

have either been too afraid of ruffling FCRC's feathers to get involved, or have been too busy to respond to my requests. As a consequence, some of the operating expenses in the pro forma are what we call in the trade "wild-ass guesses". I have tried to use common reason and a sense of proportion in making these estimates.

Summary & Conclusion:

As the attached pro forma demonstrates, the program allocation and proportions proposed by the Pacific Plan actually results in a *more* profitable project than the Forest City Ratner Plan. According to my calculations, the FCRC program nets a loss of 4.5% NOI (net return on investment) while the Pacific Plan returns a profit of 6.3% NOI. The Pacific Plan, moreover, does this with a project that is immeasurably more sensitive to the needs of our existing communities. The conclusion one draws from this analysis is that rental apartments are not the highest and best use of this site. In order to achieve a profitable project (under these assumptions), Forest City Ratner would need to shift residential units from the rental side of the ledger to the for-sale side of the ledger.

I will again repeat my caveat: these are the efforts of a design professional, not a financial analyst. I have little doubt that Forest City Ratner is actually running a profit in their own pro forma. The general result, however, should remain true: the higher the amount of square footage devoted to rental apartments, the less profitable the project will be. This is bad news for affordable housing proponents and should make one question the developer's ability to provide the quantity of rental housing that has been reported in the press. In fact, this may be the reason that FCRC has recently requested moving a substantial number of the affordable units off-site. The Pacific Plan, while providing somewhat fewer affordable apartments, does provide about 1,165 affordable units in a project that is much more balanced, and does it on-site while turning a profit. I would challenge Forest City Ratner to open their books to similar scrutiny, so that the public can see what they're really getting for their subsidy dollars.

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Supporters of the Forest City Ratner scheme must ask themselves whether the benefits that accrue to the City justify the burdens that over-development will place on the surrounding neighborhoods. As for the Pacific Plan, some housing advocates will no doubt be dismayed at the reduction in affordable apartments, but that need will not be resolved by one mega-project, nor should we attempt it at the cost of the quality of life that makes us love Brooklyn in the first place.

Our challenge is to hold in balance our community's needs for housing, jobs, and economic development against our equally important needs for human scale, a healthy environment, and a vital civic life. Brooklyn, a great borough with a proud history, is on the cusp of a new era of growth and development. Let us move forward adhering to the *highest* standards of planning and design. Forest City Ratner's plan is a glaring example of giantism in the cause of furthering a personal corporate agenda. The Pacific Plan starts with the needs of the people. Let's put the people first.

Respectfully submitted,

R. Douglas Hamilton, RA
Fort Greene resident, urban designer & Pacific Plan author