

FOR RELEASE: Friday, July 9th, 2004

**City Councilmember James Urges Bloomberg and Miller to Launch
Formal Economic Review of Nets Arena Development
*Citing independent analysis that found project will lose
\$500 million in public funds, James pushes for strong city oversight***

MANHATTAN — In response to an independent economic analysis recently released by Develop Don't Destroy Brooklyn, City Councilmember Letitia "Tish" James yesterday called on Mayor Michael Bloomberg and City Council Speaker Gifford Miller to initiate a formal, independent study of the project.

James's letter was delivered along with a copy of the economic analysis done by local researchers Jung Kim and Gustav Peebles, which concludes that Ratner's proposed development will lose half a billion dollars of City and State taxpayer money.

The Kim/Peebles report, which draws on facts and methodologies from a previous study paid for by Forest City Ratner, found that taxpayers will spend from \$674.9 million to \$1.027 billion to subsidize Ratner's private development.

"As you are no doubt aware, the New York Times referenced both of these studies in an editorial published on July 4, which called for a third analysis and warned against 'risking hundreds of millions of dollars in public money,'" James wrote to Speaker Miller.

"I could not agree more. Such a study was conducted for the proposed West Side Stadium. Do the people of Brooklyn deserve less? The City Council must not abdicate its rightful role in supervising the largest public/private partnership ever proposed in Brooklyn."

In her letter calling for his support of an independent study of this project's fiscal consequences, James also reminded Mayor Bloomberg that, last December, he 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."

DDDB spokesman Daniel Goldstein lauded Councilwoman James' push for vigorous city oversight of the Ratner development proposal, and for an independent study of its costs.

“We greatly value Tish’s strong leadership in this fight to stop a project that will divide and destroy our communities and throw away hundreds of millions of dollars of the public’s money.

“And we strongly support her efforts and all of her colleagues’ efforts to make this process fair, transparent, and fiscally responsible. We urge every elected leader in this city to take their own close look at Mr. Ratner's secretive, taxpayer-subsidized sweetheart deal -- they will discover that it is a horrible investment for New York's taxpayers, and that there are far better ways to bring development, housing, and jobs to Brooklyn.”

Added Jung Kim, co-author of the independent economic analysis, "I support Councilmember James's call for the Independent Budget Office to analyze this project. An IBO study would be a key element of a comprehensive review process that should also include ULURP, a detailed assessment of environmental and socioeconomic impacts, an objective appraisal of the rail yards' value, and an evaluation of alternative development schemes."

NOTE: The text of Councilmember James’s letters can be found at
www.dddb.net/public/James_Miller.pdf
www.dddb.net/public/James_Bloomberg.pdf

The full text of the Kim/Peebles report can be found at
www.dddb.net/public/EconReport.pdf

The full text of the Forest City Ratner report can be found at
www.dddb.net/public/ZimbalistReport.pdf

DEVELOP DON’T DESTROY BROOKLYN is a broad-based community coalition fighting for development that will unite our communities instead of dividing and destroying them.