

July 8, 2004

Honorable Mayor Bloomberg
City Hall
New York, New York 10007

Dear Honorable Mayor Bloomberg:

I am writing to you regarding the many serious issues being raised related to Forest City Ratner's Atlantic Yards Development Proposal.

On December 10, 2003, at the initial press conference unveiling Mr. Ratner's development proposal for an arena and 17 high-rises in Prospect Heights, Brooklyn, you said, "Our city is laying-off teachers and closing firehouses. We are not at a time when we can use public funds to support an arena." And you added that the Brooklyn Atlantic Yards would not be funded by tax dollars.

Speaker Gifford Miller was also quoted in the Daily News on January 24, 2004, stating, "A number of questions have to be answered - starting with how much this transaction will cost the city."

An independent economic analysis of the proposal (Estimated Fiscal Impact of Forest City Ratner's Brooklyn Arena and 17 High Rise Development On NYS and NYS Treasuries – The Kim/Peebles Report) was released on June 28th, drawing these conclusions:

Based on a conservative estimate, Forest City Ratner's project will lose *half a billion dollars of City and State taxpayer money*, and potentially much more. The report's estimates relating to this loss reveal that taxpayers could easily be paying anywhere between \$674.9 million to \$1.027 billion in subsidies for private development.

The Kim/Peebles report, based on Forest City Ratner's economic report released on May 4th, puts an end to unsubstantiated and exaggerated claims by the developer. Both reports openly admit that large amounts of public money will be requested for this project.

The other troubling aspect of this project involves the lack of legislative oversight. We recently completed and passed legislation involving the most extensive rezoning proposal in the history of the Borough of Brooklyn – the Downtown Brooklyn Plan. That proposal was channeled through the ULURP and produced, in my opinion and from comments by several staff members of your administration, a better plan in the end.

Because this project requests hundreds of millions in City taxes, will greatly impact the City, affects City-owned land and private property of City citizens, I'm calling on you, the Deputy Mayor, and the Speaker to ensure that the project will be subject to City Council oversight through the Uniform Land Use Review Process (ULURP). I am calling on you and the Governor not to sign any Memorandum of Understanding (MOU) that does not involve the ULURP process. Further, a

MOU should not be executed unless, and until a truly independent economic analysis is undertaken.

Recently, Deputy Mayor Dan Doctoroff in responding to opposition about the West Side Stadium stated, "I have a high degree of confidence that we are going to be successful. It does not require a vote of the city council or the state legislature." I presume he feels the same way about the Atlantic Yards Proposal. The lack of democratic checks and balances, and kind of push for less legislative oversight of *publicly funded* developments is extremely troubling and must be rejected.

Lastly, in the June 16, 2004 NY Post, regarding neighborhoods in Queens, you said, "Let people continue to develop. Nothing wrong with building a new house. But [do it with] zoning so that new houses fit in with those before." We in Brooklyn demand the same for our communities—appropriate, sensible development that unites our communities, instead of dividing and destroying them with development out of character and over scale.

Very truly yours,

Letitia James
Member, City Council, 35th District

cc: Governor George Pataki, Deputy Mayor Dan Doctoroff, City Council Speaker Gifford Miller