxes.

11 Those are the main issues that I
12 have, that people have not already mentioned.

13 CHAIRPERSON SANDERS: Well put,
14 Ma'am. Let's bring the mic from that way, so I will
15 remember.

16 MR. LIU: I also did not prepare any
17 written statement to submit. My name is Simon Liu,
18 L- I- U. I own a factory, so- called, on the
19 footprint, 645 Bean Street. I bought that building
20 six and a half years ago, and I paid full market

21 price for it. Since then I have renovated it and
22 made it into a light industry manufacturing. I have
23 a big roll since I moved there, from four people to
24 14 employees. We all pay our share of taxes, and
25 now if the arena come into existence, they are going

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2 to force me out with eminent domain.

3 The first thing they said to me was,
4 you only have 4,500 square foot footprint and a pile
5 of bricks. And this is the type of talk they said
6 is negotiating or working with the neighborhood.

7 When I started the business 20 years
8 ago, I did not have any help from the City, all by
9 my own. And I took pride in owning the business and
10 owning the piece of property. I am also a Prospect
11 Heights resident. So, who have a type of family
12 life, sending our kid to a neighborhood school,
13 attend the functions, walk to work. It is a luxury
14 that not many people can have. Now, I am only five
15 foot six, I do not play basketball, not a chance
16 that I will get into the NBA.

17 I like sports, but with this arena
18 you could do, devastate a lot of the businesses and
19 a lot of the residents. They keep telling you in

20 the public they will talk to you, work with you, but
21 they do not do the real thing.

22 I just want to voice this so that the
23 Council member would help us, this fight.

24 Thank you.

25 CHAIRPERSON SANDERS: Thank you, Sir.

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2 Please.

3 MS. LAWRENCE: Hi, my name is Ruby
4 Lawrence, and I co- own Mose Bar in Fort Green, and
5 I also own an apartment in Prospect Heights. And I
6 am so against this arena for reasons that both of
7 them just said. And also with these, I know that
8 Ratner said that he would delegate, you know,
9 certain areas to, you know, women- owned and
10 minority- owned businesses. But there is a
11 difference when there is, you know, whether it is
12 minority- owned, women- owned, whatever, a
13 McDonalds, rather than Jackson Hamburgers.

14 And the thing is that Fort Green, you
15 know, it is basically I felt like I have been
16 standing on a corner for three years, owning a bar.
17 And you get to see how people react to new things in
18 the community. And I love that neighborhood, but
19 people are upset. You know just with the new

20 businesses opening, just with our bar opening, they
21 were scared, which is understandable. I went
22 through a gentrification process in my neighborhood,
23 where I grew up on the Upper West Side, Chelsea did
24 in SoHo, we all got priced out of the neighborhoods
25 we grew up in. And it is really heartbreaking and

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2 depressing.

3 And you cannot take it out on the big
4 people, you take it out on the little people, and
5 you take it out either on the new business owners,
6 or people leaving the establishment. And a lot of
7 times that does not come into the head with all the
8 percentages and the numbers. They are people like
9 me, Ruby, I am affected. You know, she is affected.
10 We are all individuals, and we all have different
11 needs.

12 And because, I mean, Ratner, people
13 they decided to leave because they obviously do not
14 feel that we are important. Just the judgement of
15 today. I mean I listened to all of you, which is
16 great and you are representing us, and thank you for
17 that. But I personally would like to be heard, as
18 all of these people, wanted to be heard by them, and

19 we were ignored. And I feel that is what is going
20 to happen, if this arena goes up.

21 It will fine for a few years, maybe,
22 but then once everything calms down, people get a
23 little lazy, it is all going to do down.

24 And thank you.

25 CHAIRPERSON SANDERS: Thank you.

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2 Ma'am, would you be kind enough? If you pull that
3 mic much closer to you, and if the button is off, it
4 is actually on. Oh, okay. Well just talk and we
5 will see.

6 MS. LESOLD: I am sorry. My name is
7 Constance Lesold, and I am here representing the
8 Eastern Parkway Coalition, which covers the area of
9 Eastern Parkway Grand Army Plaza to Ralph, and has
10 been in existence since 1976, taking an interest in
11 the environmental, recreational, housing, et cetera,
12 et cetera, conditions own Eastern Parkway,
13 primarily, and the Community Boards it is in,
14 Community Boards 8 and 9.

15 Our community board will be very much
16 impacted by this project, and we have a long history
17 of being concerned with the area over the Atlantic
18 Avenue Terminal Yards. My husband, Helman Lesold

19 pioneered putting the Daily News trucks in those
20 yards many years ago. So I know a lot about what
21 happens with development in that area.

22 And you do not want a repeat of the
23 kind of development and planning that went on then.
24 Our community board voted against the Daily News
25 Plan, nevertheless it went through. And in the

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2 process people were displaced, and in the process
3 they not only were displaced, but they died, they
4 got raped, I am putting it on the line, they were
5 often harassed, and terrified. My own family
6 suffered harassment, even though we were up on
7 Eastern Parkway because we were fighting against
8 that plan.

9 So I know what happens. And in
10 regard to Forest City Ratner, I have absolutely no
11 confidence in this organization. I am sorry. They
12 have set up MetroTech, which is used like private
13 property when the State Legislators wish to hold a
14 press conference on Fire issues, which we have been
15 concerned with in the Eastern Parkway Coalition,
16 including the time when the Daily News was doing its
17 work, because they were blocking fire houses.

18 MS. LESOLD: Well, so you know, I
19 think the current Borough President is going through
20 the same baloney, excuse my language. I have great
21 confidence in my, Councilwoman Letitia James, and in
22 Norman Siegel. And I have heard much good testimony
23 here from all sides. But if you go with this plan,
24 right now, I have great confidence it is going to
25 increase asthma, it is going to deter the fire

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2 companies, which we have already lost four, just in
3 Brooklyn, and we cannot have any further deterrence
4 of them.

5 And the people with the bars better
6 be interested in that. Because anybody within an
7 establishment like a bar, has got to have a fire
8 company ready to be there, boom.

9 And you know, and as I have already
10 said, with the housing you have got, look, Forest
11 City Ratner renovated housing at Grand Armory Plaza,
12 that is right in my catchment area. On that street,
13 when they were renovating, is the only time in the
14 history of the City of New York where I was directly
15 confronted by the workers on their property, not to
16 come on the street while it was going on.

17 While I had with me the former head
18 of the Block Association, an old lady with cerebral
19 palsy, who had tried to keep the low- income tenants
20 in the building that they took over. Now that
21 building suffered when she had to leave because her
22 own life was in danger with arson, and two children
23 died.

24 CHAIRPERSON SANDERS: Ma'am, I must
25 stop you too.

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2 MS. LESOLD: I am going to sum up,
3 but I want to leave on that note. The Forest City
4 Ratner is a very dangerous organization to consort
5 with. And if you think you are going to get
6 displacement calmly and in a civilized fashion down
7 there, well, then you and I are living in two
8 different worlds.

9 Thank you.

10 CHAIRPERSON SANDERS: Thank you.
11 Sir, would you be kind enough?

12 MR. MCCALLA: Good evening, my name
13 is Daniel McCalla. I am a resident of Fort Green
14 for over 25 years. Forest City Ratner will give you
15 the usual rhetoric that they give. What they will
16 not give you is before they built MetroTech, they

17 alienate a neighborhood. They had to be dragged
18 into court, so he could settle with the few
19 residents that were left. Many of those residents
20 who could not afford a lawsuit, have not been heard
21 from again. And the information of that court case,
22 is under a gag order.

23 So we are dealing with a very great
24 class act organization as our Mayor has suggested.
25 But it does not even stop there. We have our MTA,

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2 Peter Collier's cause great organization who refuses
3 to open up a bidding process, even though they are
4 in debt. And when you say, why should we have this
5 project, maybe I am misinformed, but don't we have a
6 three to four billion capital budget deficit that we
7 borrow from for City government? I don't know.

8 It has been brought to my attention
9 that certain City lawyers stated for the Hudson
10 Yards Project, when someone asked why should they,
11 the people not get a chance to vote on these
12 projects. The answer was, they are not the bond
13 holders, why should they get a vote.

14 If this is this City government's
15 policy, we need an overhaul. And God help us, if

16 this project has to go before the Empire State
17 Development Corporation, or as I like to say, the
18 yes men's club. Yes men to George Pataki who stole
19 the money from our schools.

20 The Walt Whitman projects'
21 unemployment rate was there before MetroTech.
22 Promises were made, promises were broken, and then
23 you expect everyone to just stand by and say, oh,
24 Bruce will definitely get us the jobs. That is
25 illogical, that is economic suicide. You put this

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2 thing on Atlantic Avenue, you will have traffic
3 backed up from Manhattan to the Hamptons. Atlantic
4 Avenue goes to North Conduit Avenue, to the Belt
5 Parkway. The Belt Parkway connects to Long Island
6 and Grand Central Parkways.

7 Oh, and I love this, it is near
8 transportation. Atlantic Terminal Station between
9 6:45 and 9:00 a.m. Is one of the busiest stations in
10 this City. The platforms cannot hold all the new
11 people that you will be bringing in. Then you will
12 be forced to use eminent domain for its actual
13 purpose to put in new schools, sewerage, all of
14 those wonderful things it was originally afforded
15 for.

16 This city has a dangerous policy of
17 combining public dollars with private interest.
18 That needs to stop.

19 Thank you.

20 CHAIRPERSON SANDERS: Thank you, Sir.
21 Reminding the panel, of course, that one of the
22 missions of this Committee is to preserve the tax
23 base. And in that sense you being owners of
24 property or an establishment is definitely within
25 our jurisdiction. In fact, it is the first mission,

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2 I would dare say.

3 So this Committee, regardless of how
4 things go, this Committee must look out for and to
5 help as much as it can, that you land on your feet.
6 That nothing, that you are held harmless, that if
7 firms are coming here that do not pay taxes, they do
8 not have an unfair advantage over the good people of
9 New York.

10 And of course on another issue, and
11 it has come up several times, it is only fair, as
12 everybody in here knows, that regardless of this
13 project, no one project, of course, can resolve all
14 of the problems of New York City. And anyone,

15 whether it be Forest City or any other place that
16 comes and says, and makes a claim that we can
17 resolve 51 percent or whatever the percentage, at
18 best, suspect. So, we should not depend on any one
19 project, or any several groups of projects for that
20 matter, being that small business hires more people
21 than large corporations.

22 So all of that should be kept in just
23 the context under which we are talking.

24 Council member.

25 COUNCIL MEMBER JAMES: I love my

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2 district and it is reflective here today. The
3 diversity, it is absolutely wonderful. And though,
4 Connie, as you know, I support you on reopening the
5 fire houses. Right about now I would love to be at
6 their bar. And I would like to invite everyone here
7 today.

8 The gag order, we really need to look
9 at that gag order and see if we can get it open.

10 Thank you.

11 CHAIRPERSON SANDERS: Yes, I want to
12 thank this panel very much. And you do not need
13 notes, you did better than many of those people who
14 had notes. Thank you very much.

15 If you would call the next panel.

16 MS. REID: Do we have Larry Johnson,
17 Mr. Or Ms. Blue, I could not read the first name,
18 Charlene Nimmons, Forest Willis, Richard Rivers,
19 Carlton Paterson, Rich Carsick, Carlton Screen,
20 Ernesto Matise or Matis, Charlon Langharn, Amiee
21 German, Kefler Cosey.

22 CHAIRPERSON SANDERS: My, my, you are
23 going to represent all of these people.

24 MS. REID: James Ferry, Ruth
25 Martinez, Eric Blackwell, Mariana Blume.

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2 CHAIRPERSON SANDERS: Read the names
3 again, but put a line through them, because you are
4 getting your one shot, my friend.

5 MS. REID: Yes, I have read all of
6 these, and I am clear on that.

7 CHAIRPERSON SANDERS: So this is the
8 last panel in favor. Is there anyone in here who
9 had signed in, who is in favor? Oh, okay, you
10 wanted to switch, Ma'am, who is in favor of this
11 project? All right, this will be the last panel in
12 favor. We will say one more time, because I am sure
13 someone will come up. If there is anyone in here

14 who is in favor, this is the panel that you need to
15 sit on, having signed up in advance.

16 Having said that, Ma'am, you
17 represent a mighty lot of people. And if you push
18 that button, you could represent them well.

19 UNIDENTIFIED SPEAKER: Hello, hello,
20 all right. Hello, everybody, Honorable Council
21 members. You were outspoken, and I was grateful all
22 the specials of pro and con, proposed progress, this
23 arena, expansion, versus condemnation and indecision
24 and resentment. And giving birth to other possible
25 developments, innovations of interest that also were

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2 expressed, that is the activity of the future,
3 present moves in the future.

4 So much has been said. What will be
5 created in this special proposal at Atlantic and
6 Vanderbilt Avenue, and the other developments
7 within, with it.

8 At the moment, it is a sore site, and
9 it would magnificent if it is possible that we will
10 be happy with these results and the future of this
11 progress, progressive project.

12 You know, when I came through
13 Brooklyn, I happen to live on Carson Avenue. There

14 is a little house near Pacific Street that we were
15 sharing, my parents with another person. There was
16 one room, a common bathroom, and common hall and
17 common kitchen together. And it was \$45 and
18 difficult to live and take a bath, because the
19 owners said, no more water, so it was just one-
20 third of the water, and then say no more water.
21 Well now it is no more of that particular house.

22 But I know Pacific Street, I know the
23 news building, and I have seen today that area, and
24 it looks like it is someplace out of yesterday, a
25 long time ago. And the progress is ongoing, and the

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2 innovation would be desirable. And something like
3 arena, this sounds wonderful because Brooklyn is the
4 biggest county of New York City, and you know, I
5 became a citizen of this wonderful country, America,
6 the government of the people, by the people, for the
7 people, there. Once upon a time, in 1955, because
8 we came as displaced persons, as immigrants, and as
9 victims of Second World War, to America in 1950, and
10 in five years you can become the American citizen if
11 you wish. And so by choice we did, and it was
12 great, America is great.

13 So now, on November 11, at eleven
14 o'clock, the shut was then, you know, in that
15 particular, which was Ebbert's Field. A vast amount
16 of people, and they are looking, and this is all
17 happening, and the music, and America and we are
18 swearing, giving allegiance to America. And those
19 people who came here, and I was never on welfare, my
20 parents were never on welfare, we worked hard from
21 teaching in other country, Soviet Union. Which
22 nothing is owned by you in Soviet Union, you are the
23 subject of the Soviet Union and everything that you
24 used to own once upon a time when they took over,
25 all this, they are then the owners of everything.

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2 So there we had nothing that we could
3 say our own, and we were slaves of the country. And
4 here it is supposed to be free, and you can even
5 make some money and buy a house. And if the City
6 doesn't take it, do not pay taxes, of course, that
7 is taxation without representation. That was a
8 terrible thing that I lost a house. I became a
9 tenant, and there also, victimization comes in.

10 CHAIRPERSON SANDERS: Ma'am, if you
11 could take 30 seconds to sum up.

12 UNIDENTIFIED SPEAKER: Yes, but I

13 represent for all, remember, and it is interesting
14 that I want to talk. You are saving a lot of time.
15 And my friends, they had other subject, they went to
16 the union, some kind of workers union that they
17 needed to go to.

18 So individual rights, all our might,
19 and it is good thing to participate in decision
20 making like this, having been a victim of that
21 Second World War. I am grateful to be US free, and
22 hope that this opportunity here will result in God
23 Bless America, and it is God that will decide what
24 is going to be here. But time of progress, children
25 are born all the time, immigrants are coming all the

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2 time, and fill up the space that many of them do not
3 pay, they do not pay taxes, but they get income for
4 nothing from all of our sources from our backs.

5 So, consequently, they are the ones
6 that fill up this place, not only those people who
7 come to the studio to see this arena matches.

8 But here is what I want to do.

9 CHAIRPERSON SANDERS: Ma'am, if you
10 could do it quickly.

11 UNIDENTIFIED SPEAKER: I want, I wish

12 that this studio, this particular arena they will
13 have also when immigrants chose and are ready in
14 five years or so, or eight, or whatever after they
15 finish their welfare programs, to become American
16 citizens, and work diligently in this free
17 enterprise system, America, that they will be then
18 Americanized in this arena. In this arena and say,
19 hail, here we are now, citizens of America, at
20 eleven o'clock, on November 11, this is going to
21 happen. And I want this arena not only to be used
22 for the games, but many other things, and this is
23 one my requests.

24 CHAIRPERSON SANDERS: Is this your
25 last request?

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2 UNIDENTIFIED SPEAKER: No, I want to
3 speak more. In all levels life keeps marching
4 forth, and this days discussion of Brooklyn Arena
5 project generated all levels of passion and
6 deliberations.

7 Now this concern, I would like to
8 bring some very important enlightenment here,
9 potential displacement that you talk about. The
10 eminent domain is terrible, of course. What you own,
11 you should not lose, they should give you enough

12 money and make a better place for you.

13 The concerns of the displacement is
14 that we know that the owners of the buildings, rent
15 stabilized buildings where tenants live and rent is
16 cheap, even those tenants will be - -

17 CHAIRPERSON SANDERS: Ma'am, if I
18 gave 10 more seconds, can you conclude?

19 UNIDENTIFIED SPEAKER: Why do you
20 rush me? Why you make me nervous? I was here a
21 long time, I did not sleep the whole night preparing
22 to come here because, six o'clock, they say wake up.

23 CHAIRPERSON SANDERS: I tell you
24 what, I will listen to you after this meeting, and I
25 will be glad to.

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2 UNIDENTIFIED SPEAKER: I want the
3 people to hear, the ACR, the ACR - -

4 CHAIRPERSON SANDERS: You have 10
5 seconds to finish.

6 UNIDENTIFIED SPEAKER: I say that the
7 ones who displace people, displace people all the
8 time. And they are raised around by claiming that
9 once they push the person out, that this particular
10 apartment now is going to be rehabed. They say, I

11 spend 30,000, 40,000, when they have to spend 15,000
12 or 20,000, and the contractor gives them the phoney
13 baloney there. There they give this the
14 preferential rent to the person.

15 And then that person then in one year
16 should move out or they start displacing. They do
17 not even give a lease to them. It happened to me.
18 I was dispossessed, my daughter is dispossessed by
19 this landlord that, beast afraid.

20 CHAIRPERSON SANDERS: Let me ask you
21 a question. How long do you need to finish? Just
22 put me in a ball park.

23 UNIDENTIFIED SPEAKER: Two minutes
24 more.

25 CHAIRPERSON SANDERS: No, I cannot

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2 give you two minutes. I can give you 30 seconds, or
3 I can give you help.

4 UNIDENTIFIED SPEAKER: Well, listen,
5 the game of next 40 years the landlord holds --
6 Again, look, look, I'm rushing.

7 CHAIRPERSON SANDERS: I am going to
8 give 30 seconds here.

9 UNIDENTIFIED SPEAKER: Come on, this
10 is information for you --

11 CHAIRPERSON SANDERS: Then we will
12 take the microphone.

13 UNIDENTIFIED SPEAKER: You people
14 actually are doing this for the tenants,
15 displacement of the tenants - -

16 CHAIRPERSON SANDERS: You can give
17 her 20 more seconds to finish, go ahead. Okay,
18 please, take the microphone. How many more people
19 are waiting to speak, just by a show of their hands,
20 who have not spoken, of course? All right, would
21 you read the next panel.

22 MS. REID: Jezra Kaye, Patti Hagan,
23 Schellie Hagan, Daniel Goldstein, Sharnam Merchant.

24 CHAIRPERSON SANDERS: Ma'am, would
25 you be kind enough to begin?

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2 MS. KAYE: Yes, of course, thank you
3 so much. Thank you for holding these hearings, thank
4 you for listening to us. I just want to second
5 something that Norman Siegel said, it's crazy, crazy
6 for Forest City Ratner to tell you that they cannot
7 make an agreement. It is crazy for them to come
8 before an official of the City of New York, and say
9 that they want somewhere between \$10 million and

10 \$999 million, which I believe was the range that
11 they gave this morning. Somewhere between 10 million
12 and 999 million dollars, but they cannot give you
13 any numbers. They cannot give you any guarantees,
14 and they cannot answer basic questions about what
15 they intend to deliver.

16 So just a second, yes, Sir.

17 CHAIRPERSON SANDERS: Just state your
18 name Ma'am.

19 MS. KAYE: Oh, I am so sorry. It is
20 Jezra Kaye, I am a 23- year resident of Prospect
21 Heights, Brooklyn. I live two blocks away from the
22 footprint. I can look outside my window and I can
23 see hundreds of millions of dollars of subsidies,
24 that have already gone to Mr. Ratner to produce ugly
25 buildings, which were beautifully described before

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2 as shutting out the neighborhood. These are not
3 places that enhance the quality of life in prospect
4 heights in Fort Green. And for them to come here, I
5 just want to tell you, I would like to make a
6 proposition to the City of New York that I will
7 create jobs, but I will not tell you how much each
8 one will cost, and I will not give any numbers on
9 paper, and I will not give you any guarantees, and

10 it will be somewhere between \$10 million and a
11 billion dollars. Can I talk to you about that deal,
12 Sir?

13 Thank you.

14 CHAIRPERSON SANDERS: Well put,
15 Ma'am. The next speaker.

16 MS. HAGAN: Hello, I am Patti Hagan
17 from Develop Don't Destroy- Brooklyn, and Prospect
18 Heights Action Coalition, a 25- year resident of
19 Prospect Heights, and I will try and talk real fast
20 about eminent domain. What is happening right now,
21 the Ratner in extending his Empire developed
22 residential space is threatened and in fact under
23 seize by developers. Urban neighborhoods that were
24 developed 100 years ago, organically, gradually, and
25 thrive still are being targeted for demolition by

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2 developers, and the urban renewal extension for 40
3 years, the Atlantic Terminal Urban Renewal Extension
4 should not be allowed to happen.

5 The urban renewal objective is made
6 for developers. Redevelop the area in a
7 comprehensive manner, removing blight and maximizing
8 appropriate land use. Remove the impediments to

9 land assemblage and orderly development. Get all of
10 us out of the way, so that Mr. Ratner can carry on
11 regardless.

12 I think it is terrifying now that I
13 understand in 2004 the majority of the residents of
14 New York City, and the small Mom and Pop businesses
15 beloved by New Yorkers are just too small. We are
16 all too small to have a place in New York City
17 anymore. We are too small to count for anything, we
18 are too small to stand our ground, we must be
19 forcibly got out of the way of big Bucks developers,
20 such as Ratner with friends in all the right places,
21 and there big self enrichment schemes. What price
22 the destruction of New York City, it is a terrible
23 price to pay.

24 I read quickly, Mr. Ratner's hired
25 gun, Andrew Zimbalist's Report, last night. He

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2 titles it, of course, very supportive of the Ratner
3 position, it is just what he ordered up, it is
4 entitled, "Estimated Fiscal Impact of the Atlantic
5 Yards Project on the New York City and New York
6 State Treasuries." Zimbalist Report is strewn with
7 "sensitivity analyses." Well all the sensitivity
8 is for money. There is not one sensitive word about

9 the human or inhumane impact of this project on our
10 friends and neighbors who will be forcibly ousted
11 from our mix. And in fact, this morning Mr.
12 Zimbalist was quoted on the front page of the New
13 York Sun, and saying, this is not just an arena
14 project, it is a project to create a village, it is
15 a holistic project. And the economic impact has to
16 be viewed as a holistic project.

17 CHAIRPERSON SANDERS: Ma'am, if you
18 will take 20 more seconds.

19 MS. HAGAN: I will just get to my
20 wind up. Okay, the City Council must not allow this
21 illegal, unconstitutional by-pass of democratic
22 government, that is, letting the Empire State
23 Development Corporation take over 13 acres of
24 private property so that they can condemn it and
25 demolish it and call it lighted for Mr. Ratner, the

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2 private developer. It is illegal and
3 unconstitutional. The City Council must not allow
4 itself to be relieved of responsibility of the
5 people and the land within New York City. How dare
6 Mayor Bloomberg and Governor Pataki, Mr. Ratner's
7 buddies hand off all decisions regarding these 13

8 acres in Prospect Heights, Brooklyn, New York City,
9 New York State, United States of America to the
10 secret agency, the Empire State Development
11 Corporation.

12 Also, the MTA without any public
13 bidding, which is another unaccountable, another one
14 of the 643 authorities and corporations, which are
15 accountable to no one but Mr. Ratner, who operate in
16 utter secrecy. We do not know how they arrive at
17 their decisions, or how they reward their boon
18 doggles to favorite people.

19 Anyway, they are unanswerable to the
20 public, or even to our elected officials. Why can
21 the State and run New York City over New York City
22 land? That is get around ULURP, get around City
23 zoning laws, and when I have asked this question of
24 people in government, how can the State just expunge
25 New York City laws having to do with this property?

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2 I am told, well, it is because New York City is part
3 of New York State. Well golly, New York State is
4 part of the United States of America. I mean if
5 that is the way it goes, I think we should just, you
6 know, not bother to have any laws, except the ones
7 that govern the whole country. It does not make any

8 sense to me.

9 It is not okay to cede land use
10 decisions. The despotic power, the terrifying power
11 of eminent domain to the lead condemner, the Empire
12 State Development Corporation.

13 And I just have to end by saying we
14 look to our elected City officials for oversight,
15 and also we look to you to protect us, the little
16 people, to protect us from the abuses of big
17 government, and that means, in this case, the State
18 of New York.

19 Thank you.

20 CHAIRPERSON SANDERS: Thank you.
21 Ma'am, would you be kind enough? Yes, Ma'am, yes,
22 you are, and pull it much closer to you. Oh, no, we
23 turn that off.

24 MS. SCHELLIE HAGAN: Okay, thank you.
25 My name is Schellie Hagan. I have two pages here,

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2 I hope I can beat the clock.

3 The Fort Green houses remain an
4 island of need and a sea of wealth that is spread
5 over South Brooklyn in the last 20 years.
6 Unemployment in the adult male population, for

7 example, is a flat line, and schools K to 12 lag
8 years behind those in surrounding affluent
9 neighborhoods like Brooklyn Heights.

10 Excuse me, about 15 years ago, one
11 Bruce Ratner left the post of New York City
12 Commissioner of Consumer Affairs to re- enter the
13 private sector, his mission, develop Brooklyn. He
14 began with MetroTech, the attempt to profit across
15 Flatbush Avenue and supposed to float all boats,
16 including the leaky vessels of the Fort Green
17 houses.

18 Fifteen years ago unemployment in the
19 houses was more than 65 percent. Today, more than
20 65 percent.

21 At Christmas the City gave the
22 Borough a big surprise, the Downtown Brooklyn Plan,
23 17- acre descendant of MetroTech. Developers, Bruce
24 Ratner among them, are patiently waiting out the
25 plan, seven- month formal stall in uniformed land

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2 use review. Then New York State moves in for them,
3 and eliminates as it did for MetroTech, the
4 properties, homes and businesses of people
5 considered too small to hold stake these days in
6 Brooklyn. And the same promise used for MetroTech

7 are dangled again, jobs for everybody, especially
8 minorities, amenities, a chicken in every pot.

9 At the same time, the master builder
10 has opened another huge front to the east in
11 Prospect Heights. There he intends a tax fare
12 borne, \$2.5 billion, skyscraper village called B-
13 Ball arena, a vision that calls for the physical
14 destruction of a six- block flank of this in path
15 bustling neighborhood. Again, by abusing New York
16 State's power of the eminent domain, condemning and
17 driving out families by the hundreds, owners and
18 tenants alike.

19 Am I over? Owners and tenants alike,
20 and the many too small businesses in the way. It is
21 war.

22 The residents of Prospect Heights
23 have raised their proud banner, go the United States
24 Constitution, high over the Long Island Railroad
25 tracks, and are giving Bruce Ratner the fight of his

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2 life. He has responded with all the misinformation
3 and disinformation, his two PR firms can concoct and
4 visiting himself importuning and trying to importune
5 as many associations and individuals as possible to

6 set group against group, brother against brother.

7 And I am not able to finish, so this
8 does not make any sense, but it makes about as much
9 sense as this day's exercise in democracy.

10 CHAIRPERSON SANDERS: Thank you very
11 much. Sir. Yes, when everyone is finished, you and
12 I will stay here, we can hear our finish. Yes, Sir.

13 MR. GOLDSTEIN: My name is Daniel
14 Goldstein. I want to say that I will take as much
15 time as I need. I spent hours - -

16 CHAIRPERSON SANDERS: No, you will
17 not, Sir, not in this hearing.

18 MR. GOLDSTEIN: I spent two full days
19 gathering--

 CHAIRPERSON SANDERS: Sir,
20 you are on your time now.

21 MR. GOLDSTEIN: - - gathering
22 witnesses for this day, many of whom were never able
23 to speak because of the absurd procedures of the
24 morning.

25 Thanks for having us here. One of

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2 those experts, Mindy Fullilove, a psychiatrist from
3 Columbia University has a book coming out June 1st,
4 called, "The Root Shock, How Urban Renewal is
5 Tearing Up Our Cities and What We Can Do About It."

6 I suggest everyone in the City Council read it. I
7 will get you copies.

8 And there is a lot of disinformation
9 about how many people will be affected, about how
10 many people will be affected by the displacement.
11 We have done two or three door to- door surveys. I
12 think we have the closest to accurate numbers, and
13 they are 33 businesses, 235 employees, 209 tenants,
14 125 homeowners, for a total of 569 jobs and
15 residents displaced. And let's not forget that
16 there is a homeless shelter in this footprint, it
17 has not been mentioned by anybody today. We do not
18 know exactly the number of people in there, but we
19 think it is somewhere between 300 and 400, and
20 someone in the City should find out about, we have
21 not been able to.

22 My prepared statements. One thing,
23 today, the false argument running through the entire
24 day today has been that we need this project to
25 create jobs and housing. It is absurd. The arena

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2 is a front for the rest of the project. We could
3 develop the rail yards and have all the jobs and all
4 the affordable housing that this project would

5 supposedly produce.

6 My name is Daniel Goldstein. I live
7 at 636 Pacific Street. My first home nearly one-
8 year- old, which has been under threat for over
9 eight months now. Would be taken by the Forest City
10 Ratner proposal, replaced with a privately owned
11 basketball stadium, residential and commercial
12 complex. It would destroy the incredibly diverse and
13 beloved neighborhood of Prospect Heights and
14 environs.

15 I call these threatened neighborhoods
16 home, and I love them deeply. That in itself would
17 be enough for me or anyone to be opposed to Mr.
18 Ratner's proposal, but there are much larger and
19 more disturbing issues raised by this proposal, and
20 the process taken so far to push development plan
21 forward.

22 One of the most disturbing aspects of
23 the proposal that it is being forced on at least two
24 historical residential neighborhoods without any
25 community input and with no other options even

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2 considered. This is incredible to many of us,
3 especially when the arena and the 17 high- rises in
4 the proposal clearly do not fit in the neighborhood.

5

6 The development is being wedged
7 between neighborhoods and on top of a neighborhood.
8 At the same time, Mr. Ratner will not even consider
9 using his own ample, private property. There is
10 only one conclusion to be drawn by this, the
11 proposed development does not fit at the proposed
12 site, it is that turkey and the ostrich, or whatever
13 that was.

14 But the most disturbing aspect of the
15 proposal are the tactics used to see it come to
16 fruition are the secrecy and opaqueness with which
17 the development has proceeded. Forest City Ratner
18 publicly and clearly states that they want to by-
19 pass all City review in the City's ULURP process.
20 They said that today many times.

21 CHAIRPERSON SANDERS: Sir, you have
22 30 seconds to conclude.

23 MR. GOLDSTEIN: I need more than
24 that. The ULURP process is used to ensure that a
25 project has community review and input. Legislative

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2 oversight and the City Council vote is a relatively
3 long process, as you know, but ensures a thorough

4 scrutiny of any plan. Instead, Mr. Ratner seeks to
5 hand the project over entirely to the control of the
6 State of New York. Once handed over to the State
7 public authorities, the ESCC and MTA, which are
8 under strong control and sway of the Governor, the
9 project will never see the sunshine of the
10 democratic process, never receive any true
11 legislative oversight, and never be put a vote of
12 any legislative body.

13 How does the State know what is best
14 for the many neighborhoods and inhabitants of
15 Brooklyn? The State, in my opinion, should be
16 pleading with the City to make the tough decisions
17 and answer the tough questions about this proposal.
18 For the proposal, perhaps, the largest in dollars
19 and size of any development in Brooklyn's history is
20 to move speedily forward in this matter is
21 unconscionable and insane.

22 CHAIRPERSON SANDERS: Sir, you have
23 10 seconds to finish.

24 MR. GOLDSTEIN: I believe that the
25 City Council should be more outraged than I am, or

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2 anybody else. That their legislative and overall
3 powers are actively being usurped, and so I ask the

4 City Council and all others who care deeply about
5 the future of Brooklyn and the future of New York
6 City to actively pursue a remedy to this usurpation
7 (phonetic). And I ensure the Council members that
8 your constituents, and we voters, will vocally
9 support you in such an effort, because the way that
10 development is done in the City and the partnership
11 between public and private entities is at stake.

12 I am almost done.

13 CHAIRPERSON SANDERS: Sir, I - -

14 MR. GOLDSTEIN: I am almost done.

15 CHAIRPERSON SANDERS: Sir, I

16 apologize, and I have to stop this.

17 MR. GOLDSTEIN: I am almost done, and
18 I will finish.

19 CHAIRPERSON SANDERS: At the end of
20 this, after everyone speaks, you can finish. Sir, I
21 am not going to tolerate it. At the end of this
22 one, take it, do what you have to do.

23 And at the end of all of this, he can
24 continue, we are not going to continue now.

25 Thank you very much to this panel.

3 Thank you very much to this panel. After
4 everyone who wants to speak, if everyone is willing
5 to concede their time, I don't have a problem with
6 it. But after everyone finishes, anyone else who
7 wants to speak. Ma'am, you are now starting to get
8 on your time.

9 Would you read the next panel,
10 please? Okay.

11 MS. REID: Aly Edros, Steven
12 Espinola, Menechen Friedfutig, Susan Metz, Nathaniel
13 Frank, Joanne Simmon or Simon, Philip DePaolo,
14 Thomas Rooney, Lucy Koteen.

15 CHAIRPERSON SANDERS: Ma'am, would
16 you be kind enough to begin?

17 MS. MERCHANT: My name is Sharnam
18 Merchant and I live in Prospect Heights. And I am
19 very disappointed, I am very, very disappointed with
20 what just happened, I should have, at least, been
21 allowed to concede my two minutes to him.

22 I am quoting here from Velma George.
23 I live near the Yankee Stadium and when there are
24 games the energy in the neighborhood is very
25 negative, beer drinking on the streets, loud and

3 home.

4 Well I live in Prospect Heights and I
5 do not want to live near a stadium, I am coming out
6 and saying it. Call me an NB, call me selfish, call
7 me what you may, regardless of whether Frank Gehry
8 may put up his shining model, whether this talk of
9 luxury condos and gentrification, frankly, I do not
10 think the luxury condos will ever get built, because
11 I do not think anyone is going to want to live near
12 a stadium, mall, and humongous parking lots housing
13 thousands of cars. All that glitters is not gold.

14 Andrew Zimbalist consider that many
15 people will be fleeing what is now a very successful
16 neighborhood in Brooklyn. Did he consider the
17 economic fall out that would result from this
18 abandonment. And it will occur, everybody I know
19 plans to leave.

20 The future plan of a city should not
21 be driven by the vision of the profits of the
22 developer and its architect. Mr. Gehry, however
23 admired as an architect is no urban designer and he
24 is not a city planner.

25 We can have it all, we can have the

2 arena, we can have the jobs, we can have the new
3 mix- income housing, we can have the team, we can
4 have the continued economic success of our
5 neighborhoods. Why are we not choosing that? We
6 saw the alternative models today. Is this one man's
7 money that powerful?

8 Speaking of power, does this public
9 hearing having any relevance to the final outcome?
10 Well we would like to believe so, that is why we are
11 here. And that is why we wrote to you and asked you
12 for this hearing, and we really thank you for having
13 it. But I do not think Mr. Ratner feels this way,
14 and here is why:

15 Mr. Ratner is already making offers
16 to buy homes that are in the way, in the path of his
17 arena. He is making offers that are inordinately
18 and absurdly above market rate. And here is the
19 thing, there are not contingencies written into
20 these offers. No contingencies that the offer will
21 only be made contingent upon clearance. No, he is
22 offering the money right out, right now.

23 Would any sensible businessman be
24 doing this, unless he was convinced that the
25 proposal was a done deal? Unless he was convinced

2 that this whole thing is a shampoo? Well is it a
3 done deal, or is it in the preliminary stages? That
4 lies in your hands.

5 Should Mr. Ratner come to you on a
6 future date and tell you how much has already been
7 spent to purchase properties that were in the path
8 of this arena, we hope you let him you know, too
9 bad, Mr. Ratner, you should have waited until the
10 democratic hearing process had run its due course.

11 We thank you for today's hearing.

12 CHAIRPERSON SANDERS: Thank you.

13 Sir, would you be kind enough?

14 MR. ESPINOLA: Hi, I am Steve
15 Espinola. These are not my words, but they are
16 close enough for me. I ask how can proper and
17 accountable decisions about tax revenue allocations
18 be made when no legislative body is even being asked
19 to make those decisions, and no open, honest, and
20 sustained debate about the economic, environmental,
21 and social impact of this project will take place in
22 this Chamber.

23 Closed door meetings between public
24 authorities, the developer, the Mayor and the
25 Governor, plus public relations solvers, and our

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2 press, are acceptable ways of making informed,
3 democratic, and fair decisions about a \$2.5 billion
4 project that will forever change the face, heart,
5 and soul of Brooklyn. Simply stating that the
6 developer and a handful of government officials know
7 what is best for the people is not reasonable, and
8 simply stating that the developer needs to bypass
9 all democratic procedures because he doesn't have
10 the time to go through with them, is a wholly
11 insufficient excuse.

12 We, the people, deserve better. We,
13 the people, deserve a voice of our own, and voices
14 through our elected officials, we all deserve
15 better. You, our elected officials, need to listen
16 to us and need to fight for us to get what is best
17 desired and necessary for our communities. Decisions
18 must not be made based on the voice of a sole
19 developer. This kind of proposal demands that the
20 melting pot be heard.

21 I would like to further say that
22 Marty Markowitz earlier today said that this was a
23 fair process, and I do not feel that this has been a
24 fair process. I am very happy about this hearing,
25 but I worry that all these hearings have the, are in

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2 danger of being lip service to the democratic
3 process, if people simply listen to us speak and
4 then go about the decisions that have already been
5 made. That is how I felt when I spent at a meeting
6 that five hours with Marty Markowitz, and he turned
7 around the following week and as if nothing had been
8 said to him, and that is very upsetting to me.

9 There is a tremendous possibility for
10 this thing to just be one of the ugliest things in
11 history. I went to Athens, Greece a few years ago,
12 and that is ugly, and it is just sadly ugly, and it
13 was beautiful before, and everyone in Greece was
14 saying, well, in the sixties they decided they had
15 to develop Athens and make it modern. And now it is
16 a really sad place that does not live up to its
17 name. I do not want the same for Brooklyn.

18 Thank you very much. Those earlier
19 words were the words of Daniel Goldstein. Thank
20 you.

21 CHAIRPERSON SANDERS: Thank you, Sir.
22 Sir, would you be kind enough.

23 MR. FRIEDFUTIG: Good afternoon. My
24 name is Menachem Friedfutig from Crown Heights.

25 CHAIRPERSON SANDERS: You can pull

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2 that mic closer to you, Sir.

3 MR. FRIEDFUTIG: First of all, thank
4 you, Councilmen, Council ladies, for giving us this
5 chance. I wrote things out, but watching these
6 proceedings and why I am here, right now, the only
7 way to convince you is to tell you that it is in
8 your interest to look deeply into this, and not to
9 be fooled. And I am going to tell you an anecdote.

10 People are coming to you and saying,
11 oh, there is going to be more jobs, there is going
12 to be more housing, and jobs for all people, and
13 there is going to be money. And they say, why
14 should we do it, you have a few homeowners,
15 homeowners, and a few business people, but come on,
16 we will push them out, whatever. But by in large
17 you are going to get that goal at the end of the
18 road. But that is a lie. Because we are talking
19 about building. If you are building a building, and
20 the foundation is no good, that building is no good.

21 And this is what I want to say. I
22 bought before I even heard about Ratner. I bought a
23 property at 622 Pacific Street. I said this is
24 nice, it was an old broken down garage building, I
25 said, well, I will knock it down, build it right.

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2 It is R- 7 zoning, a nice little six, five story,
3 whatever, a nice, like a tree grows in Brooklyn, I
4 visited different architects. My wife said, you are
5 crazy. I said you will see its nice. Everything was
6 going along fine, we filed with the Buildings
7 Department, everything was going nice.

8 Suddenly, about two months ago, the
9 attorney who closed on it for me gets a call from
10 one of Ratner's people. And he says, we are giving
11 you the courtesy of calling you before the
12 condemnation process happens. Before this happens,
13 we are calling different people to see if you want
14 to sell. So what did he think we were going to
15 knuckle under. That is what they thought.

16 You know, Mr. Ratner, and I can speak
17 the same language, I think you should tell him that
18 this is the most, utmost of chutzpah. And just as
19 he is trying to push out the little guy, and God
20 forbid if he will do that successfully, do you think
21 he is not going to hurt you at the end, also?

22 Thank you very much, and please be
23 careful.

24 CHAIRPERSON SANDERS: Thank you very
25 much, Sir. Sir. You pull it towards you, close to

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2 you, and you can speak into it. Make sure you
3 identify yourself, I'm sorry.

4 MR. ROONEY: Thank you very much for
5 having me. My name is Thomas Rooney. I am a 57-
6 year, lifelong resident of Prospect Heights,
7 Brooklyn, and a member of the Prospect Heights
8 Action Coalition.

9 The proposed building of a sports
10 arena and 17 other buildings in Prospect Heights,
11 Brooklyn would be a disaster of monumental
12 proportions. The area is much too trafficked to
13 endure such a huge and prolong development.
14 According to the City's own estimate, 250,000 people
15 use the Atlantic Avenue Station every work day. For
16 the years it will take to build these unprofitable
17 and unnecessary buildings, what alternatives will
18 these communities have in traveling through this
19 area?

20 If the arena is built, how are the
21 additional 19,000 people to come and to go into this
22 area for the 41 days that will be gains? What
23 beneficiary use will it be during the other 324 days
24 of the year? How long will the Nets stay before
25 they leave, as they have done so in the past? Big

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2 name at the tournament groups always go to Madison
3 Square Garden in Manhattan. They probably will not
4 be coming to Brooklyn.

5 The cost of this colossal development
6 will be worn by the taxpayers over the next 20 years
7 or more, why a millionaire Ratner gets a tax
8 holiday. The plan can only add to the acute
9 homeless crisis and jobless crisis in this City as
10 well as the other development now planned for
11 Brooklyn and Manhattan.

12 The Environmental Impact for these
13 years of construction will include around the clock
14 noise from the work site. Continual showers of
15 debris and dust, emissions of toxic substances,
16 massive traffic grid lock, and severe infrastructure
17 damage to the surrounding buildings and underground
18 subway terminals threatening the lives of several
19 people.

20 The only ones to benefit in this
21 proposed arena plan would be Mr. Ratner, the
22 baseball team players, the owners, and the outside
23 construction companies the City will hire to do this
24 work.

25 Thank you.

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2 CHAIRPERSON SANDERS: Thank you, Sir.

3 Let us call the next panel forward. Thank you to
4 this entire panel.

5 MS. REID: Lucy Koteen, is that you?

6 Okay, Nancy Finton, Alan Rosner or Roshner, and
7 Peter Kay. And if there is anyone else that who has
8 not spoken that wishes to speak, raise your hand?

9 Let's see how many there are, one, two, three.

10 CHAIRPERSON SANDERS: They look like
11 a different panel, make sure there are four, and we
12 will do another panel.

13 MS. REID: Okay, why don't you come,
14 and you come.

15 CHAIRPERSON SANDERS: Then that is
16 it.

17 MS. REID: And then the other two
18 will be the last. No, no, no, you will be next.

19 CHAIRPERSON SANDERS: Since you are
20 sitting, why don't you begin, Ma'am.

21 MS. KOTEEN: Yes, good day. My name
22 is Lucy Koteen, and I represent Fort Greeners for
23 Organic Development, which I think pretty much says
24 it all for me.

25 First of all, wherever Norman Siegel

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2 is, I want to say both ditto and what he said, he
3 said it very well.

4 I had some prepared remarks, but I
5 have been listening to this all day long, as we all
6 have, and I just wanted to address a few assumptions
7 that have arisen, because I felt like there are so
8 many things that just get passed by us that we don't
9 really, that have not been addressed properly. And
10 you know, I am thinking about this "Field of
11 Dreams," Field of Schemes," while there are fields
12 of assumptions.

13 And the first one I wanted to refer
14 to is why we allow Mr. Ratner to frame the dialogue.

15 Why does he get to frame the discussion in the
16 first place. We are all scrambling around what he
17 has proposed to the City and to the State, where
18 really communities should be going to developers
19 asking them to develop, as we should have done with
20 the Atlantic Yards. Developers do not come to
21 communities and to the City and say, and to State
22 and say, how much money will you give me, so that I
23 can erect this development.

24 If this had been done properly the
25 way the World Trade Center discussion was done,

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2 where the first set of plans were taken, ripped up,
3 and they said let's start over. That is what should
4 have happened here. After you saw that presentation
5 by Joel Marshall, and the discussion of Major Owens'
6 Navy Yard Plan. I would have liked to have seen the
7 proper response should have been, wow, those are
8 really fabulous, those have a lot of thought, and a
9 lot of consideration behind them. And they have
10 taken into account the sensitivity of the community,
11 the neighborhood, the environment, and we should
12 have just taken right then and there, Mr. Ratner's
13 plans and ripped them up, and said let's start this
14 all over again.

15 The whole framing of the discussion
16 is wrong. It has been on Ratner's terms. And this
17 man, and many people say, Oh, yeah, but Ratner is an
18 honorable man, Ratner is a good guy. You know, go
19 to those people in the Whitman Housing,
20 Faragut/Whitman housing, who still have 65 percent
21 unemployment and talk about what a good guy he is.
22 Talk to the people who were thrown into jail when
23 they went to Mr. Ratner to try to get jobs on
24 MetroTech. They went to jail, they did not get
25 jobs.

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2 Another thing, where are the studies?

3 Ten thousand cubicles do not mean 10,000 jobs. We
4 here over and over again, jobs, jobs, jobs, there is
5 going to be 10,000 jobs, or whatever the number is
6 today. This, not one study, we have asked for that
7 study, we have asked for their support.

8 When Marty Markowitz was asked, do
9 you have some studies on that? His response was,
10 well, I would like to see those studies also. So he
11 is talking out of the side of his mouth, he does not
12 know what he is talking about when he says there is
13 going to be jobs, jobs, jobs.

14 And another assumption is its the
15 beginning of the process. This is like a mantra we
16 that we hear over and over again. You all heard
17 Bernard King say he looked at the site a year ago,
18 now Patti Hagan has been talking about this issue
19 since August.

20 I will wrap it up. Since July, I
21 mean, this is not the beginning of the process.

22 CHAIRPERSON SANDERS: Ma'am, if you
23 could take 30 more seconds.

24 MS. KOTEEN: Okay, I am almost done.

25 And another thing, eminent domain, who is to say it

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2 is going to stop here. Once you let this thing go,
3 get out of the closet, it is the monster out of the
4 closet. There has already been talk about taking
5 down Ashland Avenue to allow for all that extra
6 traffic that they are not talking about now. So
7 that is just like the beginning.

8 And my house in Fort Green is subject
9 to eminent domain, it is everybody's house, nobody
10 is safe. We think we own our houses, but actually
11 the State really is owning them.

12 And a couple of more things is, one
13 more thing.

14 CHAIRPERSON SANDERS: Ma'am, you must
15 conclude.

16 MS. KOTEEN: Okay, I will.

17 CHAIRPERSON SANDERS: Your last
18 point.

19 MS. KOTEEN: Okay, the Dodgers, see
20 these men here, these grown men, who are they?
21 Schumer, Markowitz, Bloomberg, Ratner, anyway, these
22 grown men holding up their T shirts, talking about
23 the Dodgers. And I want to say to them, now just
24 grow up, just grow up. Enough already with the

25 Dodgers that is so history.

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2 We have real problems here, we have
3 real problems. We have children overcrowded in
4 schools. We have fire houses closed down. We have
5 day care centers going to be closed. We have
6 seniors who are not going to get meals on weekends.
7 Why are we giving hundreds of millions of dollars,
8 and believe me, Ratner knows it is hundreds of
9 millions of dollars. That was just nonsense that he
10 did not know the numbers. Why are we giving this
11 project hundreds of millions of dollars, until we
12 have addressed every one of those real problems of
13 our children, of our seniors, of our day care, our
14 health questions, the asthma this is going to
15 create, and all the other problems. These men need
16 to grow up.

17 Thank you.

18 CHAIRPERSON SANDERS: Well put,
19 Ma'am, well put. If you would be kind enough?

20 MS. SUSILL: Good afternoon. My name
21 is Anne Susill. I have been a resident of Prospect
22 Heights for 16 years. In the last 16 years I have
23 seen traffic on my little street just rise

24 expeditiously, I am not a traffic engine. I am not
25 a rocket scientist, but I have also seen the numbers

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2 of accidents on Flatbush Avenue, a bus shelter that
3 was knocked down, old people who have been knocked
4 down, people who are too scared to cross Flatbush
5 Avenue, it is used as a race track, nothing is done.

6 I also have grown to love the
7 neighborhood, and I sure as hell do not have
8 anywhere to go. I came from South Africa. The
9 eminent domain was practiced with rife. I will
10 leave you to connect the dots.

11 We do not live in a apartheid
12 legislated United States, but I must say are divided
13 by money, power, and voters which gets just taken
14 off voting rolls. And coming to a person and
15 telling them, oh, please buy before, you know,
16 before there is actually the condemnation that
17 occurs, in my book, that constitutes torture.

18 Thank you very much.

19 CHAIRPERSON SANDERS: Sir, would you
20 be kind enough?

21 MS. SUSILL: I'm sorry, there is just
22 a very quick little thing. I do have training in
23 architecture, and Frank Gehry, you are not

24 architect. The very first thing in any architecture
25 school, in any architectural project and open

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2 design, and planning for that matter, you start with
3 the given site. You know where the sun moves.

4 Mr. Ratner's agent today had the gall
5 to say it does not matter where, you know, if you
6 are walking on the sidewalk, it does not matter
7 whether it is 50 stories or 5 stories, I am
8 misquoting him, but to effect. The sun moves, the
9 shadow falls, and we are not living in the shadow of
10 wealth, and noise, and proposals being rammed down
11 people's throat as fete compli. It is insulting, it
12 is not democratic.

13 Thank you.

14 CHAIRPERSON SANDERS: Sir, would you
15 be kind enough? You can pull that mic closer to
16 you.

17 MR. ROSNER: Yes, my name is Alan
18 Rosner.

19 CHAIRPERSON SANDERS: Much closer,
20 Sir, and speak louder please.

21 MR. ROSNER: My name is Alan Rosner,
22 I have lived in Prospect Heights for 15 years, I am

23 a property owner. First of all, I am for any of the
24 alternate proposals presented earlier.

25 Betsy Gotbaum talked about Robert

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2 Moses and eminent domain. But another failure of
3 his was the scale of his projects and the disruption
4 it brought to surrounding neighborhoods, and the
5 free movement of people between different
6 neighborhoods.

7 Ratner's project is totally out of
8 scale with its low- rise surroundings. It is
9 designed to be a publicly funded, gated community.
10 Its walls of large buildings are all built around an
11 outside perimeter that will block all surrounding
12 neighborhoods from use of the open space that they
13 are building inside.

14 It is designed to satisfy the needs
15 of the commercial and residential tenants, just a
16 Velamanette Montgomery's representative alluded to.
17 In 1997 there was a bomb fire at the Atlantic Avenue
18 station. The Ratner plan presents just a new
19 opportunity for terrorist, by design, with its big
20 building surrounding an open space. It means that
21 any Oklahoma City style truck bomb driven into that
22 open center will destroy everyone of the surrounding

23 buildings, not simply the one building as happened
24 in Oklahoma City, which in the New York Times today
25 they said, they are finally reopening its

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2 replacement.

3 And if it is built, and they decide
4 to harden all the entrances to prevent such a
5 bombing, it turns this gated community into a
6 fortress that is dropped into Central Brooklyn. Now
7 fortresses are not economically viable ways to
8 develop Brooklyn. This is an Economic Committee,
9 this is an economic statement I am making.

10 Dividing neighborhoods does not
11 promote economic development, and I hope they
12 include the insurance costs to protect against any
13 such future terrorist attacks, not only on the
14 buildings that I have described, but also developing
15 a symbolic target on top of a rail center. It also
16 makes a terrorist target, and insurance needs to
17 cover that expense, and the City Council should know
18 about that. And Environmental Impact Statement
19 should take that sort of thing into consideration.

20 Thank you for this opportunity.

21 CHAIRPERSON SANDERS: Thank you, Sir.

22 Sir.

23 UNIDENTIFIED SPEAKER: Thank you,
24 Councilman Sanders and lovely Councilwoman James, I
25 appreciate the opportunity to be here. Before I

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2 start my prepared remarks, I would like to mention
3 that Mr. Ratner was here today, he just chose not to
4 join the proceedings, he was outside promising
5 tickets to people who were standing in line to come
6 in.

7 My name is Eric Reschke. I am a
8 Steering Committee member of Develop Don't Destroy-
9 Brooklyn. Like many of my neighbors, I am new to
10 Prospect Heights. I purchased my home, which
11 overlooks the proposed arena site with the
12 anticipation of future development in the area. But
13 that the area would retain the characteristic unique
14 to Brooklyn. Human scale, an atmosphere to support
15 a young family, and a place that provides an
16 opportunity to have a life at a livable pace.

17 I am going to speak today on the
18 issue of time. On the short end of time, we are in
19 the midst of what appears to be the most rapid
20 introduction of massive changes to Brooklyn ever.
21 This proposal is accelerating through the

22 development process at an unprecedented rate,
23 following few of the normal formalities that such a
24 project would normally entail, such as development
25 of the neighborhood vision, zoning reviews, or

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2 actually following existing zoning, independent and
3 economic analysis, or detailed community input.
4 Just for historical purposes, this proposal was
5 announced last December 11th, not even five months
6 ago. And here we sit without one City agency having
7 to review the proposal, or one State agency, or one
8 federal agency. Yet, it is portrayed as a done deal
9 from many present counts. We have, according to the
10 developer run out of time.

11 Why is our neighborhood being forced
12 to demolish itself in such a rapid time frame? To
13 suit Mr. Ratner's purpose, not for community
14 benefit. Mr. Ratner stands to have substantial
15 loses should this proposal not be completed on time.

16 So he is shifting his business burden onto our
17 community, forcing the destruction to take place
18 prior to even a single shred of input be taken from
19 the community.

20 Time also comes into play with the

21 make- up of our area. Many in the community have
22 lived here less than three years, with the
23 construction of three large condominiums. However,
24 some have lived here much of their lives, more than
25 40 years. Yet, both of these parties and all of

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2 those in between are justified in asking patience on
3 this proposal.

4 On the long end of time, this
5 proposal will dramatically change Brooklyn forever.
6 It will effect economic issues, health issues,
7 community issues, and many other issues for as long
8 as we can see. This amount of time would be
9 infinity or forever.

10 I think it is time to allow the
11 community to have input. It is time for our Borough
12 to have a say if they want or need an arena, and
13 where it should be, if yes. It is time for us not
14 to be blinded by the optimistic projections of job
15 growth and prosperity that are rhythmically spouted
16 from every supporter of this proposal. It is time
17 that this City Council makes sure that the rights of
18 our City are not handed to those with the most
19 money, for them to make more money.

20 We need to slow this out of control

21 freight train. I strongly suggest a hiatus on this
22 proposal until the time at which:

23 Sufficient, independent economic
24 analysis, by the Independent Budget Office can be
25 completed.

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2 That there be a reasonable discussion
3 by the effected communities in Brooklyn, if this is
4 a proper addition to them, and there can be true
5 input to the proposal by those impacted the most.

6 Thank you for your time.

7 CHAIRPERSON SANDERS: Thank you, Sir.

8 Well I thank this panel. Let me thank you very
9 much for coming here tonight, wow, it is tonight.
10 Thank you for coming here today, tonight. We had
11 two, why don't you come up. Sir, would you be kind
12 enough to begin.

13 DR. TRUSSCOTT: My name is Doctor
14 Philip Trusscott, I am Chairman of non- profit
15 called, Brooklyn Vision Foundation, Incorporated.
16 Mr. Chairman, I would like to start with a
17 procedural question, do you consider that this
18 public meeting is covered by the New York State
19 Public Meeting Law?

20 CHAIRPERSON SANDERS: Absolutely.

21 DR. TRUSSCOTT: Are you aware that
22 that Public Meeting Law has an equal treatment
23 clause, which applies that speakers should be given
24 equal time to their speeches.

25 CHAIRPERSON SANDERS: You are on your

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2 time, Sir.

3 DR. TRUSSCOTT: I take that that is a
4 yes. If that is the case, then I do not consider
5 that it was legal that Mr. Goldstein was cutoff
6 after a very few minutes, and this morning's
7 speakers before the lunch were allowed five times
8 the amount of time. Mr. Goldstein faces the loss of
9 his home which he owns, and I do not think that was
10 an appropriate application of the Equal Treatment
11 Clause within the Public Meeting Law of New York
12 State.

13 CHAIRPERSON SANDERS: So noted.
14 Please.

15 DR. TRUSSCOTT: We heard earlier
16 today that Forest City Ratner said that there would
17 be many opportunities for ethnic minority and women-
18 owned businesses to have space in his new project.
19 I would invite members of the City Council to take a

20 walk down Myrtle Promenade, formerly Myrtle Avenue
21 between Flatbush Avenue and Jay Street where there
22 were formerly ethnic minority- owned businesses.
23 You will find not a single business that is not
24 owned by a big corporation or a chain store Look at
25 Atlantic Center Mall, there is not a single, ethnic

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2 minority- owned business in Atlantic Center Mall.

3 Look at the people who have singed
4 leases to occupy the Atlantic Terminal Building,
5 there is not a single, independent ethnic minority
6 or woman retailer in that complex. If you really
7 want Forest City Ratner to put their money where
8 their mouth is, you should demand that they reopen
9 Myrtle Avenue to bus traffic, and they sell off the
10 ground floor units to ethnic minority and local
11 people, so that we can prove that their actions meet
12 their words.

13 Earlier today, it was mentioned that
14 it would be unfeasible for the Navy Yard to be used
15 because of the lack of transport links. Yet, this
16 paper proposes that 160 million dollars of
17 taxpayers' money be used to move the rail yards at
18 Atlantic and Flatbush. It would cost roughly the

19 same amount of money to construct a subway link from
20 the Q Line at Sand Street running the tiny distance,
21 a third of a mile at Sand Street into the Navy Yard.

22 We would have something which is pure gain,
23 opening up the 300 acres of the Navy Yard to
24 economic development, and there would be no need for
25 eminent domain. Because the buildings on either

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2 side of Sand Street are far enough back from the
3 roadway to allow that train line to be constructed
4 with nobody losing their homes.

5 We have been told that this project
6 will produce affordable housing, yet, this paper
7 says that the surrounding property will go up in
8 value 68 percent within a quarter of a mile of the
9 project. We are creating 900 affordable housing
10 units, but how many more people will lose their
11 homes because they are priced out of the housing
12 market.

13 We are told that the City and State
14 will benefit by getting 12.75 million dollars per
15 year of income and sales tax revenue. But this
16 paper also says that the City Council and the New
17 York State government will kick in \$9 million each
18 of bond payments to fund this arena. The \$18

19 million per year is higher than the 12.75 million of
20 extra tax revenue.

21 We have been told that a majority of
22 the arena funding will be private. But at \$18
23 million a year of bond payments, that would buy 250
24 million dollars worth of this \$450 million arena at
25 an interest rate of 6 percent over 30 years. And

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2 further we will spend \$162 million of taxpayers
3 money to move the rail yard.

4 Is this a wise use of public funds,
5 when we are supposed to be in a fiscal crisis? This
6 Council raises our taxes, you closed our fire
7 houses, used condemnation to remove us from out
8 homes and businesses, and you tell us that we must
9 hand hundreds of millions of dollars for a sports
10 venue.

11 Don't spend our tax dollars on this
12 reckless project. Spend it on schools, spend it on
13 fire houses, spend it on parks, spend it on core
14 public services for our youth and old people. Do
15 not spend it to subsidize a billionaire to finance a
16 project that is unjust, unnecessary, and
17 unconstitutional.

18 Thank you.

19 CHAIRPERSON SANDERS: Ma'am, would
20 you be kind enough.

21 MS. GOLDSTEIN: Yes. My name is
22 Deborah Goldstein.

23 CHAIRPERSON SANDERS: Pull it closer
24 to you, make sure the light is off.

25 MS. GOLDSTEIN: The light is off, I'm

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2 on. Deborah Goldstein, resident of Brooklyn for six
3 years, Mr. Goldstein's sister, and also a social
4 worker in school, and I wish I could bring all of
5 you to my classroom so you can really see what I am
6 learning about the effects of what a project like
7 this is going to do. Because it is very real, and
8 it scared the hell out of me.

9 But I am reading this for Develop
10 Don't Destroy, from a Web site called, Field of
11 Schemes. And it is critiquing Zimbalist Report.

12 It is clear that Zimbalist Study
13 considers the project a NET game for the public. It
14 is equally clear that the vast bulk of the public
15 benefits, 870 million or 58 percent of the total
16 comes not from the arena, but from the associated
17 housing development. The arena, in fact, would be a

18 money loser according Zimbalist.

19 The obvious question then, given that
20 the arena is a net loss for the public and housing,
21 a net gain, why not just cover the Atlantic Yards
22 with housing. Then either built by Ratner or by
23 someone else, perhaps the gentleman that was here
24 before, lured by the offer of hundreds of millions
25 in public dollars, and skip the Nets entirely.

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2 If the public share of arena
3 construction is really only \$18 million a year, and
4 not the \$28 million a year the Times had reported,
5 who is fronting the other 200 million or so in
6 construction costs? Who is paying for the
7 acquisition of development to the LIRR land? And if
8 as Ratner has suggested in the past, Atlantic Yards
9 would be a phase construction built as the market
10 demands. What guarantee is there to taxpayers that
11 the development will not simply ditch the housing
12 element if the mental market is solved. And leave
13 taxpayers holding the bag for the money, the money
14 sock of an arena.

15 That is it. And I too would
16 recommend reading, Root Shock, by Mindy, it will

17 give you a lot of information.

18 CHAIRPERSON SANDERS: Thank you.

19 Sir, would you be kind enough?

20 MR. SOBlick: Hello, my name is Steve

21 Soblick, homeowner in Fort Green since 1985.

22 CHAIRPERSON SANDERS: Pull the mic

23 toward you, a little bit more, and a little louder,

24 and say your name again, Sir.

25 MR. SOBlick: My name is Steve

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2 Soblick. I am a homeowner in Fort Green since 1985.

3 I wrote down some remarks, but I am going to try

4 and make it very quick.

5 There is just so much wrong with this

6 project, I think as everybody realizes at this

7 point, it takes too long to even list everything

8 out. So here is a cliff notes version.

9 Obviously, the idea of eminent domain

10 is unacceptable for this, you are trying to use

11 eminent domain in an illegal, immoral, and unethical

12 way.

13 The development itself is way out of

14 scale. You are going to cause too much congestion,

15 you are going to make traffic worse than it already

16 is, in a difficult intersection.

17 The process by which this development
18 is coming through us, it is wrong. It is done
19 secretively, and we do not even know, the pretenses,
20 that well we did not know what it was going to be,
21 when obviously those involved have made very
22 involved plans.

23 Just let me, to finish up, I just
24 wanted to say I have lived in Fort Green for the
25 past 20 years. I think it is important to note, and

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2 I have been happy with the changes that have been
3 going on in the community, which have been going on
4 gradually and in an evolutionary way.

5 The Atlantic Yards project proposal
6 will wipe out all traces of its evolution, and in
7 its place put something that has nothing to do with
8 scale and character of the community that we, in
9 Brooklyn, have come to love.

10 Thank you very much for the
11 opportunity. Obviously, we need a lot more community
12 input, if this thing is to come out correctly.

13 Thank you.

14 CHAIRPERSON SANDERS: Thank you.

15 Council Member James.

16 COUNCIL MEMBER JAMES: Just closing
17 remarks, I just want to thank each and every one of
18 you for coming out today.

19 I just want to note one thing, I see
20 some representative from Forest City Ratner who are
21 seated in the back, there are two of them, in fact.
22 Actually, there are more than two, but they have
23 been taking notes, copious notes on every testimony.

24 And I just wanted to thank you for staying until
25 the end of the testimony.

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2 And all of the residents here of
3 Prospect Heights and Fort Green, and Clinton Hill,
4 yes, it is the gentleman and woman who is taking
5 notes, she is raising her hand, they are taking
6 notes, I think they are. Perhaps after this meeting
7 is over, you should go and talk to them to ensure
8 that they recorded your testimony correctly. Yes,
9 and to ensure that when they report back to Forest
10 City Ratner and the powers that be, they know that
11 all of our concerns were heard.

12 Thank you all for coming out. I just
13 want to thank Beverly Reid, who is the Counsel to
14 Economic Development. She was absolute instrumental
15 in making this happen. As well as Danette Dargan,

16 who was here earlier. Chris and Gary for allowing
17 the Economic Development Committee to use these
18 Chambers for the entire day. Thank you very much.

19 CHAIRPERSON SANDERS: Thank you,
20 Council Member James. I want to say, at the end of
21 this one, I cut off at least two people, I am
22 willing to listen to them, as a finish. But let me
23 say a couple of words here.

24 Democracy, of course, is not a
25 finished product. It is something that is worked,

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2 important, sweat, and often bled over as we are
3 bleeding over it in many places. There are those who
4 only wanted this hearing to last for two hours, they
5 believed that two hours would be more than enough
6 time to hear from the people on this issue. I,
7 along with, just about every Council member who was
8 here, said that that was an impossibility, that two
9 hours was inconceivable, and that we would not go
10 before the public with two hours.

11 Others, there were those who said
12 that we would not be in this room all day, that they
13 offered us some smaller room, somewhere. There was
14 a big fight over that issue, that we wanted to

15 ensure that every single soul could be as
16 comfortable, could be held in one room.

17 I encourage you, my friends, no
18 matter where you fall on this issue, if you are to
19 win, you really have to figure a way of a) figuring
20 out friend from foe, and b) figuring a way to turn
21 to each other and not on one another. If you can
22 figure out those things and you are closer to a win.

23 You also have to, of course,
24 understand what Michael Herrington once called the
25 limit of the possible. Everything we can think of is

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2 possible, but even the possible has limits. If you
3 can figure those things, then you are closer to a
4 win.

5 So I really appreciate all of those
6 who stayed, and the staff, especially, who I am sure
7 if they were unionized I would be meeting with a
8 shop steward right around now. And I really
9 appreciate all, especially Council Member James for
10 staying to the bitter end.

11 This is not the last hearing on this
12 issue. Where is this in the process, that is a good
13 question my friends. It will be where you allow it
14 to be. The people, themselves, have to be the final

15 arbiter of this issue. Your vigilance has brought
16 it to this point. Only by remaining vigilant, only
17 by fighting you will get.

18 Frederick Douglas once said that men
19 may not get everything they fight for in life, but
20 they have to fight for every single thing they get.
21 So I encourage you to, if you believe in something,
22 to fight for it.

23 This hearing is now closed.

24 (Hearing adjourned at 7:10 p.m.)

25 (The following testimony was read

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2 into the record.)

3

4 Testimony of:

5 Bettina Damiani

6 Director

7 Good Jobs New York

8 Thank you, Chairman Sanders and
9 Committee members for the invitation to speak before
10 you today. My name is Bettina Damiani, director of
11 Good Jobs New York, a joint project of the Fiscal
12 Policy Institute with offices in Albany and New York
13 and Good Jobs First, based in Washington, D.C. Good

14 financing of the Nets Arena Proposed is critical
15 particularly since much of the literature shows that
16 stadiums do not offer economic stimulus to
17 communities in which they are located. The Forest
18 City Ratner claim that this development is different
19 from the average stadium because it may include
20 broader public benefits in the form of housing and
21 commercial development is encouraging, but
22 nonetheless, still requires a critical review.

23 The city has been alarmingly unclear
24 regarding the details of the financing project which
25 is estimated at \$2.5 billion with much of it public

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2 dollars. Because of this, it is not possible to
3 endorse or reject the proposed plan. But, as the
4 debate move forwards, the public and this Committee
5 should not be fooled that this project, as it is
6 proposed, does not rely on our tax dollars. While
7 some costs such as the estimated \$150 million in
8 infrastructure improvements are more recognizable,
9 the possible diversion of taxes from the arena, also
10 known as Tax Increment Financing, must be followed
11 very closely.

12 For example, if tax revenues are

13 diverted from the City to repay the loans for this
14 development, who will pay for the public services
15 needed at the Nets Arena? Will public resources be
16 diverted from other areas of the City to ensure that
17 the area, that will have several thousand new
18 residents and workers, is safe, has clean streets,
19 has well- maintained infrastructure and schools?
20 Don't be fooled that tax increment financing is not
21 a massive subsidy for any development project.
22 History proves otherwise. As our parent
23 organization, Good jobs First reported in January
24 2003, several states' education funding was
25 decreased in order to repay private subsidies.

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2 It should be noted that Good Jobs New
3 York is not against subsidies for development in
4 Brooklyn. In fact, we were supportive of Forest
5 City Ratner's applications for Liberty Bonds to
6 build an office tower in Downtown Brooklyn. We
7 welcomed the use of 9/11 resources to diversify
8 locations of businesses that are routinely located
9 in Midtown of Lower Manhattan.

10 Too often, large economic development
11 projects speed up gentrification by using public
12 subsidies as a way to increase housing prices and do

13 little to create new good jobs. This is all too
14 evident in the rebuilding of Lower Manhattan where
15 literally billions of dollars in Federal resources
16 have mostly overlooked the housing and employment
17 needs of New York City residents. Should the Nets
18 Arena project move forward, we must ensure that
19 broad public benefits are made in a clear, binding
20 agreement.

21 A Community Benefit Agreement, (CBA)
22 is a legally binding agreement between the developer
23 and a coalition of community groups that would
24 ensure this project would diversify the economy,
25 create good paying jobs with benefits, build

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2 affordable housing and create other necessary civic
3 amenities. Bruce Ratner, the developer, should be
4 applauded for making public comments that the fifty
5 percent of the proposed 4,500 units of housing will
6 be affordable. Yet, in order to ensure this promise
7 is kept and other benefits become a reality,
8 taxpayers deserve more than promises.

9 In an effort to ensure the public is
10 active in the decision- making process, Good Jobs
11 New York encourages the City Council to consider

12 members of the Committee. My name is Henry Kita. I
13 am here, in my capacity, as Vice- President of the
14 Building Trades Employers' Association of New York
15 City. My organization represents 25 construction
16 contractor associations here in New York City
17 comprised of 1,500 construction management firms,
18 general contractors and subcontractors who employ
19 25,000 office and field management personnel and the
20 over 1,000 members of the Building and Construction
21 Trades Council.

22 I am here today to express the
23 wholehearted support of the BTEA for the Brooklyn
24 Nets/Atlantic Yards Project as proposed by Forest
25 City Ratner. As has been well documented, this

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2 project will include the construction of a 19,000
3 seat arena at Flatbush and Atlantic Avenues in
4 Brooklyn along with housing, commercial office
5 space, retail space and publicly accessible open
6 space. It is the opinion of the BTEA that this
7 project is vital to the economic health and well
8 being of not only Brooklyn, but all of New York
9 City. A quick look at the numbers pertinent to this
10 project bears this out, \$2.5 billion in total

11 development costs, 15,000 union construction jobs,
12 10,000 permanent jobs, 400 permanent jobs just
13 within the arena, 4,500 units of housing, a sizable
14 portion which would be dedicated to affordable and
15 middle class housing, millions of dollars in tax
16 revenues for the City and State each year.

17 This project and others like it will
18 fulfill an objective long espoused by the New York
19 City Council, the health and growth of the City's
20 middle class. In the New York City Council's 1998
21 report entitled, Hollow in the Middle, this body
22 described a city with a shrinking middle class and
23 growing inequality in the distribution of income.
24 This report shockingly found that "fewer New Yorkers
25 were members of the middle class in 1996 than was

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2 the case in 1977." Consequently, New York City
3 cannot afford to turn its back on projects such as
4 this which can only serve to bolster the economy,
5 improve the quality of life of its residents and at
6 the same time increase the opportunity for more New
7 Yorkers to become members of the middle class. It
8 is projects such as this that can reap an economic
9 benefit for New Yorker regardless of race, creed,
10 and color.

11 It must also be pointed out that this
12 Brooklyn Nets/Atlantic Yards project is being
13 spearheaded by an individual with an exemplary track
14 record of fostering community participation and
15 involvement in development projects. That
16 individual is Bruce Ratner. The guiding principles
17 that Forest City Ratner has articulated for this
18 project represent a continuation of that community
19 participation and involvement. Among these guiding
20 principles are:

21 Building new housing that meets all
22 levels of income, affordable, middle, and market.

23 A commitment to seek input from the
24 community during the planning and development
25 process.

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2 An attempt to minimize any impact
3 that the development may have on existing and
4 surrounding communities.

5 Attract a diverse ownership base in team, arena and
6 real estate.

7 Provide the arena as a community
8 resource.

9 Include minority hiring of

10 construction contractors.

11 The BTEA applauds these various
12 development principles of Forest City Ratner and
13 especially embraces the one which provides for the
14 inclusion of minority construction contractors. As
15 recent as 2002, over \$2.2 billion in construction
16 contracts were awarded to minority and women owned
17 businesses in New York City by contractor members of
18 the Building Trades Employers' Association.
19 Approximately 85 percent of these construction
20 contracts were awarded on private sector,
21 construction projects. At the same time 51 percent
22 of the 7,581 union apprentices in New York City were
23 African- American, Latino, Asian and women. Also 40
24 percent of the 100,000 members of the Building and
25 Construction Trades Council as employed by the

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2 contractor members of the BTEA were minorities or
3 women.

4 In conclusion, the Brooklyn
5 Nets/Atlantic Yards Project should be viewed as much
6 more than a project of bricks and mortar. It should
7 be viewed in the context of the economic benefits
8 that it can bring to Brooklyn residents but also New
9 Yorkers across the board living in the other four

10 boroughs. If we turn our backs on a project such as
11 this, all of New York City will be the less for it.
12 I urge your support for this project in order to
13 bring more opportunity to more New Yorkers, to allow
14 the opportunity to become members of the middle
15 class.

16 I thank the members of the Committee
17 for your time and attention.

18

19 Testimony of:

20 Michael J. McGuire

21 Director, Governmental and Legislative Affairs

22 Mason Tenders' District Council of Greater New York

23 Good morning, Chairman Sanders, and
24 distinguished Committee members. My name is Michael
25 McGuire and I am the Director of Governmental and

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2 Legislative Affairs for the Mason Tenders' District
3 Council of Greater New York and Long Island. The
4 Mason Tender's District Council is comprised of more
5 than 15,000 members, in six local unions, of the
6 Laborers' International Union of North America.
7 These locals represent men and women working
8 throughout the five boroughs as building

9 construction laborers Mason tenders, plasterer's
10 helpers, office and professional personnel,
11 demolition workers, recycling plant employees, high
12 school teachers and asbestos and hazardous material
13 abatement laborers.

14 I am glad that this hearing is being
15 held before the Committee on Economic Development,
16 because that is what this project is about.
17 Economic development, creating tax revenues,
18 creating jobs for New York's unemployed and
19 underemployed, and keeping New York from slipping to
20 second class city status. A report released this
21 February by the Community Service Society reveals
22 some disturbing numbers. The citywide unemployment
23 rate stood at 8.5 percent in 2003. But for many
24 groups of New Yorkers it was considerably higher;
25 African- Americans, 12.9 percent; Latinos, 9.6

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2 percent; people with less than a high school degree;
3 11.2 percent; and blue collar workers, 10.1 percent.

4 In 2003, the proportion of people who had been
5 unemployed for more than 26 weeks and thus exhausted
6 their unemployment benefits was 39.7 percent.

7 In another study, this one released
8 by the House Government Reform Committee Special

9 Investigations Division tells us that in February of
10 this year the national unemployment rate was 5.6
11 percent. The New York State unemployment rate was
12 7.2 percent. The New York metropolitan area
13 unemployment rate, was 8.2 percent, and the New York
14 City unemployment rate was 8.9 percent. More than
15 50,000 New Yorkers exhausted their unemployment
16 benefits during just the first three months of 2004.

17 The proposed Brooklyn Atlantic Yards
18 development will create more than 15,000 temporary
19 construction jobs and create or retain more than
20 10,000 permanent jobs in the proposed office space,
21 plus an additional 400 jobs at the arena. A report
22 released this week by Smith college economist Andrew
23 Zimbalist says the City and State will see a \$1.51
24 billion increase in tax revenues, with a net gain
25 becomes \$812 million over 30 years because of the

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2 development.

3 The opponents of Brooklyn Atlantic
4 Yards are floating much misinformation in an effort
5 to derail the project. One article published in the
6 Village Voice speaks of 5,500 units of upscale
7 housing. In fact, the plan calls for 1,000 fewer

8 units than that. As for the housing being upscale,
9 originally we heard that the developer was going to
10 build the housing using the 80/20 formula. I do not
11 think it goes far enough. At the very least, the
12 program should be 70/30. There is a crisis in New
13 York City caused by the lack of affordable and
14 middle- income housing.

15 Apparently, Mr. Ratner agrees,
16 because I am now hearing from industry sources that
17 the housing units will be 50/30/20. That is, fifty
18 percent market rate, thirty percent middle income
19 and twenty percent affordable. This kind of
20 thinking is visionary. New York City cannot survive
21 without a solid middle- class. The members of my
22 largest local, Construction and general Building
23 Laborers' Local 79, are among the best paid blue-
24 collar workers in the he city, with a wage and
25 benefit package of over \$40,000 per hour. Yet, they

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2 cannot afford to live in the eighty portion of 80/20
3 housing, and of course, they earn too much to
4 qualify for the twenty portion.

5 The middle- class, working families
6 are the backbone, the very foundation on which New
7 York City is built. Being the City's foundation is a

8 burden, we must take on, because the poor cannot,
9 and the rich will not. Yet, it is a burden that
10 middle- income, working families take on gladly, for
11 the love of this great City. But that foundation is
12 eroding, piece by piece, block by block as working
13 families are forced to move to the suburbs, or even
14 further, to find quality, affordable housing to
15 raise their families. Ultimately, of course, once
16 enough of the foundation is removed, any structure
17 will collapse in on itself. To prevent this
18 collapse the City Council must promote the
19 construction of affordable housing. By my
20 factoring, the Brooklyn Atlantic Yards project would
21 create more than 2,000 sorely needed units of
22 affordable and middle- income housing.

23 On another front, I have a friend
24 that lives about eight blocks from the proposed
25 development. She is extremely intelligent, very

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2 well read and completely plugged into the community.

3 Her big complaint to me was that this was a done
4 deal, that it was all going to happen with no input
5 from the neighborhood or general public. That's the
6 word on the street, and nothing could be further

7 from the truth. This hearing alone proves that to
8 be an untruth. Above and beyond this hearing three-
9 quarters of the owners of NBA teams must approve the
10 Nets moving to Brooklyn; the MTA, a public
11 authority, must go through the process of allowing
12 the arena to be built over the rail yards; if the
13 Empire State Development Corporation chooses to use
14 condemnation to acquire the site, public hearings
15 and environmental impact statements will be
16 required; and the city and state must give zoning
17 approval for this world- class project, again a
18 public process. Despite all this, the misinformation
19 that this is a done deal is still being perpetuated,
20 apparently in an effort to inflame the opponents.

21 Do I feel for the 300 or so people
22 who will be relocated by this project? Absolutely.
23 But the greater good is what must be considered
24 here. This project is not a parochial issue, as
25 much as it seems to be. It is not even a Borough

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2 issue. It is, in fact, a citywide issue. It is
3 about increased employment, tax- revenues and
4 overall improvement to New York. If past
5 obstructionist arguments like those of the opponents
6 of this plan were allowed to rule the day, we would

7 still have tenements where Lincoln Center now stand
8 and we would still have slaughterhouses where the
9 United Nations now stands, and New York City would
10 be imminently poorer for it. Thank you.

11

12 Testimony of:

13 Anthony Pugliese

14 Carpenters Union

15 Mr. Chairman and Members of the

16 Council:

17 Good morning. My name is Anthony
18 Pugliese, organizer for NYCDC of Carpenters and have
19 been a member for the past 30 years. Thank you for
20 the opportunity to address you today on the prospect
21 of a major, and I would say historic, development in
22 Brooklyn.

23 This project is what I call recreation with a public
24 benefit. We can all participate in the excitement of
25 having a professional team back in Brooklyn, while

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2 at the same time knowing that the arena and larger
3 development will create jobs and housing.

4 It's about opportunity.

5 I have heard Bernard King speak

6 eloquently about learning basketball on the streets
7 of Brooklyn. He played and practiced and ultimately
8 made it to the big time. Today, he is going back
9 home to teach other kids.

10 No matter how good he is, Bernard
11 will not get all operating these kids onto
12 professional teams. Some may make it one day, but
13 others will work real hard from a living- if they
14 can find a job.

15 For too many New Yorkers finding a
16 job is their job.

17 As much as I believe that having a
18 job is a right, we must work together to create
19 these jobs.

20 Forest City Ratner has excelled in
21 this area. I, for one, was very impressed with the
22 numbers cited today. Since 1964, 104,500 retail jobs
23 were added in New York City., 26,000 of these were
24 created in new Forest City projects.

25 Speaking for the carpenters, actually

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2 speaking for working families, we are excited about
3 these jobs. Yes, we are most interested in the
4 15,000 construction jobs, and these are good, union
5 construction jobs.

6 But we are equally excited about the
7 other jobs, the starter jobs that will provide kids
8 with cash and valuable lessons about life and the
9 thousands of others that are sorely needed in
10 Brooklyn and throughout the City. Ten thousand new
11 permanent jobs in the Borough of Brooklyn. We
12 should all be applauding.

13 New York may be on the rebound once
14 again. But economic development cannot be only for
15 those with MBAs. We have to create jobs for working
16 families, jobs that pay a good salary and also
17 provide health insurance and other benefits.

18 My members want this project because
19 it is good for the City. The fact that Forest City
20 Ratner is the developer only makes it better.

21 Forest City Ratner has a long history
22 in Brooklyn and in New York City. Their word is
23 good. They are not going anywhere.

24 Carpenters build. That is what we
25 do.

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2 We understand that a City, we must continue to
3 build, but to do so in a way that is intelligent and
4 beneficial to the surrounding communities. We can

5 do that here.

6 From what I have seen, Forest City
7 Ratner wants the community involved, and the
8 community must examination involved.

9 Working as a team, we can build an
10 arena that makes Brooklyn and the Nets proud. And
11 even better, we can do so knowing that we are
12 creating jobs and building homes and making a better
13 future for thousands of New Yorkers.

14 I would like to share my feelings
15 with the Council. Recently I was at junior's
16 Restaurant in Brooklyn with my family, and I noticed
17 on the wall, a plaque referring to Ebberts Field
18 with a small piece of red brick, which came from
19 that famous ballpark. This memento was to represent
20 what was great about Brooklyn, but this piece of red
21 brick dose not create lifelong quality union jobs,
22 it does not bring tax revenue to our city, which we
23 need, this project does.

24 My daughters participate and watch
25 sports, and they see and feel first hand how all

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2 people of different cultures work together as a
3 team, this builds character in young people. It was
4 baseball right in Brooklyn that gave way to Jackie

5 Robinson. Before Jackie Robinson broke the color
6 barrier there was no minorities in sports ever. You
7 can eliminate the poverty level by creating more
8 union jobs, which can go to the people in Brooklyn.

9 Thank you.

10

11 Testimony of:

12 Eleanor Preiss

13 My name is Eleanor Preiss. I have
14 lived in Downtown Brooklyn for 38 years.

15 I do not understand the concept of
16 funding with taxpayers money. A developer, who will
17 not pay taxes for a long time, to build something
18 the taxpayers don't want.

19 I also believe it to be immoral,
20 cruel, and uneconomical to destroy homes and
21 businesses of people who live and work in the area.
22 I understand MetroTech is not fully occupied, and I
23 look out my window and see a giant available sign on
24 Schermerhorn- Why build more ugly buildings?

25 I like my bodega.

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2 I distrust the employment figures
3 given by the developers, and question the work

4 "affordable" housing.

5

6 Testimony of:

7 Pam Adam

8 Vice- President, Public Affairs

9 KeySpan Corporation

10 Good morning. My name is Pam Adamo
11 and I am the Vice- President for Public Affairs at
12 KeySpan Corporation. I am here today to testify in
13 strong support of the proposed Atlantic Yards
14 project. We believe that this is not only a
15 responsible development, but also an inspired one.
16 The Frank Gehry designed 800,000 square foot arena
17 will anchor an ambitious mixed- use complex of
18 housing, commercial and retail space. The arena
19 alone, will quickly become on of the signature
20 cultural facilities in Brooklyn and a leading
21 tourist destination.

22 The Atlantic Yards project is a
23 perfect compliment to MetroTech Center and to the
24 very successful Brooklyn Marriott. This plan will
25 add to the economic center of the Borough, New

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2 York's third largest business district. It provides

3 for sensible transitions between the commercial core

4 and the surrounding residential communities, it
5 concentrates commercial development immediately
6 adjacent to MetroTech, and it reduces allowable
7 development near the brownstone residential
8 communities. As a leading New York company,
9 headquartered in Brooklyn, we believe that this
10 development will strengthen the already vibrant
11 downtown Brooklyn area.

12 Mr. Chairman, as you know, no city
13 can survive or flourish without a strong and vibrant
14 business center. This proposal will not only
15 generate needed tax revenue for the City; it will
16 produce jobs for City residents and add to the
17 cultural and social fabric of the Borough.

18 This proposal offers a comprehensive
19 vision for Downtown Brooklyn.

20 Again, KeySpan strongly supports this
21 project.

22 Thank you, Mr. Chairman.

23

24 Testimony of:

25 Pauline Onwu

3 The New York Unemployment Project

4 Thank you to the members of City
5 Council Economic Development Committee. My name is
6 Pauline Onwu. I am a member of the New York
7 Unemployment Project.

8 I am here today because I am
9 unemployed. I have been looking for a job for over
10 two years. I am worried about the arena that they
11 are trying to build in Brooklyn. My tax dollars are
12 not supposed to be used to build that arena. New
13 York needs to take care of New Yorkers like myself
14 first.

15 My job hunt has been bleak, going
16 through the labor department and the newspaper and
17 faxing resumes. There is no human contact in my job
18 search. And they never call you back. They are
19 always faxed or online. I have applied for almost
20 two hundred jobs, in fields in children's services.
21 In Indiana I used to work in the WIC office for ten
22 and a half years. I have my experience there, but
23 here I cannot get my foot in the door for the WIC
24 program here in New York. My job hunt is bleak,
25 nobody's calling.

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2 The newspapers are saying that the economy is

3 getting better. President Bush is saying there's
4 jobs everyone. The politicians are all lying, only
5 the big bosses and CEOs are the people getting rich.
6 The poor people are the ones doing hard jobs and
7 getting paid a minimum. The economy is not getting
8 better, this just an election ploy.

9 I am here today because I think that
10 the City should hear the voices of our points of
11 view. There should be a process where community
12 voices get heard before they start knocking people's
13 houses down or building things up. We should hire
14 unemployed people first to fill the positions. We
15 should hire people from the City first, New York
16 needs to take care of New Yorkers.

17 I have my third degree. I work only
18 part- time only 13 hours a week at Lord and Taylor.
19 That is not enough, not even to cover my insurance.
20 I have no benefits and no insurance, and I applied
21 in February for Medicaid, and still have not heard
22 from them. I need medication for high blood
23 pressure, and I cannot afford it with no insurance.

24 Please, we need you to create good
25 jobs. You should create jobs that pay a living

2 wage, enough to cover our expenses. And we need to
3 make sure that these developments provide benefits,
4 so unemployed New Yorkers, like myself, can get by.
5 People should also have a right to be in a union in
6 their jobs.

7 The City is saying that this arena
8 will create jobs. There is no guarantee that the
9 jobs will be jobs that can support a family, or that
10 they will even go to people who live and pay taxes
11 in this City. We need a commitment in writing about
12 how many jobs this project will create, how much
13 they are going to pay, and how many people they are
14 going to hired from New York City.

15 Thank you and please take action
16 quickly, to cut down the people's suffering.

17

18 Testimony of:

19 Dolores Smith

20 Member

21 New York Unemployment

22 Thank you to the members for City
23 Council General Welfare Committee, the Economic
24 Development Committee and the Select Committee on
25 Community Development. My name is Dolores Smith,

2 and I am a member of the New York Unemployment
3 Project.

4 I was previously a 311 telephone
5 operator and was giving information to citizens of
6 New York through a new system. Once I became
7 unemployed it was a very hard task finding work in
8 the same field or in the same wages that would allow
9 me to pay my bills and live like a normal person.

10 I am receiving unemployment
11 insurance, and it is about to expire, and I do not
12 know if it is going to be extended. That is a
13 problem because Operating do not have a job in my
14 wage area to allow me to live comfortably, and I am
15 seeking job training, and I need to have an
16 extension COUNCIL MEMBER FISHER: My unemployment
17 benefits. The time that my training starts leaves a
18 gap so that I will not have any income. Ad the job
19 training is not a stipend program, that is 20 weeks
20 of training that I have to find my own support until
21 the training is completed. How am I supposed to pay
22 my bills if unemployment benefits are not extended?

23 My job search has been going on for
24 the last five months. It is hard because it is not
25 the only jobs that are available are low wage jobs

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2 that cannot pay for my carfare, lunch, or my bills,
3 so I will be working basically for nothing. There
4 are no living wage jobs available out there. I am a
5 single parent, and that is a big question mark
6 because I have to provide for my child.

7 New York City need to open up more
8 job training and more living wage jobs that would
9 allow people to work, pay their bills, and not be
10 coming up short at the end of the week. They need
11 to have paid job training programs.

12 If my tax dollars are going to go to
13 big corporations to improve quality of life in big
14 companies, then we should be allowed to get jobs
15 with those companies. You are going to take from us
16 an give to the, but where are we going to get from?
17 What are they giving us? Are they going to give
18 living wage jobs and good job training back to us?
19 Or are they going to continue to drain our tax
20 dollars and not give anything back?

21 If the City is giving us
22 opportunities to work, we are going to spend money
23 in these communities and the money goes back to
24 City. If you are not working you do not have money
25 to spend. If I work in the City, I am not going to

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2 go to Connecticut to spend my money, I am going to
3 spend it right here. They are breaking the cycle of
4 economic development because working class people
5 are part of the economy. We need New York City to
6 have a concern for working class people, and to
7 allow jobs to filter into our communities so we can
8 give back and not have to suffer.

9 Thank you to the Committee members
10 once again.

11

12 Testimony of:

13 Angel Mejia

14 Member

15 New York Unemployment Project

16 My name is Angel Mejia. I am a
17 member of NYUP. I was born and raised in New York.
18 I have been unemployed two years. I worked for a
19 brokerage house before 9/11.

20 They say the economy is getting
21 better, but I do not see any job creation. I
22 received unemployed benefits and from the 9/11 fund,
23 I got tuition for job training, and I have been to
24 school. They have been trying to help a new job,
25 but it has not been too successful. I have been

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2 looking for a little over a month. I have applied
3 for over 50 jobs. I have looked in the paper, at
4 employment agencies, I have spoken to friends, and
5 emailed on the Internet. It is really bad out
6 there. I do not see the jobs out there. Also,
7 there is something I noticed, even there aerosol
8 jobs in health care, its very hard to get into those
9 jobs because they are union jobs.

10 I believe the money that is going to
11 this arena should be going to job creation and
12 training for people to get jobs.

13 A lot of the jobs that I have seen
14 while looking only pay six or seven dollars an hour,
15 and a person cannot live on that. I used to make at
16 least twice that when I was working before 9/11.
17 The City needs to create obstruction that pay at
18 least ten dollars an hour, at the very least.
19 I would like to see people who are unemployed
20 finding decent paying jobs.

21 If they are going to build this arena
22 with public money, will there be any guarantee that
23 people in the City and from the community will get
24 the jobs? And will they be getting decent pay to
25 support their families? I urge the City other look

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2 into this issue before handing out so much of our
3 taxpayer money.

4 Thank you to the members of the
5 Committee for you attention.

6

7 Testimony of:

8 Deborah Robinson

9 Member

10 New York Unemployment Project

11 My name is Deborah Robinson, and I am
12 a member of the New York Unemployment Project, and I
13 have lived here in New York my whole life and I am a
14 taxpayer. I am here today because I am concerned
15 about how my taxes are being spent.

16 I feel that the taxpayers money could
17 be spent could be spent to give our youths and young
18 adults jobs instead of putting up an arena where our
19 youths probably will not get hired. I have a son
20 who is 20, who has been looking for a job and either
21 he does not have enough experience or they let him
22 fill out an applications, he never hears from them.
23 When he calls to see about the application, he is
24 informed that they will call him when an opening
25 comes up.

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2 This kind of thing makes a person young or old,
3 self- esteem is low knowing every time they go for a
4 job, they are turned away.

5 We come to you today to demand that
6 it be an equal opportunity for all, and we all be
7 able to get a job if we qualify for the position we
8 go for.

9 We ask that the developers who are
10 supplying these jobs, when we go for these jobs that
11 we be kept informed on what is going on, and also
12 that they report on progress back to the community,
13 at least, once or twice a year.

14 Thank you to the members of the
15 Committee, and I urge you to keep the community in
16 mind when you make these decisions.

17

18 Testimony of:

19 Demetrio Verdejo

20 Member

21 New York Unemployment Project

22 Good morning, ladies and gentlemen of
23 the City Council's Economic Development Committee.
24 My name is Demetrio Verdejo, and I am a member of
25 the New York Unemployment Project.

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2 I am here today because I have an
3 opinion and a disagreement with the project that is
4 being discussed, with the people who are trying to
5 build two stadiums, one in my neighborhood in
6 Manhattan, and one in Brooklyn, not to mention a
7 conventional center. The stadiums will affect all
8 New Yorkers a lot.

9 I imagine how the City will be with
10 more people, with a stadium in Manhattan. I would
11 like that there be more jobs in the City, but it
12 should be done differently.

13 I am from Mexico. I arrived in the
14 United States and accepted the first job that I was
15 offered. I never worried about the minimum wage
16 because I needed money to live.

17 But I did not realize at the time
18 that there were many employers who exploit their
19 workers. They paid me what they wanted to. And now
20 that I have realized the injustices that people have
21 to deal with, and that is why I joined the New York
22 Unemployment Project, to unite and fight so that
23 bosses can corporations stop exploiting people.
24 In New York, it is difficult and very expensive to
25 live. The triangular costs two dollars. I have

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2 been mostly unemployed since September 11. I am
3 receiving workers compensation right now, but would
4 like to work again after my operation.

5 I hope that we can unite to live
6 better in this City.

7 I want to continue working like I
8 worked before. I want a normal life, and I want
9 salaries to be fair. Right now there is too much
10 exploitation and with the economy as bad as it is,
11 we cannot continue to live here. Prices will go up,
12 for train fare and food and all of the articles of
13 our basic needs. There are too many unemployed
14 workers like myself. I do not have enough money to
15 live a normal life.

16 I hope that economic development
17 money is spent to create good jobs. I hope that we
18 can unite and work together with you, the members of
19 the City Council, so that the sports industry that
20 wants to build these stadiums understand, that this
21 money is not for building stadiums, it is for
22 creating good jobs and for building an economy from
23 which we all benefit.

24 I am from the West Side. This is my
25 opinion. I want to thank the members of the

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2 Committee for their time.

3

4 Testimony of:

5 Pedro Roman

6 Member

7 New York Unemployment Project

8 Good morning, ladies and gentlemen of
9 the City Council Economic Development Committee. My
10 name is Pedro Roman, and I am a member of the New
11 York Unemployment Project.

12 I am currently disabled and out of
13 work, and facing disability discrimination. I have
14 always been a manual laborer and the fact that
15 employers see a twitch from time to time makes them
16 back off from me when I attempt to get new
17 employment. I never wanted to collect Social
18 Security Disability Insurance as such a young age.

19 I have not stopped working since I
20 was 13 years old, and never had to collect any type
21 of Income Assistance until the horrible cutbacks to
22 the economy that began with the treat of wrist under
23 Bush Seniors reign in 1993. Before then, I worked a
24 whole host of jobs, from cooking and carpentry to
25 being a custodial engineer at Fort Hamilton Army

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2 Base where I worked for about 13 years.

3 I believe that if we were not caught
4 up in war right now, the economy would be so much
5 better. Our tax dollars continue to sent overseas
6 to fight a losing battle, there will never be peace
7 so long as there is war.

8 What is happening with the economy
9 now will affect us for years to come, our children
10 and grandchildren will bear the brunt of a
11 mismanaged economy. I believe that putting monies
12 toward this Brooklyn stadium will continue that
13 mismanagement.

14 The way the deals are done are almost
15 "Mob oriented," someone owes someone a favor.
16 Politicians should not be elected by the public to
17 hand out favors to friends. If our tax dollars are
18 being handed out to companies that do not help the
19 City or the communities where the building is taking
20 place, then these politicians making the hand- outs
21 should be taken out of office. Why do these things
22 continue to happen behind closed doors? It should
23 be illegal to hand out money that will not go toward
24 developing the local economy.

25 We need a commitment from the owners,

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2 builders, and the City that we will receive an
3 appropriate amount of jobs. I have always receive
4 my experience on the job. I believe that job
5 training programs are important for people with no
6 experience so that they can fee a sense of
7 belonging.

8 If a developer were building in my
9 neighborhood, I would want them to establish a job-
10 training program, a space for young people to get
11 jobs, and to help fix up our community centers so
12 that they can be better utilized.

13 I am an active member of my community and would be
14 doing far more if I were physically able, I urge
15 those of you who are able to make change, to do so.

16 Thank you again for your time and
17 this opportunity to express my opinion on the
18 matter.

19

20 Testimony of:

21 Carmen Rodriguez

22 Member

23 New York Unemployment Project

24 My name is Carmen Rodriguez. I am a

25 member of the New York Unemployment Project, and I

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2 have lived in New York for 16 years paying taxes. I
3 am here today because I am concerned about the way
4 that the City is spending our tax money instead of
5 creating jobs for the community.

6 I am a single mother of three
7 children working a job with low- pay and without
8 benefits. I work as a school bus driver. I need
9 medical benefits for my family and a job that helps
10 with retirement benefits and better wages. My 13
11 year- old son wants to go to college and it will be
12 really hard with my salary, especially since tuition
13 is getting higher. I have looked for other jobs, but
14 its been hard because there are not enough jobs that
15 provide benefits. This money that they are using
16 for the arena should be used to create jobs and
17 educate kids.
18 We need you to take low- income people into account
19 and that the City holds these developers accountable
20 in hiring people from the community. We need the
21 City to have an economic development program that
22 really benefits low- income people

23 Thank you to the members of the
24 Committee. I hope that you take us into account.

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2 Testimony of:

3 Muriel Tillinghast, Bayo Callender,

4 Carlton Avenue, Brooklyn

5 We would like to thank the Committee for having the
6 vision in acting on your responsibility on behalf of
7 the public to air what would otherwise examination a
8 private relationship between certain members of the
9 development community and other governmental
10 officials without the benefit of long ranged
11 consideration safeguarding the public's interest and
12 ensuring above all that this project is to accrue
13 benefit to general public including the non- sport
14 enthusiastic and the average resident of our
15 community.

16 Today will be filled a number of
17 testimonies filled with insight for the public
18 record on issues had by community residents with
19 this project. It is the Committee's charge to be
20 vigorous and lend its collective political weight to
21 support the cautious and concerns coming frame the
22 very community this project purports to help. This
23 development will force residents to revisit some of

24 the former social dysfunctionalities that we have
25 had to live through, but had hopefully outgrown.

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2 We take this opportunity to bring to
3 the Committee's attention that the democratic
4 process related to this development project was
5 greatly delayed and added only at the 11th hour, as
6 a result of great public consternation and angst due
7 to the magnitude and unquestionable transformation
8 of what is presently a great and revitalize area to
9 one that will essentially serve very limited
10 corporate interests.

11 There are many things that could be
12 said about this project; we have selected to say the
13 following:

14 At minimum, the project's stated cost
15 is \$2 billion. In order for the developer to make
16 this a viable operation, the cost in actuality may
17 be many times. This comes at the expense of an
18 unaware public, statewide and it will require
19 changes to every conceivable existing government
20 sponsored system, i.e., transportation, emergency
21 services, water, police, air quality control, to
22 name but a few in which it will have a strong long-
23 term social impact.

24 This project is coming at a time when State
25 Comptroller Alan Hevesi has informed us through

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2 newspaper accounts that the State of New York has
3 discovered gubernatorial practices of over-
4 expenditure to the tune of \$115 billion to which the
5 public must bear the taxation, short and long term,
6 for projects they neither asked for nor supported.
7 This project is one of them.

8 One would ask the question,
9 particularly if you are from Brooklyn, why would a
10 stadium and all attendant plans be slated for a
11 highly residential area when this Borough, the
12 fourth largest City in the United State, has
13 significant tracts of lands that are completely
14 unused and are also readily accessible by other
15 transportation routes including public
16 transportation. One would ask why does this make
17 sense in planning and economic projections to
18 destabilize a community of small shopkeepers and
19 people who work out of their homes in a variety of
20 professional trades who are contributing in a broad
21 mass to the economic viability of this area to make
22 such a massive project dependent on a single source?

23 This is an example of domino economies, if it
24 flies it will fly high at the evidence expense of
25 our community's quality of life; if it dies it will

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2 bring about tremendous financial loss once again at
3 the expense of our community. These aspects of this
4 lose/lose proposition have not been discussed in
5 circles of policy or oversight.

6 We would like to reminded the community
7 where the Daily News came and brought it printing
8 plant to Brooklyn, because it too purported to
9 provide a great economic boon to the area and in
10 this regarded diagnosis it cost taxpayers over \$40
11 million in revitalization of roads, sewer systems,
12 et cetera. Daily News soon deserted our community
13 leaving us with a white elephant in the middle of
14 Atlantic Avenue, which was then passed onto a
15 private developer who has reaped windfall profits
16 form this venture. This developer has reaped so
17 much profit that he now is a significant partner
18 with Ratner I his seizing of property throughout
19 Brooklyn.

20 There are just a few of the insight
21 we would like to present to the Committee for
22 review. We thank you for your time and

23 consideration.

24

25 Testimony of:

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2 Arthur Piccolo

3 Office of Arthur Piccolo

4 Legitimate critics, opponents, no matter the subject
5 deserve to be respected, to be heard, to be taken
6 into account, but we make a very bad mistake when a
7 small vocal group of critics can stand in the way of
8 progress and the needs of the majority who will
9 benefit. Don't let that happen here.

10 I am here as a proud lifelong
11 resident of Brooklyn, New York, to make a brief
12 statement in full support of a new sports and event
13 Arena for Brooklyn near the intersections of
14 Flatbush, 4th and Atlantic Avenues. There is no
15 more ideal location in our entire City for such a
16 facility. And there is no other project in our time
17 that can do more to enhance the status of Brooklyn,
18 keep Brooklyn vibrant and bring new jobs to
19 Brooklyn.

20 As a very young boy I remember the tragedy of the
21 Dodgers leaving our Borough because use as it is now

22 known opposition to moving the Dodgers to the very
23 site we are considering, forced the Dodgers to the
24 West Coast, tearing the very soul out of Brooklyn.
25 The Dodgers proves as well as any sports team in the

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2 history of the world how valuable a major sports
3 franchise can be to a community's sense of civic
4 pride and instill optimism about its future. There
5 is truth to the statement Brooklyn has never been
6 the same since the Dodgers left our Borough. Let us
7 never be so shortsighted again.

8 Brooklyn all by itself is our
9 nation's fourth largest city. Let me repeat that.
10 Brooklyn all by itself is our nation's fourth
11 largest city. Every city needs its core, the area
12 that contains its most inviting facilities. There
13 is no city without such a core, at the start of the
14 21st century, other than Brooklyn. This location
15 which is one of the best transportation hubs
16 anywhere in our core or rather must be by ours
17 approving and building facilities such as this new
18 futuristic Arena. An Arena not only for sports, but
19 for concerts, for exhibitions, for large scale
20 meetings, all the type of events cities are known
21 for, take pride in, but which cannot be held in

22 Brooklyn. It should be an embarrassment that we
23 must travel to Manhattan or Long Island or New
24 Jersey to find first class events that should be
25 hosted right in Brooklyn.

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2 And not far away at the periphery of
3 our Borough, or in industrial areas uninviting for
4 such facilities. Where is Madison Square Garden in
5 Manhattan, where is Staples Center in Los Angeles,
6 where is Joe Louis Arena in Detroit, and city after
7 city after city, in or right next to ties developed
8 core. That is where it is most useful, where it
9 does the most good, where it is least disruptive
10 being placed in an area with activities already
11 taking place and with major infrastructure and
12 transportation at its door step.

13 Brooklyn has chosen the perfect place
14 for its Arena and where it must be built. As early
15 as the 1650s when New York City was not more than a
16 tiny colony at the tip of Manhattan Island there
17 were those who argued against future development.
18 All 350 years since there have been critics every
19 step of the way. There were even determined critics
20 in Brooklyn of building the Brooklyn Bridge. And

21 the fact remains that we are also better off that
22 our city chose to grow and become the world capital
23 it is today.

24 For Brooklyn to realize its Promise
25 in this new century. For us to keep our children

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2 and their children continuing to want to call
3 Brooklyn home, we must have a vibrant Brooklyn that
4 creates jobs and meets all the needs, which over
5 2,500,000 Brooklynites find part of a complete city.

6 It is always sad when even a few
7 hundred people might be displaced, but when a few
8 hundred are allowed to undermine the needs of
9 millions our priorities are way out of order. Let
10 us build this Arena without delay while taking the
11 views of thoughtful critics into account in
12 finalizing those plans, but let them not impede
13 Brooklyn's progress. Please approve this proposal
14 for Brooklyn's future.

15 And finally, as important as every
16 other aspect of this project, maybe most important
17 of all this new Arena provides Brooklyn with the
18 opportunity long overdue to give an appropriate
19 honor to America's greatest sports hero of all
20 time, Brooklyn's own Jackie Robinson, who played a

21 unique role in the development of sports in America.
22 The issue is not baseball. Or basketball or
23 football or nay other particular sports. It is
24 about Jackie Robinson's unparalleled contribution to
25 sports in our society. The issue could not be

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2 simpler or more obvious the new arena can and must
3 have only one name the greatest
4 possible....Brooklyn's Jackie Robinson Arena.

5 (Hearing concluded at 7:10 p.m.)

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CERTIFICATION

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STATE OF NEW YORK)

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COUNTY OF NEW YORK)

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I, PAT WTULICH, do hereby certify

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that the foregoing is a true and accurate transcript

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of the within proceeding.

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I further certify that I am not

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related to any of the parties to this action by

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blood or marriage, and that I am in no way

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interested in the outcome of this matter.

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IN WITNESS WHEREOF, I have hereunto

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set my hand this 4th day of May 2004.

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PAT WTULICH

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C E R T I F I C A T I O N

I, PAT WTULICH, do hereby certify the
aforesaid to be a true and accurate copy of the
transcription of the audio tapes of this hearing.

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PAT WTULICH

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