

FOREST CITY RATNER

COMPANIES

MEMORANDUM IN OPPOSITION A.1820 Jeffries/S.1597 Montgomery

An act to amend the public authorities law in relation to creating a subsidiary corporation for the planning and oversight of the Atlantic Yards project.

After six years of public review, delays caused by numerous lawsuits from project opponents (all of which have been adjudicated in the projects favor) and an economic recession, the Atlantic Yards project -- with its much needed jobs and affordable housing -- is finally underway. An additional layer of bureaucracy is not only duplicative and unnecessary, but it can only serve to further delay this long awaited project and its benefits.

Atlantic Yards is the redevelopment of 22 acres in downtown Brooklyn by Forest City Ratner Companies (FCRC) that will include approximately six million square feet of residential space (including 2,250 units of affordable and middle-income housing), the Barclays Center-- a state of the art sports and entertainment arena, retail use, office space and eight acres of publicly accessible open space. The project also includes major transportation improvements, including a new storage and maintenance facility for the LIRR and a new subway entrance to the Atlantic Terminal Transit Hub, the third largest hub in the City.

An economic engine for Brooklyn, New York City and the State, the project will generate more than \$5 billion in new tax revenues over the next 30 years. In addition to tax benefits, the project will also create thousands of new jobs.

ESDC has developed a comprehensive operational and oversight structure for Atlantic Yards that is codified in contractual agreements and other documents with the developer and is managed by ESDC professionals and specialty consultants for ensuring compliance with those documents. There are ongoing and robust reporting procedures to oversee environmental, design, and construction compliance, and there is daily interaction and dialog, regular meetings and reports documenting such compliance and flagging any issues that need to be addressed. There is no need to establish yet another layer of bureaucratic oversight where a comprehensive system is already in place and is working.

The project underwent an exhaustive and transparent state public review process, under the auspices of ESDC, with numerous public hearings and meetings over the last six years. In addition to this process the developer has appeared twice before City Council hearings and has held hundreds of meetings with community groups, community boards, city agencies and elected officials in an effort to continually update interested parties and seek input regarding the project. As a result of these efforts the project has undergone modifications to address a number of concerns.

Changes to the project based on community input have included: a reduction in project density without a reduction in affordable housing; a reduction in height of buildings to ensure no building within the project is taller than the Williamsburg Savings Bank; a requirement that at least 30 percent of the housing on the arena block be affordable; additional commitments on affordable home ownership; commitments on parks, open space, schools, daycare and health clinics; a commitment on LEED certification; a storm-water detention system to reduce CSOs in the Gowanus Canal; the establishment of an on-site Community Liaison Office; and a comprehensive ten point traffic management plan.

There remain numerous vehicles for the dissemination of project related information and to resolve any community concerns with ongoing construction. ESDC and FCRC continue to issue written project updates every two weeks as well as hold Atlantic Yards Construction Cabinet Meetings with elected officials, community boards and city and state agencies to provide construction updates and address any community issues and concerns. These meetings are held quarterly at Brooklyn Borough Hall and are open to the public and media. ESDC and FCRC also hold public forums within the community throughout the year to ensure the community is up to date on project milestones. Both FCRC and ESDC have community liaisons that are available via in person, email or telephone who are able to respond to inquiries on a daily basis. And FCRC recently re-launched a project website to ensure the most up to date information is easily available to the public.

History has shown that similar subsidiary structures to what this legislation calls for (such as the World Trade Center redevelopment and Governors Island) have only served to paralyze decision making and delay development.

It should also be noted that this bill clearly contradicts legislative policy as established by the Public Authorities Reform Act of 2009 which limits the powers of public authorities and their ability to form subsidiaries. This Act specifically prohibited public authorities from creating such new subsidiaries. No clear case has been made by the bill's sponsor as to why the legislature would need to make a precedent setting exception in this case.

ESDC's current oversight structure is more than sufficient and the establishment of a subsidiary is unnecessary and will only serve to further delay the project's implementation which will bring to Brooklyn, the City and the State the many public benefits associated with the Atlantic Yards General Project Plan.

Therefore, for the reasons stated above, Forest City Ratner Companies strongly opposes this legislation.