PLEASE NOTE - We welcome public comment on the items on the following agenda. To ensure maximum opportunity for participation, speakers representing themselves may speak for up to 2 minutes each, and those representing groups may speak for up to 4 minutes (1 speaker per group). Speakers’ comments may address only items considered at today’s meeting. Materials relating to matters that are scheduled for discussion in open session will be available at the meeting and will be posted on ESD’s website prior to the meeting in accordance with the Public Officers Law

NEW YORK STATE URBAN DEVELOPMENT CORPORATION
d/b/a Empire State Development

Empire State Development works to promote business investment and growth that leads to job creation and prosperous communities across New York State

Meeting of the Directors

Friday

June 27, 2014 – 9:45 a.m.

PROPOSED AGENDA

FOR CONSIDERATION

I. CORPORATE ACTION

A. Approval of Minutes of the May 12, 2014 and June 12, 2014 Directors’ Meetings

II. ATLANTIC YARDS LAND USE IMPROVEMENT AND CIVIC PROJECT

A. Brooklyn (Kings County) - Atlantic Yards Land Use Improvement and Civic Project – Adoption of Findings Pursuant to New York State Environmental Quality Review Act; Adoption of Court Ordered Findings as to Phase II of the Project; Affirmation of 2014 Modified General Project Plan; Determination with Respect to Greenland Joint Venture; Adoption of Proposed Essential Terms for Modification of Project Documents; Authorization to Take Related Actions
III. DISCRETIONARY PROJECTS

WESTERN NEW YORK REGION

BUFFALO REGIONAL INNOVATION CLUSTER

A. Buffalo Billion Initiative – Various Locations (Western New York Region – Allegany, Cattaraugus, Chautauqua, Erie and Niagara Counties) – Edison Welding Institute Working Capital - Phase III - Buffalo Regional Innovation Cluster (Working Capital) - Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Make a Grant and to Take Related Actions

B. Buffalo Billion Initiative – Buffalo (Western New York Region – Erie County) – SUNY Research Foundation Advanced Manufacturing Capital - Buffalo Regional Innovation Cluster (Capital Grant) - Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

C. Buffalo Billion Initiative – Buffalo (Western New York Region – Erie County) – Fort Schuyler Management Corporation/Information Technologies Innovation and Commercialization Hub Capital - Buffalo Regional Innovation Cluster (Capital Grant) - Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions; Determination of No Significant Effect on the Environment

D. Buffalo Billion Initiative – Buffalo (Western New York Region – Erie County) – Fort Schuyler Management Corporation/RiverBend Park Capital - Buffalo Regional Innovation Cluster (Capital Grant) - Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions; Determination of No Significant Effect on the Environment

MID-HUDSON REGION

E. Yonkers (Mid-Hudson Region - Westchester County) – Kawasaki Rail Car Capital - Empire State Economic Development Fund – General Development Financing (Capital Grant) – Findings and Determinations Pursuant to Sections 16-m and 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and Take Related Actions
DISCRETIONARY PROJECTS CONSENT CALENDAR

F. Discretionary Projects Consent Calendar – Findings and Determinations Pursuant to Sections 16-m and 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions; Determination of No Significant Effect on the Environment

General Development Financing Project
A. Optimax Systems, Inc. (Wayne County) - $100,000

IV. REGIONAL COUNCIL AWARDS

FINGER LAKES REGION

A. Regional Council Award – Priority Project – Rochester (Finger Lakes Region – Monroe County) – Health Sciences Center for Computational Innovation Capital – Regional Council Capital Fund – (Capital Grant) - Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

B. Regional Council Award – Priority Project - Rochester (Finger Lakes Region – Monroe County) – Midtown Tower Capital – Regional Council Capital Fund – (Capital Grant) - Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

CENTRAL NEW YORK REGION

C. Regional Council Award – Priority Project - Syracuse (Central New York Region – Onondaga County) – St. Joseph’s Hospital Health Center Capital – Regional Council Capital Fund – (Capital Grant) - Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions; Determination of No Significant Effect on the Environment

NORTH COUNTRY REGION

D. Regional Council Award – Priority Project - Clayton (North Country Region – Jefferson County) – Clayton Harbor Hotel Capital – Regional Council Capital Fund – (Capital Grant) - Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions; Determination of No Significant Effect on the Environment; Waiver of Labor Peace Agreement
IV. REGIONAL COUNCIL AWARDS – Continued

NORTH COUNTRY REGION

E. Regional Council Award – Priority Project - Dexter (North Country Region – Jefferson County) – Jefferson County Watertown International Airport – Regional Council Capital Fund (Capital Grant) - Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions; Determination of No Significant Effect on the Environment

MID – HUDSON REGION

F. Regional Council Award – Poughkeepsie (Mid-Hudson Region – Dutchess County) – Marist College Capital – Regional Council Capital Fund (Capital Grant) - Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

WESTERN NEW YORK REGION

G. Regional Council Award – Priority Project - Buffalo (Western New York Region – Erie County) – Buffalo Streetscapes Capital – Regional Council Capital Fund (Capital Grant) - Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Determination of No Significant Effect on the Environment

H. Regional Council Award – Priority Project – Gowanda (Western New York Region – Cattaraugus County) – Gowanda’s Historic Hollywood Theater Capital – Regional Council Capital Fund – (Capital Grant) - Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

LONG ISLAND REGION

I. Regional Council Award – Farmingdale (Long Island Region – Suffolk County) – J.M. Haley Capital – Empire State Economic Development Fund – General Development Financing (Capital Grant) – Findings and Determinations Pursuant to Sections 16-m and 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions
IV. REGIONAL COUNCIL AWARDS – Continued

CAPITAL REGION

J. Regional Council Award – Priority Project – Albany (Capital Region – Albany County)
ATTAIN Capital – Regional Council Capital Fund (Capital Grant) and Economic Development Purposes Fund (Working Capital Grant) – Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

REGIONAL COUNCIL AWARDS – CONNECT NY BROADBAND PROGRAM CONSENT CALENDAR

K. Regional Council Awards – Connect NY Broadband Program Consent Calendar – Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plans; Authorization to Make Grants and to Take Related Actions
Regional Council Capital Fund
A. Hamilton County Broadband Phase II (Hamilton County) - $1,700,000

NY Works
B. Newport Broadband (Hamilton and Herkimer Counties) - $572,000
C. Allegheny County Broadband (Allegheny County) - $800,000

V. NON-DISCRETIONARY PROJECTS

NON-DISCRETIONARY PROJECTS CONSENT CALENDAR

A. Non-Discretionary Projects Consent Calendar - Authorization to Make Grants and to Take Related Actions
Local Assistance (Executive)
A. Research Foundation – Hunter James Kelly Research Institute Working Capital (Erie County) - $2,940,000

Local Assistance - Base Retention (Executive and Assembly)
B. NUAIR Aerial Systems Working Capital (Onondaga County) - $1,600,000

Local Assistance (Senate)
C. Watkins Glen Tourism Working Capital (Schuyler County) - $150,000

Community Projects Fund (Assembly)
D. Lower East Side BID Working Capital (New York County) - $25,000
E. Harlem Arts Alliance Working Capital (New York County) - $100,000
V. NON-DISCRETIONARY PROJECTS - Continued

HURRICANE IRENE - TROPICAL STORM LEE FLOOD MITIGATION

B. Local Assistance - Hurricane Irene - Tropical Storm Lee Flood Mitigation (Capital Grants) Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the General Project Plans; Authorization to Make Grants and to Take Related Actions

Local Assistance – Hurricane Irene – Tropical Storm Lee Flood Mitigation (Executive)
A. Hamilton County – Hurricane Storm Lee Flood Mitigation Capital - $324,379
B. Delaware County – Hurricane Storm Lee Flood Mitigation Capital - $0

VI. ADMINISTRATIVE ACTIONS

A. Annual Financial Reports – Approval of Certain Annual Financial Reports and Authorization to Take Related Actions


C. Town of Islip (Suffolk County) – Proposed Disposition of the Downstate Distribution Facility – Authorization to Acquire and Dispose of Real Property in Accordance with the Applicable Provisions of the Public Authorities Law, Determination of No Significant Effect on the Environment and Take Related Actions

D. Town of Sennett (Cayuga County) - Proposed Transfer to, and Disposition by, the Office of General Services of the State of New York of the Harriet Tubman Residential Center - Authorization for Transfer to, and Disposition by, the Office of General Services in Accordance with Applicable Provisions of the Public Authorities Law, Determination of No Significant Effect on the Environment and Take Related Actions

E. Procurement of: Legal Services - Authorization to Enter Into a Contract for Legal Services in Connection with Correctional and Youth Facilities Bonds, and Other State Facilities Financed by Tax Exempt Bonds and to Take Related Actions

F. New York City (New York County) - Procurement of Broker for the Possible Disposition of Excess Development Rights Associated with the James A. Farley Post Office Building and Annex – Authorization to Enter into Contract for Commercial Brokerage Services; and to Take Related Actions
VI. ADMINISTRATIVE ACTIONS - Continued

G. Procurement for Event Planning & Management Consulting Services – 2014 Statewide MWBE Forum – Authorization to Enter into a Contract for Consulting Services Relating to the 2014 Statewide MWBE Forum and Authorization to Take Related Actions

VII. FOR INFORMATION

A. Quarterly Report on Utilization of Certified Minority and Women Business Enterprises (MWBEs) and Procurement Commitments to MWBEs for the Fourth Quarter of Fiscal Year 2013-2014

B. Annual Report on Utilization of Certified Minority and Women Business Enterprises (MWBEs) and Procurement Commitments to MWBEs for Fiscal Year 2013-2014

C. Annual Review of Contracts for Services of More Than One Year

D. Budget Variance Reports for the Fiscal Year ended March 31, 2014
NEW YORK STATE URBAN DEVELOPMENT CORPORATION
d/b/a Empire State Development
Meeting of the Directors
New York City Regional Office
633 Third Avenue
37th Floor Conference Room
New York, New York 10017

and

Department of Financial Services
1 State Street
New York, New York 10006

May 12, 2014

MINUTES

In Attendance
Kenneth Adams (Acting Chair)

Directors:
Derrick Cephas
Robert Dyson
Anthony Albanese, Designee – Superintendent of Department of Financial Services

Present for ESD:
Elizabeth R. Fine, Executive Vice President, Legal and General Counsel
John Gilstrap, Executive Vice President – Business Attraction and Expansion
Charles Imohiosen, Chief Operating Officer
Eileen McEvoy, Corporate Secretary
Glendon McLeary, Senior Project Manager
Mehul Patel, Chief of Staff
Antovk Pidedjian, Senior Counsel
Susan Shaffer, Senior Vice President – Loans and Grants
Rachel Shatz, Vice President – Planning and Environmental Review
Joyce Smith, Director–Entrepreneurial Assistance Program
Joseph Tazewell, Director – New York City Regional Office
Margaret Tobin, Chief Financial Officer
The meeting of the Directors of the New York State Urban Development Corporation ("UDC") d/b/a Empire State Development ("ESD" or the "Corporation") was called to order at 10:08 a.m. by Acting Chair Adams. It was noted for the record that the time and place of the meeting had been given in compliance with the New York State Open Meetings Law.

Next, Acting Chair Adams set forth the guidelines regarding comments by the public on matters on the Agenda as well as with regard to any conflicts of interest the Directors may have with regard to items on the Agenda.

Acting Chair Adams then asked the Directors to approve the Minutes of the April 16, 2014 Directors’ meeting. There being no changes or corrections, upon motion duly made and seconded, the following resolution was unanimously adopted:

**APPROVAL OF MINUTES AND RATIFICATION OF ACTIONS TAKEN AT THE APRIL 16, 2014 MEETING OF THE DIRECTORS OF THE NEW YORK STATE URBAN DEVELOPMENT CORPORATION**
RESOLVED, that the Minutes of the meeting of the Corporation held on April 16, 2014, as presented to this meeting, are hereby approved and all actions taken by the Directors presented at such meeting as set forth in such Minutes, are hereby in all respects ratified and approved as actions of the Corporation.

* * *

The Acting Chair then asked Mr. Lee to present a summary of the Discretionary Project items on the Agenda. The Acting Chair explained that following this brief presentation, he would call upon the individual Regional Directors or their representatives to present the projects from their region.

Mr. Lee noted that the Directors will be asked to consider funding for seven discretionary projects including: one discretionary project funded from the Urban and Community Development Program for $200,000; and six Regional Council Award Projects to be funded from multiple sources including $3,420,700 in grants from the Regional Council Capital Fund; one Empire State Economic Development Fund grant for $500,000; and one $275,000 Urban and Community Development Program grant.

Mr. Lee added that these seven projects will leverage approximately $5.7 million in additional investments and will assist in retaining eight jobs and in creating approximately 11 new jobs in New York State.

Acting Chair Adams then asked Mr. Tazewell, the Director of ESD’s New York City
Regional Office, to present the NYC Waterfront Development Permitting Project for the Directors’ consideration.

Mr. Tazewell explained that the Directors were being asked to re-authorize a $300,000 working capital grant to be used for a portion of the cost of consultant fees related to the One-Stop Waterfront Permitting Resource website.

Mr. Tazewell further explained that the project, which totals $360,000, was originally approved by the Directors in December of 2012 and involved engaging a consultant to create a web portal and integrated services for maritime businesses and waterfront developers seeking federal, state and city permits for waterfront reconstruction work in New York City.

Mr. Tazewell noted that the primary goal of this one-stop center is to spur waterfront development by stream lining the permitting process from application to approval.

Mr. Tazewell added that the maritime industry in New York City supports over 34,000 jobs.

The lack of an efficient permitting process, Mr. Tazewell further noted, serves as a deterrent to businesses seeking to make only minor repairs to the waterfront infrastructure.

Mr. Tazewell went on to note that the Directors were being asked to approve an amendment to the original project plan to change the grantee from the New York City Economic Development Corporation to the City of New York, acting through the New York City
Department of Small Business Services, and to extend the project completion date from April 2014 to the end of December 2017.

Following the full presentation, the Acting Chair called for any questions or comments. Director Dyson commented favorably with regard to the project. He also asked that the Directors be kept apprised of the progress of the project. He was told that the Directors would be informed of its progress.

There being no further questions or comments, and upon motion duly made and seconded, the following resolution was unanimously adopted:

New York City-wide (New York City Region – All NYC Counties) – NYC Waterfront Development Permitting Working Capital – Urban and Community Development Program – Urban and Community Technical Assistance (Working Capital Grant) – Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the NYC Waterfront Development Permitting Working Capital – Urban and Community Development Program - Urban and Community Technical Assistance (Working Capital Grant) Project (the “Project”), the Corporation hereby determines pursuant to Section 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to New York City a grant for a total amount not to exceed Three Hundred Thousand Dollars ($300,000) from the Urban and Community Development Program, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further
RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

Next, Mr. Alpaugh, representing ESD’s Southern Tier Regional Office, presented the Elmira College Regional Council Awards grant for the Directors’ consideration.

Mr. Alpaugh asked the Directors to authorize ESD to make a $2,250,000 grant to Elmira College to be used for a portion of construction costs of renovating the interior of its health sciences facility with modern infrastructure and new furniture, fixtures and lab equipment.

Mr. Alpaugh explained that the College has already invested $35 million to stabilize and prepare the building for completion of the upper three floors.

Mr. Alpaugh noted that the project will enable the College to expand its health sciences program offerings which will serve to increase enrollment by the Fall 2014 semester.

Mr. Alpaugh noted that the project is consistent with the Regional Strategic Plan’s Health Care 2020 initiative, focusing on healthcare workforce development.
Following the full presentation, the Acting Chair called for any questions or comments.

Hearing none, and upon motion duly made and seconded, the following resolution was unanimously adopted:

Regional Council Award – Priority Project – Elmira (Southern Tier Region – Chemung County) – Elmira College Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Sections 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Elmira College Capital – Regional Council Capital Fund (Capital Grant) Project (the “Project”), the Corporation hereby determines pursuant to Section 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Elmira College a grant for a total amount not to exceed Two Million Two Hundred Fifty Thousand Dollars ($2,250,000) from the Regional Council Capital Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem
necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

Next, Ms. Orsi, the Director of ESD’s Western New York Regional Office, asked the Directors to authorize ESD to make an $800,000 grant to the Buffalo Arts and Technology Center, a non-profit corporation established in 2013 to provide workforce development and training services. The funds, she added, will be used as reimbursement for a portion of the interior building renovations and furniture, fixtures and equipment to establish a training center.

The training center, Ms. Orsi explained, was completed in October of 2013 and it provides both after-school programming as well as adult training programs.

Ms. Orsi further explained that the adult training programs will provide unemployed and underemployed adults with nine months of training in medical coding and pharmacy technology, which are two areas of high demand in the region.

Ms. Orsi noted that the project directly addresses the Regional Council’s strategic
industries in growing the health and life sciences, particularly on the Buffalo-Niagara Medical Campus, as the center is located on the edge of the campus.

Ms. Orsi added that in its first three years of operation, the center expects to train over 150 people who will be placed in jobs on the Buffalo-Niagara Medical Campus.

Following the full presentation, Acting Chair Adams called for questions or comments. Hearing none, and upon motion duly made and seconded, the following resolution was unanimously adopted:

Regional Council Award – Priority Project – Buffalo (Western New York Region – Erie County) – Buffalo Center for Arts and Technology Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Buffalo Center for Arts and Technology Capital – Regional Council Capital Fund (Capital Grant) Project (the “Project”), the Corporation hereby determines pursuant to Section 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Buffalo Center for Arts and Technology a grant for a total amount not to exceed Eight
Hundred Thousand Dollars ($800,000) from the Regional Council Capital Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

The Directors were then asked by Merideth Bahr-Andreucci, representing ESD’s Finger Lakes Regional Office to authorize ESD to make two grants totaling $670,783 to be used for a portion of the cost of land acquisition associated with assembling a shovel ready site for the Western New York Science and Technology Manufacturing Project, or “STAMP”.

Ms. Andreucci provided relevant background information with regard to the STAMP program explaining that the STAMP site is a development district that is being planned and marketed for high technology and manufacturing, including semiconductor manufacturing.

Similar to the Marcy Nanotech site in the Mohawk Valley, Ms. Andreucci noted, the site is being developed on a speculative basis and its local development agency seeks the leverage
of New York’s substantial competitive advantages in this space including the State’s work force infrastructure.

Ms. Andreucci further explained that investments in these sites are necessary in order to make them shovel ready for what industry experts predict will be approximately 55 new 300 millimeter chip plants to be constructed globally over the next eight years, plus an additional 50 450 millimeter plants predicted to be constructed over the next 15 years.

Ms. Andreucci explained that New York competes both nationally and globally for these projects, with mega-sites being developed in Arizona, New Mexico, Oregon, Texas, Singapore, Malaysia and German, among others. These projects generate very high wage jobs and bring enormous multipliers.

Ms. Andreucci explained that the grant will be used to acquire an additional 6.9 acres within the STAMP site, after which the Genesee County IDA own a total of 870 acres out of a total of 1.250 acres.

Following the full presentation, Director Dyson commented very favorably with regard to the project in general and in particular with regard to the chart contained in the Directors’ materials.

Acting Chair Adams asked Ms. Andreucci to provide a comparison between the STAMP
site and the Marcy site.

Ms. Andreucci provided a brief synopsis regarding each site, noting that both locations are going after the same kind of markets and have the same attributes. While Marcy is about a third of the size of the STAMP site, it seeks to leverage its location as it is a little bit closer to the Albany corridor. Ms. Bahr-Andreucci further noted that the Marcy site was started much sooner and therefore is further along in the process.

The Acting Chair called for questions or comments. Hearing none, and upon motion duly made and seconded, the following resolution was unanimously adopted:

Regional Council Award – Priority Project – Alabama (Finger Lakes Region – Genesee County) – Western New York Science, Technology and Advanced Manufacturing Capital – Regional Council Capital Fund (Capital Grant) and Empire State Economic Development Fund – General Development Financing (Capital Grant

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the – Western New York Science, Technology and Advanced Manufacturing Capital – Regional Council Capital Fund (Capital Grant) and Empire State Economic Development Fund – General Development Financing (Capital Grant) Project (the “Project”), the Corporation hereby determines pursuant to Sections 16-m and 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that

1. The proposed project would promote the economic health of New York State by facilitating the creation or retention of jobs or would increase activity within a municipality or region of the state or would enhance or help to maintain the economic viability of family farms;

2. The project would be unlikely to take place in New York State without the requested assistance;

3. The project is reasonably likely to accomplish its stated objectives and that the likely benefits of the project exceed costs;
4. There is a feasible method for relocating families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to the Genesee County Industrial Development Agency d/b/a Genesee County Economic Development Center a grant not to exceed Five Hundred Thousand Dollars ($500,000) from the Empire State Economic Development Fund and a grant for a total amount not to exceed One Hundred Seventy Thousand Seven Hundred Eighty-Three Dollars ($170,783) from the Regional Council Capital Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grants, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grants as he or she may deem necessary or appropriate in the administration of the loans and grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

Mr. Tompkins, the Director of ESD’s Mohawk Valley Regional Office, presented the Amsterdam IDA Regional Council Awards Fund project.
Mr. Tompkins asked the Directors to authorize ESD to make a grant of $225,000 to the Amsterdam IDA to be used for a portion of the cost of construction and renovation of two vacant buildings in Amsterdam’s central business district. This district, he noted, is the focus of a number of State and local efforts to revitalize the area.

Mr. Tompkins explained that the total project costs in connection with these two buildings is $508,669, and that at this time, the buildings are basically completed.

Mr. Tompkins further explained that two of the residential units are rented and that there is strong interest on the part of commercial renters regarding the first floor.

Following the full presentation, the Acting Chair called for questions or comments. Mr. Dyson commented on the photographs that accompanied the board memo indicating that the ivy on the buildings’ exterior should be removed. Then, upon motion duly made and seconded, the following resolution was unanimously adopted:

Amsterdam (Mohawk Valley Region – Montgomery County) – Amsterdam IDA Capital – Urban and Community Development Program – Urban and Community Project Development Assistance (Capital Grant) – Findings and Determinations Pursuant to Sections 16-d and 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Amsterdam IDA Capital – Urban and Community Development Program Project (the “Project”), the Corporation hereby determines pursuant to Section 10 (g) of the New York State Urban Development Corporation
Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Amsterdam Industrial Development Agency a grant for a total amount not to exceed Two Hundred and Twenty Five Thousand Dollars ($225,000) from the Urban and Community Development Program, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

(Mohawk Valley Region – Montgomery County) – Amsterdam IDA Capital – Urban and Community Development Program Urban and Community Project Development Assistance (Capital Grant) – Determination of No Significant Effect on the Environment

RESOLVED, that based on the material submitted to the Directors with respect to the
Amsterdam IDA Capital Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *

Mr. VanDeLoo, representing ESD’s North Country Regional Office, asked the Directors to authorize ESD to make a $200,000 grant in connection with the Plattsburgh Airport Water Infrastructure Regional Council Awards item.

Mr. VanDeLoo explained that the project involves the installation of 7,500 linear feet of new ducts and line and water mains along the western side of the airport and is part of a larger project to replace 27,000 feet of existing water mains and hydrants that serve the airport.

Mr. VanDeLoo noted that the project will, among other things, improve the fire protection capabilities and increase the potential for new development.

Mr. VanDeLoo further noted that Clinton County is currently pursuing additional funding from the Federal Aviation Administration (“FAA”) for replacement of the existing 27,000 feet. Mr. VanDeLoo stated that he checked with the County and that they did not and do not intend to apply for environmental facilities funding. He added that they will utilize ESD and FAA funds.

The Acting Chair noted that ESD continues to see proposals for projects on the former Plattsburgh Air Force Base which was taken over by the County. Acting Chair Adams added that this investment in infrastructure is needed to support the new investments and businesses that
Director Cephas asked when the Air Force left and it was estimated that the closure took place prior to the 90’s as part of the federal government’s Base Retention and Closure Program.

The Acting Chair then called for questions or comments. Hearing none, and upon motion duly made and seconded, the following resolution was unanimously adopted:

Regional Council Award – Plattsburgh (North Country – Clinton County) – Plattsburgh Airport Water Infrastructure Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Plattsburgh Water Airport Water Infrastructure Capital – Regional Council Capital Fund (Capital Project) (the “Project”), the Corporation hereby determines pursuant to Section 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Clinton County a grant for a total amount not to exceed Two Hundred Thousand Dollars ($200,000) from the Regional Council Capital Fund, for the purposes, and substantially
on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

Regional Council Award – Plattsburgh (North Country – Clinton County) – Plattsburgh Airport Water Infrastructure Capital – Regional Council Capital Fund (Capital Grant) – Determination of No Significant Effect on the Environment

RESOLVED, that based on the material submitted to the Directors with respect to the Plattsburgh Water Infrastructure Capital Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *

Mr. Lee then presented the Regional Council Awards Consent Calendar for the Directors’ consideration.

Mr. Lee asked the Directors to authorize ESD to make a $50,000 grant to the Downtown Brooklyn Partnership, a not-for-profit local development corporation that promotes downtown
Brooklyn as a world class business, cultural and educational and residential and retail destination.

The organization, Mr. Lee added, is currently in the process of finalizing a feasibility study to redesign 2.2 acres of a 21 acre site known as the Brooklyn Stand. The study, he noted, will provide concepts to enhance the streetscape while improving the quality of life and supporting economic growth.

The total project cost, Mr. Lee explained, is $100,000 and the study is expected to be completed in August 2014.

Following the full presentation, the Acting Chair called for questions or comments. Hearing none and upon motion duly made and seconded, the following resolution was unanimously adopted:

Urban and Community Development Program – Findings and Determinations Pursuant to Sections 16-d and 10 (g) of the Act; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Urban and Community Development Program Project identified below (the “Project”), the Corporation hereby determines pursuant to Section 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make a grant to the party and for the amount listed below from the Urban and Community Development Program, for the purposes, and
substantially on the terms and conditions, set forth in the Materials, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

**Urban and Community Development Program**

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Proj #</th>
<th>Grantee</th>
<th>Assistance up to</th>
</tr>
</thead>
<tbody>
<tr>
<td>Urban and Community Project Development Assistance</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A Downtown Brooklyn Partnership Working Capital</td>
<td>Y792</td>
<td>Downtown Brooklyn Partnership</td>
<td>$50,000</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td></td>
<td><strong>$50,000</strong></td>
</tr>
</tbody>
</table>

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

Mr. McLeary then presented the May Non-Discretionary Projects Consent Calendar for the Directors’ consideration. Mr. McLeary explained that there was one grant to be considered and provided a synopsis of that grant.

Mr. McLeary explained that the Directors were being asked to authorize ESD to make a $50,000 grant to Misaskim Corporation for the cost of computers and telephone equipment to
update the dispatch system at its Emergency Operations Center.

Mr. McLeary further explained that Misaskim works with other community organizations and government agencies to provide emergency as well as community services in Brooklyn.

The Project, Mr. McLeary continued, will enable the organization to be more efficient when responding to emergency calls. He added that the project is expected to be completed in September of 2014.

Following the full presentation, the Acting Chair called for questions or comments. Hearing none, and upon motion duly made and seconded, the following resolutions were unanimously adopted:

Community Capital Assistance Program – Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions;

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Community Capital Assistance Program Project (the “Project”), the Corporation hereby determines pursuant to Section 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area(s); and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further
RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make a grant to the party and for the amount listed previously from the Community Capital Assistance Program, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

**Community Capital Assistance Program – Senate – Project Summary Table**

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Proj #</th>
<th>Grantee</th>
<th>Assistance up to</th>
</tr>
</thead>
<tbody>
<tr>
<td>Misaskim Corporation – Emergency Outreach Center</td>
<td>Y852</td>
<td>Misaskim Corporation</td>
<td>$50,000</td>
</tr>
</tbody>
</table>

| TOTAL                                            |        |                      | $50,000          |

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

Next, Mr. Gawlik asked the Directors to approve a Land Bank Application that was submitted by Albany County.
Mr. Gawlik provided the relevant background information with regard to this request noting that the program was established in 2011 and allows municipalities to create not-for-profit corporations with the purpose of acquiring real property that is primarily tax delinquent, foreclosed, vacant, abandoned and work to put the property back to productive use.

The Not-For-Profit Corporation Law, Mr. Gawlik further noted, requires that the application be approved by ESD. He added that the Act limits the number of land banks that can be approved by ESD statewide to ten.

Mr. Gawlik added that staff has reviewed the application submitted by Albany County and it indicates that technical services are needed. He continued and explained that it also shows that there are a number of properties in the area that would qualify and be subject ultimately to land banking.

Following the full presentation, the Acting Chair called for questions or comments. Director Cephas asked whether Land Bank applicants needed to demonstrate a plan for development of the acquired sites and sufficient funding to carry out the plan.

Mr. Gawlik responded that applicants show in a general way their goals for the properties and that they have the wherewithal to develop the acquired properties.

Upon motion duly made and seconded, the following resolution was unanimously
adopted:

Land Bank Program – Approval of Land Bank Application and Authorization to Take All Related Actions

RESOLVED, that on the basis of the materials (the “Materials”) presented at this meeting, a copy of which is hereby ordered filed with the records of the New York State Urban Development Corporation d/b/a Empire State Development (the “Corporation”), relating to the Land Bank Program (the “Program”), the Corporation hereby approves creation of a land bank by Albany County for the purposes and substantially in the form set forth in the Materials, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate; and be it further

RESOLVED, that President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name of and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as may be necessary or proper to effectuate the foregoing resolution.

* * *

The Directors were then asked by Ms. Orsi to authorize ESD to enter into an agreement for consultant services in connection with the Buffalo Investment Development Strategy.

Ms. Orsi outlined the process involved in selecting the Research Foundation for SUNY to provide these services. Ms. Orsi noted that the services include overall senior project management. The entity, she noted, will work with her and the Governor’s office to implement all of the Buffalo Billion Initiatives. She explained that the contract term would be 12 months, with an option to renew for an additional 12 months, and would be for a total contract amount not to exceed $999,890.

Following the full presentation, the Acting Chair called for questions or comments.
Hearing none, and upon motion duly made and seconded, the following resolution was unanimously adopted:

NEW YORK STATE URBAN DEVELOPMENT CORPORATION – Authorization to Enter into a Contract for Consultant Services relating to the Buffalo Strategy Implementation Support Services; and Authorization to Take Related Actions

BE IT RESOLVED, that upon the basis of the materials presented to this meeting (the “Materials”), a copy of which is hereby ordered filed with the records of the Corporation, the Corporation hereby finds the Research Foundation for SUNY on behalf of the University at Buffalo to be responsible; and be it further

RESOLVED, that the Corporation is hereby authorized to enter into a contract with the Research Foundation for SUNY on behalf of the University at Buffalo for a total contract amount not to exceed Nine Hundred Ninety Nine Thousand Eight Hundred and Nine Dollars ($999,809) for the purposes and services, and substantially on the terms and conditions, set forth in the Materials; and be it further

RESOLVED, that the Chief Executive Officer, or other officer of the Corporation, or his or her designee be, and each of them hereby is, authorized to take such action and execute such documents as may be necessary or appropriate to carry out the foregoing resolution.

* * *

Ms. Shatz then asked the Directors to authorize ESD to amend its contract with AKRF in connection with the Atlantic Yards Project in the amount of $1,000,000 bringing the total contract amount to $7,736,230.

Ms. Shatz provided the relevant background information with regard to this request noting that in September of 2005, the Directors authorized ESD to enter into a contract with AKRF for the preparation of an Environmental Impact Statement (“EIS”) to access the development proposal for the project.
Since the initial authorization, Ms. Shatz continued, the Directors have authorized five amendments to the contract to accommodate subsequent environmental reviews, technical assistance in support of litigation, technical memoranda and other site issues.

Ms. Shatz added that the contract is funded in its entirety from an Imprest account funded by the developer.

Ms. Shatz went on to explain that the Directors certified a Draft Supplemental EIS at the March meeting and a Final Supplemental EIS is currently being prepared and is expected to be brought to the Directors in June.

This proposed amendment, Ms. Shatz added, is being requested to cover costs associated with an extended review and revision of the Supplemental EIS Draft scope of work and, among other things, related responses to comments and revisions to a number of technical chapters in response to team and agency comments.

Following the full presentation, the Acting Chair asked how much longer it will take AKRF to complete the work.

Ms. Shatz noted that it is anticipated that the Final SEIS will be completed and presented for certification as final by the Directors in June. She continued and noted that
thereafter, ESD will need to adopt SEQRA findings, which is another matter that AKRF will assist with. Those findings, Ms. Shatz explained, are expected to be completed by the end of June.

Ms. Shatz further noted that there may be additional litigation and in response to a question by the Acting Chair, she is not able to determine the length of time that would be added to the process.

The Acting Chair then called for questions or comments. Hearing none, and upon motion duly made and seconded, the following resolution was unanimously adopted:

New York (Kings County) – Atlantic Yards Land Use Improvement and Civic Project – Authorization to Amend the Contract with AKRF, Inc. to Provide Environmental Consulting Services for the Project

RESOLVED, that based upon the materials presented at this meeting and ordered filed with the records of the Corporation, the Corporation be, and hereby is, authorized to amend its existing contract with AKRF, Inc. to provide additional environmental consulting services in connection with the Atlantic Yards Land Use Improvement and Civic Project; and be it further

RESOLVED, that such amendment will increase the compensation available under the contract by $1,000,000; and be it further

RESOLVED, that the total compensation for services pursuant to this contract, as amended, shall not exceed $7,736,230 including reimburseables; and be it further

RESOLVED, that the President and Chief Executive Officer or any other Officer of the Corporation be, and each of them hereby is, authorized and directed, in the name and on behalf of the Corporation, to execute and deliver any and all documents and take all such actions as may be necessary or appropriate to effectuate the foregoing.

* * *
Mr. Pidedjian then asked the Directors to authorize ESD to transfer approximately 1.77 acres of roadway in the City of Amsterdam to the City of Amsterdam for dedication as a public street.

Mr. Pidedjian explained that the roadway is located on an 8-acre, ESD-owned vacant parcel of land that is actually a portion of the Ring Road that serves the neighboring Woodrow Wilson Houses.

Mr. Pidedjian further explained that the Woodrow Wilson Houses used to be part of ESD’s mortgage loan and housing portfolio which was transferred to the Housing Finance Authority in April of 2013.

Subsequent to the transfer, Mr. Pidedjian continued, the Omni Development Company developed a plan to refurbish and rehabilitate the Woodrow Wilson Houses and extend its life by an additional 50 years.

Mr. Pidedjian further noted that in order to obtain financing, a title search was done and it was revealed that Omni does not have a legal right to use the ESD-owned roadway. He added that this is a critical portion of the Ring Road because it is the portion that links the Ring Road to the City’s street grid.
ESD staff, Mr. Pidedjian continued, determined that the most efficient way of moving forward on this matter, without prejudicing any future plans ESD might have with respect to its 8-acre parcel, is to transfer ownership of this roadway to the City for use as a public street.

Following the full presentation, the Acting Chair called for questions or comments. Hearing none, and upon motion duly made and seconded, the following resolution was unanimously adopted:

City of Amsterdam (Montgomery County)- Proposed Disposition of Road adjacent to Woodrow Wilson Houses - Authorization to Dispose of Real Property in accordance with the Applicable Provisions of the Public Authorities Law, Determination of No Significant Effect on the Environment and Take Relate Actions.

RESOLVED, that based on the materials presented to this meeting and ordered filed with the records of the New York State Urban Development Corporation d/b/a Empire State Development (the “Corporation”) relating to the approximately 1.77 acres road adjacent to the Woodrow Wilson Houses in the City of Amsterdam, the Corporation be and hereby is authorized to: (i) dispose and convey title of the Road to the City of Amsterdam in accordance with, and make all findings required by, the Applicable Provisions of the Public Authorities Law; and (ii) take all related actions; and be it further

RESOLVED, that on the basis of the materials submitted to the Directors, the Directors hereby find that there is no reasonable alternative to the proposed below market transfer that would achieve the same purpose of such transfer, and be it further

RESOLVED, that on the basis of the materials submitted to the Directors, the Corporation hereby determines that the proposed action will not have a significant effect on the environment, and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designees are, and each of them hereby is, authorized to take such action and execute such documents as may be necessary or appropriate to carry out the foregoing resolutions.

* * *
Ms. Smith then presented a report for the Directors information regarding the Office of New Americans Entrepreneurship Program.

Ms. Smith explained that the New York State Department of State and Empire State Development, through its Entrepreneurial Assistance Program and the Small Business Development Center, have joined together to support the Office of New Americans Initiative established by Governor Cuomo in March of 2013.

Ms. Smith further explained that the Office of New Americans has created a network of 27 neighborhood based opportunity centers throughout the State to support New Americans.

Ms. Smith added that since the program began, it has assisted more than 3,400 immigrants. Ms. Smith provided an outline of the various services offered by the centers. She added that ESD will act as a pass through with regard to certain of these services and there will be no cost to ESD except administrative and staff time.

There being no further business, the meeting was adjourned at 11:10 a.m.

Respectfully submitted,

Eileen McEvoy
Corporate Secretary
NEW YORK STATE URBAN DEVELOPMENT CORPORATION
d/b/a Empire State Development
Meeting of the Directors
New York City Regional Office
633 Third Avenue
37th Floor Conference Room
New York, New York 10017

June 12, 2014

MINUTES

In Attendance
Kenneth Adams (Acting Chair)

Directors:
Derrick Cephas
Joyce Miller
Anthony Albanese, Designee - Superintendent of Department of Financial Services

Present for ESD:
Destiny Burns, Director-Empowerment Zone and Community Lending
Maria Cassidy, Deputy General Counsel
Joseph Chan, Executive Vice President-Real Estate Development
Eileen McEvoy, Corporate Secretary
Mehul Patel, Chief of Staff
Marion Phillips III, Senior Vice President – Community Relations
Paula Roy, Vice President – Real Estate Development
Rachel Shatz, Vice President – Planning and Environmental Review
Robin Stout, Senior Counsel

Also Present:
The Public
The Press
The meeting of the Directors of the New York State Urban Development Corporation ("UDC") d/b/a Empire State Development ("ESD" or the "Corporation") was called to order at 11:37 a.m. by Acting Chair Adams. It was noted for the record that the time and place of the meeting had been given in compliance with the New York State Open Meetings Law.

Next, Acting Chair Adams set forth the guidelines regarding comments by the public on matters on the Agenda as well as with regard to any conflicts of interest the Directors may have with regard to items on the Agenda.

The Acting Chair then asked Ms. Shatz to present an item relating to the Atlantic Yards Land Use Improvement and Civic Project for the Directors’ consideration.

Ms. Shatz stated that in connection with the Atlantic Yards Project, the Directors are being asked to accept and approve the Final Supplemental Environmental Impact Statement ("FSEIS") for the Atlantic Yards Project as complete with respect to its scope, content and adequacy and to authorize its publication, filing, and circulation in accordance with applicable law.

Ms. Shatz went on to explain that on March 28, 2014, the ESD Directors authorized acceptance of the Draft Supplemental Environmental Impact Statement ("DSEIS") as satisfactory with respect to its scope, content and adequacy for purposes of commencing a
review under the State Environmental Quality Review Act ("SEQRA").

Ms. Shatz further noted that at that time, the Directors also authorized the Corporation to hold a public hearing on the DSEIS under SEQRA, as is required by the UDC Act, with regard to the proposed amendment to the 2009 Modified General Project Plan ("MGPP").

Ms. Shatz then explained that a combined public hearing was held on April 30th with the written comment period on the DSEIS remaining open until May 12, 2014.

Ms. Shatz further noted that FSEIS assesses the potential environmental impact of a prolonged construction period of phase two of the project and a proposed shift of certain square footage from phase one to phase two of the project. Ms. Shatz then outlined several other revisions and their impacts that are assessed in the FSEIS.

Ms. Shatz then disclosed that 65 speakers presented testimony at the public hearing and that over 60 written comments were also received by ESD. Ms. Shatz directed attention to the portion of the FSEIS that address those comments.

Finally, Ms. Shatz reviewed the material changes that were made since the certification of the DEIS.

Ms. Shatz indicated that the Directors were not being asked at this meeting to make
findings under SEQRA nor to affirm the proposed amendment to the MGGP, only to determine that the FSEIS is complete, adequately assesses the environmental impacts and otherwise meets the requirements so SEQRA is in proper form for distribution to the public.

Following the full presentation, the Acting Chair called for questions or comments from the Directors.

Hearing none, the Acting Chair then asked Destiny Burns to call on those individuals who had signed up to make comments on the item.

Five members of the public provided comments.

The first speaker was Wayne Bailey. Mr. Bailey noted that he is the outreach for the Newswalk Board of Managers and that he is also on Community Board 8. He further noted that he is active in the Dean Street Block Association and in the community in general.

Mr. Bailey explained that he read the documents put forth by ESD and he expressed his concerns over whether or not there will be any measures put in place if the developer does not comply with these new commitments to environmental standards and the like. He questioned when that information will be provided.

Mr. Bailey noted various impacts on the community, particularly with regard to the
night construction noise and lights and stated that the community would like to have information regarding mitigations that are specific to the residents.

Mr. Bailey further expressed his and the community’s dissatisfaction with their concerns being categorized as non-compliant.

Lastly, Mr. Bailey noted that the residents complain that their view of the site still consists of an almost barren, blighted rail yard. This, he noted, has been the case from the day the State took over the property.

Mr. Bailey added that it is his belief that the residents deserve some type of dedicated subsidiary or corporation with a Board that includes all the interested parties.

Next, Mr. Krashes, representing the Dean Street Block Association, provided comments on the project.

Mr. Krashes expressed his concerns that the State is not taking responsibility for monitoring environmental issues and commitments including problems with truck implementation, air quality, rodents, vibrations and historic buildings.

Mr. Krashes spoke of the community’s unsuccessful attempts to force the State to put and keep oversight measures in place with regard to the community’s concerns.
Mr. Krashes added that a dedicated Board with independent Directors is needed to complete the project.

Mr. Veconi, speaking on behalf of the Prospects Heights Neighborhood Development Council ("PHNDC") then addressed the meeting.

Mr. Veconi noted that PHNDC is one of the founding members of the Brooklyn Speaks Coalition and one of the petitioners who filed suit in 2009 which resulted in the SEIS.

Mr. Veconi’s concerns addressed issues regarding the fact that since 2009, no units of affordable housing of any kind have been built on the site and he questioned who was at fault regarding this matter. He then expressed his belief that the fault lies with ESD for approving the 2009 Modified General Project Plan and establishing a 2035 outside build date for this project which he deems to be an extreme outside build date for a single source contract with no meaningful remedies for non-compliance.

Among other things, Mr. Veconi urged the Directors not to approve the FSEIS until remedies are in place regarding risks of extended delay in the project’s completion.

Next, Mr. Oder noted that he is a journalist who writes a blog on the project and did not originally intend to speak at the meeting but instead came to cover and report on it.
Mr. Oder then noted that he read over some of the FSEIS and decided to comment on what he believes to be a gap in the document.

Mr. Oder noted that he had filed three comments and there are only two comments attributed to him. He went on to recount his attempts to file the comments.

Mr. Oder noted that the question that went unacknowledged and unanswered was whether it is appropriate to treat Brooklyn Nets games as the reasonable worst case scenario for traffic and parking now that it is known that large numbers of people from Long Island will be coming in 2015 for hockey.

Mr. Oder stated that he believe that this question deserves an answer. He added that this omission also makes him wonder how many other questions have gone unanswered.

Mr. Oder then stated that this causes him to also wonder if the Board can adequately approve a document without having done that extra check.

Mr. Dalton, an area resident, then made comments. Mr. Dalton expressed his concern about the noise produced in connection with the project, particularly at night.

Following those comments, the Acting Chair called for a motion on the item and upon
motion duly made and seconded, the following resolution was unanimously adopted:

BROOKLYN (KINGS COUNTY) – Atlantic Yards Land Use Improvement and Civic Project – Authorization to Accept and Approve the Final Supplemental Environmental Impact Statement (“FSEIS”); Authorization to Publish, File and Circulate the FSEIS

RESOLVED, that, in connection with the Atlantic Yards Land Use Improvement and Civic Project (the “Project”) and on the basis of the materials submitted prior to and during this meeting, the Corporation hereby determines that the Final Supplemental Environmental Impact Statement (“FSEIS”) is complete with respect to scope, content and adequacy, adequately assesses the environmental impacts of a delay in the construction of Phase II of the Project and certain proposed changes to the General Project Plan, and otherwise meets the requirements of the New York State Environmental Quality Review Act and is in proper form for publication, filing and circulation to the public; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee, and each of the same, hereby is authorized to publish, file and circulate the FSEIS and to take any and all such other action as may be deemed necessary or appropriate in connection with the distribution of the FSEIS; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver all documents and to take all such further actions as may be considered necessary or appropriate to effectuate the foregoing resolutions; and be it further

RESOLVED, that any and all acts performed by any officers of the Corporation prior to the date of these resolutions in furtherance of these resolutions, are hereby ratified, adopted, confirmed and approved in all respects.

* * *

There being no further business, the meeting was adjourned at 12:10 p.m.

Respectfully submitted,

Eileen McEvoy
Corporate Secretary
TO: The Directors
FROM: Kenneth Adams
SUBJECT: BROOKLYN (KINGS COUNTY) – Atlantic Yards Land Use Improvement and Civic Project
REQUEST FOR: Adoption of Findings Pursuant to New York State Environmental Quality Review Act; Adoption of Court-Ordered Findings as to Phase II of the Project; Affirmation of 2014 Modified General Project Plan; Determination with Respect to Greenland Joint Venture; Adoption of Proposed Essential Terms for Modification of Project Documents; Authorization to Create a Subsidiary for the Project; and Authorization to Take Related Actions

I Project Description
The Atlantic Yards Land Use Improvement and Civic Project (the “Project”) consists of: the approximately 18,000-seat Barclays Arena, which has hosted over 300 events since opening in September 2012, including the NBA’s Brooklyn Nets, concerts, and other events; the development of a reconfigured and improved LIRR Vanderbilt train yard (the “Yard”) and subway facility improvements; the development of 16 buildings for residential, office and retail uses and potentially a hotel, including up to 6,430 units of housing, which will include 4,500 rental units of which 2,250 units (50%) will be affordable to low, moderate, and middle income households; and the creation of eight acres of publicly accessible open space. New York State Urban Development Corporation dba Empire State Development (hereinafter the “Corporation” or “ESD”) has executed Project documents with Project developer Forest City Ratner and its affiliates (“FCR”), among others.

II Project Location
The Project Site is generally bounded by Atlantic Avenue, Flatbush Avenue, Dean Street and Vanderbilt Avenue (exclusive of a portion of Block 1128), and also includes a portion of a parcel generally bounded by Atlantic Avenue, Flatbush Avenue, Pacific Street and 4th Avenue (referred to as Site 5), all located in Brooklyn, New York. A portion of the Project will be constructed over the Yard. A Map of the Project Site is attached hereto as Exhibit A.
III. Project Background

In 2006, ESD, among other actions: (i) accepted and approved the Project’s Final Environmental Impact Statement (“FEIS”) pursuant to the New York State Environmental Quality Review Act and the implementing regulations of the New York State Department of Environmental Conservation (“SEQRA”); and (ii) affirmed the Project’s initial Modified General Project Plan (the “2006 MGPP”). In 2009, ESD affirmed modifications to the 2006 MGPP, as embodied in the 2009 Modified General Project Plan (the “2009 MGPP”), a copy of which is attached hereto as Exhibit B. (The 2009 MGPP contains a more detailed description of the Project.)

In the 2009 MGPP, ESD determined to acquire the Project site in stages, rather than as a whole, beginning with the Arena block and other specified parcels. At about the same time, the Metropolitan Transportation Agency (“MTA”) determined to: (i) permit FCR to acquire air rights over the Yard in stages, rather than as a whole, as necessary for development of the platform and related improvements over the Yard; and (ii) allow FCR to secure FCR’s obligation to upgrade the Yard via an $86 million Letter of Credit to be followed by a later Completion Guaranty.

Since affirmation of the 2009 MGPP, the following Project milestones have occurred:

A. At a master closing held in December 2009, ESD, the City of New York (“City”), MTA, FCR, and other entities executed agreements, contracts and leases (the “Project Documents”) to develop the Project.

B. In 2010, ESD acquired title to and vacant possession of parcels necessary for Arena block construction, thereby establishing May 12, 2010 as the Project Effective Date under the Project Documents.

C. In September 2012, Barclays Arena opened, a new Carlton Avenue Bridge opened, and related Project infrastructure, including the new subway station entrance on the Arena block, was completed.

D. Since opening, Barclays has hosted events ranging from NBA basketball to concerts to television award shows to college and high school basketball competitions. Barclays also will serve as home ice for the NHL’s New York Islanders beginning with the 2015-16 season.

E. In December 2012, construction commenced on the first residential building (known as Building 2, on the Arena block).

F. FCR continues construction of the Yard. The date upon which FCR must furnish the Yard Completion Guaranty to MTA was extended to June 30, 2014. FCR has informed ESD that the Yard Completion Guaranty to MTA will be posted on or before June 30, 2014.

G. FCR has announced a plan to add a green roof to the Arena, to be constructed over a 10-12 month period, beginning in July 2014.

H. FCR has entered into a joint venture with an affiliate of Greenland Holding Group Company Limited (“Greenland”) with respect to the Project, which is discussed in Exhibit G to these materials. The joint venture does not include the Barclays Center Arena or Building 2, but does include the installation of the green roof on the Arena.
IV  Environmental and Litigation Summary
As noted above, ESD accepted and approved the Project’s FEIS in 2006. The FEIS identified a number of significant adverse environmental impacts and the mitigation required to address such impacts to the maximum extent practicable, as required under SEQRA. Numerous litigations were commenced against ESD challenging the validity of the FEIS and the 2006 MGPP, but all such litigations were dismissed by the courts.

In 2009, ESD affirmed certain modifications to the 2006 MGPP, as embodied in the 2009 MGPP, after again taking what it believed was a “hard look” (as required by SEQRA) at potential environmental impacts of the 2009 changes. A 2009 Technical Memorandum concluded that the modifications comprising the 2009 MGPP, design developments, and the potential for construction delays would not result in any significant adverse environmental impacts not previously identified in the FEIS and did not warrant preparation of a Supplemental Environmental Impact Statement (“SEIS”).

Project opponents commenced new litigation alleging that SEQRA required ESD to prepare an SEIS prior to approval of the 2009 MGPP. In November 2010, the court in that case found that ESD’s environmental review of the 2009 MGPP did not adequately account for the potential for a prolonged build-out of the Project under ESD and MTA agreements with FCR. Accordingly, the court issued a Remand Order requiring ESD to make findings, in light of the Project agreements, on whether an SEIS was warranted. In response to that order, ESD undertook another environmental assessment under SEQRA in the 2010 Technical Analysis (analyzing a delay in the Project construction schedule to 2035, the outside date for Project construction completion in the Project Documents, subject to certain terms, including force majeure provisions) and re-affirmed the determination of the 2009 Technical Memorandum that the potential for a more prolonged construction schedule did not warrant preparation of an SEIS.

In a July 2011 Decision and Order (the “Court Order”), the court found that an SEIS was required to study the potential environmental impacts of a prolonged construction period for Phase II of the Project.¹ The court directed ESD to prepare an SEIS assessing the environmental impacts of a delay in Phase II construction; conduct further environmental review proceedings pursuant to SEQRA in connection with the SEIS; and issue further findings on whether to approve ESD’s general project plan for Phase II of the Project. In 2012, the trial court’s Decision and Order was affirmed by the appellate court. Thereafter, ESD prepared the SEIS required by the Court Order in accordance with SEQRA procedures, as summarized below. That SEIS examined the potential for significant environmental impacts to result from: (i) a delay in Phase II construction (assuming Project completion to occur in 2035); and (ii) the proposed MGPP amendments described below.

¹ For planning purposes, the Project is divided into Phase I and Phase II. Phase I is comprised of: site clearance and environmental remediation; relocation of utilities; six new buildings west of Sixth Avenue (including the Barclays Arena) and associated below-grade permanent parking facilities; a new subway station entrance adjacent to the Arena; a reconstructed and improved LIRR Yard and associated rail facilities; a new Carleton Avenue bridge spanning the Yard; and temporary surface parking facilities. Phase II is comprised of: a platform over the Yard; eleven residential buildings east of Sixth Avenue and associated below-grade permanent parking facilities and infrastructure; and the creation of 8-acres of publicly accessible open space.
V The Proposed Amendment and the SEIS

On March 28, 2014, the Directors adopted, for purposes of public hearing, a proposed amendment to the 2009 MGPP which would: (A) allow a transfer of up to 208,000 gross square feet of floor area from Phase I to Phase II of the Project; and (B) reduce the parking requirements of the 2009 MGPP (the “Proposed Amendment”). The Proposed Amendment’s transfer of floor area from Phase I to Phase II would not change the location, uses, size and form of the Phase II buildings as governed by the Project’s Design Guidelines (which are annexed as an exhibit to the 2006 MGPP and 2009 MGPP), nor would it change the maximum square footage of any of the individual Phase II buildings as set forth in Exhibit C of the 2009 MGPP. The proposed shift of floor area from Phase I to Phase II would not affect the affordable housing requirements for Phase I or the Project as a whole, and would not modify the maximum square footage permitted for the Project.

The Proposed Amendment also proposed reducing the number of parking spaces (the 2009 MGPP requires 3,670 parking spaces upon Project completion) to reflect lower anticipated parking demand based on experience with the operation of the arena since its opening in 2012 and on lower expected demand from the residential units. The Proposed Amendment presented two alternatives for public comment. Under the “base case,” parking requirements would be reduced from 3,670 spaces to 2,896 spaces to reflect lower arena parking demand. Alternatively, under the “Reduced Parking Alternative”, parking requirements would be reduced to 1,200 spaces to reflect both lower arena parking demand and reduced parking requirements for the residential units. In connection with these alternatives, the Parking Key Plan attached as Exhibit D to the 2009 MGPP would be deleted in its entirety and be replaced by a new Parking Key Plan. Two Parking Key Plans were attached to the March 2014 Proposed Amendment to the 2009 MGPP to facilitate public comment: one corresponding to the “base case” described above, and the other corresponding to the “Reduced Parking Alternative”.

Pursuant to Section 3.02 of the May 12, 2010 Project Agreement between ESD and The City of New York, ESD has collaborated with the City with respect to these proposed general project plan amendments.

On March 28, 2014, the Directors also found the Draft Supplemental Environmental Impact Statement (“DSEIS”) prepared pursuant to the Court Order to be satisfactory with respect to its scope, content and adequacy for purposes of public review under SEQRA. On June 12, 2014, after the public hearing described below and consideration of the comments presented at the public hearing and the written comments received during the public comment period, the Directors accepted and approved a Final Supplemental Environmental Impact Statement for the Project (“FSEIS”).

VI The Public Hearing and Written Comments Received

Pursuant to authorization granted by the Directors on March 28, 2014, ESD held a duly noticed public hearing at Long Island University on DeKalb Avenue near the Project site on April 30, 2014 at which oral and written comments were received from the public. The purpose of the hearing was to: (1) inform the public about the Project, the DSEIS, and the Proposed
Amendment; and (2) give all interested persons an opportunity to provide comments on the DSEIS and the Proposed Amendment under SEQRA, the UDC Act, and other applicable law. In compliance with SEQRA regulations, written comments on the DSEIS were accepted through May 12, 2014. Further written comments on the Proposed Amendment were accepted through May 30, 2014. A transcript of the hearing is attached hereto as Exhibit C. Copies of all written comments received are attached hereto as Exhibit D.

A total of 68 persons spoke at the public hearing, including a number of elected officials, and more than 100 people and organizations submitted comments either orally at the public hearing and/or in writing. Approximately 38 persons commented in support of the Project, many of whom urged expedited public review and approval. Supporters included, among others, construction and trade unions, Barclays Arena employees, REBNY, the Partnership for NYC, the Brooklyn Chamber of Commerce, the Brooklyn Navy Yard, the Brooklyn Academy of Music, the MetroTech Business Improvement District, and the Court-Livingston Schermerhorn Business Improvement District. Supporters generally cited: (a) the success of Barclays Arena; (b) enhanced employment opportunities from Project construction and operation; and (c) the Project’s role in increasing overall economic activity throughout Downtown Brooklyn.

Approximately 75 persons commented by raising concerns about current Project oversight, impact, or schedule, including, among others, Brooklyn Speaks, the Dean Street Block Association and other adjacent neighbors, the Fifth Avenue Committee, and representatives of the Prospect Heights Neighborhood Development Council and Develop Don’t Destroy Brooklyn. Such comments are addressed below and in Chapter 8 of the FSEIS, but can be broadly categorized as: (a) calling for stricter enforcement of required environmental mitigation; (b) urging independent corporate oversight with community representation; (c) expressing opposition to the slow pace of affordable housing construction and overall residential development; and (d) asserting the need for multiple developers to accelerate affordable housing construction and overall residential development.

VI(A) Comments on the DSEIS
Chapter 8 of the FSEIS, certified by the Directors at its meeting on June 12, 2014, responded to the substantive comments received on the DSEIS.²

² At the Directors meeting on June 12, 2014, one commenter informed the Directors that one of his comments had been omitted from the FSEIS and provided a copy of that comment to the Directors. The comment raised the issue of whether the SEIS should have considered a New York Islanders hockey game at the arena, rather than a Brooklyn Nets game, as the reasonable worst-case scenario in the traffic and transportation analyses. Subsequent investigation by ESD staff determined that this comment had not been included in the FSEIS because ESD’s computer system had quarantined the comment, preventing it from being delivered to the Atlantic Yards mailbox and considered by ESD staff. Nevertheless, in preparing the DSEIS, ESD’s staff and its environmental consultant had considered the issue raised by the commenter and determined that a Nets game, rather than an Islanders game, should be considered the reasonable worst case scenario for analysis purposes, because (i) the Arena is expected to accommodate 1,900 fewer spectators for an Islanders’ hockey game than for a Nets basketball game; (ii) the Arena is located immediately adjacent to the LIRR’s Atlantic Terminal which can be reached from 9 of the railroad’s 10 branches either directly or via a connection at Jamaica (survey data from the April 9, 2013 Nets/Sixers basketball game at the Arena indicate that approximately 51 percent of spectators en route to
VI(B) Comments on the Proposed Amendment

The discussion below summarizes comments received that have some bearing on the Proposed Amendment and the MGPP for the Project, and the responses of ESD staff.

(i) Project Need
Although not a direct comment on the Proposed Amendment itself, a comment was received suggesting that ESD should reconsider its MGPP blight findings in light of the changes that have occurred on the Project site. On December 8, 2006, ESD made Land Use Improvement Project findings with respect to the Project based upon a comprehensive 2006 Blight Study of the Project site. Since that time the Barclays Center and the new subway station entrance have been constructed, and many of the substandard and insanitary buildings that had stood on the Project site have been removed. As a result, the Project has reduced the extent of blighted conditions on the Project site, and enlivened the area. As the Project progresses it will further transform the Project site and cover over the open LIRR rail yard. Remaining blighted conditions will thereby gradually be replaced with a vibrant mixed-use community. Project implementation will continue to achieve the public purposes set forth in ESD’s prior Land Use Improvement Project findings.

(ii) Project Oversight
Although, again, not a direct comment on the Proposed Amendment itself, a number of commenters urged the creation of an ESD subsidiary (under the UDC Act), or an independent governmental monitor (via legislation), dedicated to Project oversight, frequently with the suggestion that such body include community representation selected though local elected officials or otherwise. The Corporation has the power under Section 12 of the UDC Act to organize a subsidiary so long as ESD holds more than half of any voting shares and designates a majority of the directors. Staff recommends, as set forth below in these materials, that the Corporation authorize the creation of a subsidiary dedicated to monitoring development of the Project, including compliance with environmental commitments. In addition, FCR has agreed to pursue the services of a qualified outside engineering firm or construction management firm to serve as the on-site environmental monitor (“OEM”) for the Project in order to provide direct Project oversight. The OEM will be selected pursuant to a scope to be reviewed by ESD. FCR will not engage a different engineering firm as the OEM, or move the OEM function in-house, without the prior reasonable approval of ESD. The work of the OEM will continue to be monitored by ESD’s environmental monitor.

(iii) Affordable Housing
Other comments (again, not relating directly to the Proposed Amendment) were received suggesting that the amount of affordable housing on the Project site should be increased and the deadline for completion should be accelerated. In particular, a commenter suggested that the amount of affordable housing should be increased because (with the utilization of modular construction techniques for one or more buildings) the Project costs have decreased. That is not the case, however. The 2006 FEIS estimated the total cost of Phase II to be ~$1.61 billion in Long Island after the game traveled by LIRR; and (iii) re-location of the Islanders to the Arena in Brooklyn is likely to increase the team’s New York City fan base over time.
2006 dollars and the FSEIS estimates the total cost of Phase II to be ~$2.15 billion in 2013 dollars with modular construction. ESD staff continues to believe that the number of affordable housing units to be provided by the Project is appropriate and construction of those units remains a key component of the Project.

However, as discussed further below, staff recommends that, in response to public comments in connection with the Proposed Amendment, the Project documents be modified to establish a firm schedule with accelerated deadlines for delivering affordable housing as part of the Project, with monetary penalties imposed on the developer for an unexcused failure to meet that schedule, and to establish additional requirements so that affordable housing units are constructed as market rate housing units are constructed. It also should be noted that nothing in the MGPP, Development Agreement or other Project documents precludes the completion of affordable units faster than the Extended Build-Out scenario that was studied in the FSEIS in response to the Court Order.

(iv) Multiple Developers
Additional comments not directly related to the Proposed Amendment urged that Project construction be opened to multiple developers, in part arguing that Project documents executed by the Corporation, FCR, and others pursuant to the UDC Act are invalid because they were based on the 2009 MGPP which was not preceded by an adequate SEQRA review. As set forth more fully in FSEIS Chapter 6 (Subsection D), and the SEQRA Findings Statement, FCR’s currently existing rights under the Project documents would have to be modified or rescinded for the Corporation to engage other developers for the Project. Even if the Project documents were so modified, soliciting proposals for Project development opportunities, evaluating such proposals, reviewing such proposals for SEQRA and UDC Act purposes, and negotiating contractual arrangements with multiple developers (all followed by the process of actually designing, financing, and constructing buildings) would be complex and time consuming to say the least, and would be unlikely to accelerate, and may delay, construction of the Project’s affordable housing component and residential development generally. Other logistical complexities would include (but not be limited to): concluding construction of the permanent rail yard; creating Project open space and parking at some but not all Project sites; and coordinating independent operations particularly over the rail yard. In the view of ESD staff, the likely result of pursuing a multiple developer alternative would be to bring all Project construction to a standstill for years; thus, the accelerated completion of Phase II, which would be the objective of the multiple developer alternative urged by the commenters, would not be achieved. For these reasons, the FSEIS concludes (at page 6-43) that the multiple developer alternative “would not be practicable, and would not be effective in accelerating construction of Phase II of the Project.”

(v) Greenland
Although, again, not a direct comment on the Proposed Amendment itself, comments were received regarding FCR’s proposed transaction with Greenland, which is anticipated to provide additional capital to accelerate the Project’s construction schedule, including affordable housing. FCR and Greenland have submitted information to ESD with regard to Greenland and this proposed transaction, and this issue is discussed in detail in Exhibit G attached to these
materials. In addition, there is not a need to amend the MGPP to remove reference to FCR as the selected developer (as one commenter suggests) because FCR is a member of the proposed joint venture, and in any event the MGPP allows for transfers of FCR’s interests under specified circumstances.

(vi) Gross square footage transfer
No substantive comments were received addressing the proposed transfer of gross square footage from Phase I to Phase II of the Project.

(vii) Parking
There were a number of comments received regarding the Reduced Parking Alternative. One commenter was concerned about the concentration of on-site parking on Block 1129. The Reduced Parking Alternative would reduce the number of parking spaces on Block 1129 from approximately 2,070 spaces under the 2009 MGPP to approximately 900 spaces. The FSEIS looked carefully at the traffic implications of reducing the number of parking spaces and designating Block 1129 as the location for the bulk of the spaces remaining, and concluded that the number and location of impacted intersections and the types of impacts that would occur under the Reduced Parking Alternative would generally be similar to those under the base case parking scenario examined in the FSEIS. In addition, the reduction in the number of parking garages and, as a result, the number of curb cuts, would reduce the number of locations where there would be a potential for conflicts between pedestrians and entering/exitng vehicles.

Another comment suggested that 986 parking spaces be dedicated to accommodating residential and non-arena commercial uses. ESD staff does not believe it is appropriate to limit operational flexibility of the parking facilities to such an extent. However, in order to encourage carpooling, parking garages on the Project site are required under the Project documents to offer pricing that discounts vehicles with 3 or more arena ticket holders to receive a minimum discount of 20 percent or $5.00, whichever is greater, from the event rates charged for other vehicles parking on the Project site, and the Transportation Demand Management Plan approved by ESD incorporates measures to encourage transit use, rather than automobile use, for arena patrons. It is also expected that residential users would use monthly parking passes, which arena event attendees would not utilize.

Another commenter suggested relocating the 24 parking spaces reserved for the New York Police Department to the garage to be located beneath Building 3. The Project documents require FCR to provide 24 parking spaces for the use of the NYPD at a location that is proximate and convenient to the 78th Precinct House. Block 1129 satisfies that requirement, although FCR is allowed to select another proximate and convenient location as Project construction progresses.

VII Environmental Review and SEQRA Findings
The Corporation, as Lead Agency conducting the environmental review of the Project under SEQRA, has concluded such review. The FSEIS has been issued and duly filed by the Corporation and a SEQRA Findings Statement has been prepared and is attached hereto as Exhibit E (the “Supplemental SEQRA Findings Statement”).
The Supplemental SEQRA Findings Statement summarizes the facts and conclusions from the DSEIS and the FSEIS. It also requires numerous measures to mitigate the identified significant environmental impacts to the maximum extent practicable. These mitigation measures include many requirements that go beyond the prior measures imposed on the Project in the 2006 SEQRA Findings Statement and the Memorandum of Environmental Commitments attached as an exhibit to the Development Agreement with FCR signed in December 2009. Among the new measures to minimize or mitigate environmental impacts are the following:

- A new mechanism for ESD’s environmental monitor and FCR’s On-Site Environmental Monitor (”OEM”) to discuss OEM staffing levels at the site;
- Specific new requirements for contractor training;
- New requirements for including construction-related Project commitments in the new contracts that FCR enters into with its contractors, and specific remedies for non-compliance, including the right to withhold payment or terminate the contract for non-compliance;
- A new mechanism to require that OEM staff be present for week-end or night-time work when needed;
- Stringent new requirements to reduce emissions from diesel-powered construction equipment;
- Strengthening the mitigation requirements relating to making double-glazed or storm windows and alternative ventilation available to residents affected by significant adverse construction noise impacts;
- A new requirement that prior to the commencement of construction activities for each major work phase, FCR or its contractor prepare a Dust Management Plan to reduce fugitive dust from construction activities;
- Development of a protocol to confirm that noise from more noisy construction equipment does not exceed applicable limits;
- New requirements with respect to the use of sound-mitigated backup alarms;
- A commitment by FCR to pursue the services of a qualified outside engineering firm or construction management firm to serve as the OEM for the Project pursuant to a scope to be reviewed by ESD and that, thereafter, FCR will not engage a different engineering firm as the OEM, or move the OEM function in-house, without the prior reasonable approval of ESD;
- A commitment by FCR that in the event it proposes to change the OEM, it will submit the following information to ESD: (i) the qualifications of the proposed staff, establishing that it would consist of one or more engineers with substantial construction
management experience in New York City; (ii) a description of what job duties, if any, such staff members would have apart from serving as the OEM for the Atlantic Yards Project; and (iii) the proposed reporting and documentation procedures to be put into place for the OEM work;

- A commitment by FCR to make arrangements for the engineering firm it engages to assign one or more engineers with substantial construction management experience in New York City to monitor compliance with the construction-related requirements of the MEC (the “OEM Engineers”); and

- A commitment by FCR that during periods of active construction activity, an OEM Engineer will be assigned to work primarily from a construction trailer or other on-site location to facilitate daily monitoring of the contractors’ compliance with the Project’s construction-related environmental commitments and mitigation.

Notwithstanding these refinements, consistent with the FSEIS, the SEQRA Findings Statement determines that Phase II of the Project would result in unmitigated, or only partially mitigated, significant adverse impacts in the areas of:

- **Construction traffic**, due to additional congestion at certain intersections identified in the FSEIS during certain peak hours during the Phase II construction period, which would only be partially mitigated or unmitigated by the traffic mitigation measures approved by the New York City Department of Transportation (“NYCDOT”).

- **Construction noise**, due to elevated noise levels at nearby buildings, including numerous residences and one public school, which would only be partially mitigated or unmitigated by the mitigation measures and Project commitments intended to reduce construction noise and mitigate impacts on local residents and community facilities.

- **Construction-period open space**, due to impacts in the non-residential study area resulting from a shortfall of open space occurring upon the completion of Phase I, which would be more prolonged under the Extended Build-Out Scenario analyzed in the FSEIS than under the schedule analyzed in the 2006 FEIS.

- **Community facilities**, due to a projected shortfall in seating capacity in the elementary schools and intermediate schools in Sub-District 1 of Community School District 13 in Brooklyn, which would only be partially mitigated by the public school that is proposed to be located on the Phase II site as a mitigation measure.

- **Operational traffic**, due to congestion at certain intersections identified in the FSEIS, which would only be partially mitigated or unmitigated by the traffic mitigation measures approved by NYCDOT.

- **Pedestrians**, due to a deterioration in the level of service at one sidewalk near the Project site during certain peak hours.
Consistent with the FSEIS, the Findings Statement indicates that prolonged Phase II construction would result in a significant localized adverse impact on neighborhood character during the construction period in the immediately surrounding area of the Phase II site as a result of the significant construction traffic and noise impacts identified in the FSEIS, and the visual effects of construction that would be experienced in the area, but that there would be no significant adverse impact to neighborhood character in the larger neighborhoods surrounding the Project site.

These impacts are similar to the impacts that were identified in the Project’s 2006 FEIS, but in general, the construction-related impacts, particularly construction noise, would be much more prolonged at many locations in the Extended Build-Out Scenario than under the 10-year schedule assumed for analysis purposes in the 2006 FEIS. The Extended Build-Out Scenario would result in construction occurring over a longer overall period of time, and result in noise level increases occurring over a longer duration. The Findings Statement also notes that the new construction noise analysis in the FSEIS identifies significant adverse construction noise impacts at a number of locations in the area of the Phase II construction that were not predicted to experience significant adverse construction noise impacts in the 2006 FEIS. The SEQRA Findings Statement weighs the environmental impacts that have been disclosed against the social, economic, and other considerations relevant to the Project. The SEQRA Findings Statement also sets forth the rationale for the determinations under SEQRA set forth below. Staff recommends that the Directors adopt the SEQRA Findings Statement.

Prior to affirming any modification of the 2009 MGPP or to taking other actions related to the Project, and based on the DSEIS, the FSEIS, and the SEQRA Findings Statement, the Corporation is required to make the following findings and determinations:

- The Corporation has given consideration to DSEIS and FSEIS prepared for the Project and presented to this Board.

- The requirements of the SEQRA process have been met.

- Consistent with social, economic, and other essential considerations from among the reasonable alternatives available, the action to be taken by the Directors is one that will achieve Project goals and will avoid or minimize significant adverse environmental impacts to the maximum extent practicable, including the impacts disclosed in the DSEIS, the FSEIS, and SEQRA Findings Statement.

- Consistent with social, economic, and other essential considerations, the significant adverse environmental impacts associated with the action to be taken by the Directors which were identified in the DSEIS, the FSEIS, and SEQRA Findings Statement will be avoided or minimized to the maximum extent practicable by incorporating as conditions to the decision those mitigation measures that were identified in the DSEIS, the FSEIS, and SEQRA Findings Statement as practicable.

- The Project changes do not disturb ESD’s prior determination that the Project is in compliance with Section 14.09 of the New York State Historic Preservation Act.
After review of the DSEIS, the FSEIS (inclusive of response to oral and written comments), the SEQRA Findings Statement, and prior Project documentation, staff recommends that the Directors make such findings.

**VIII 2014 Modified General Project Plan**

After review of the DSEIS, the FSEIS (inclusive of response to oral and written comments), the SEQRA Findings Statement, and prior Project documentation, staff recommends, as more fully detailed below, that the Directors: (1) adopt, in form unaltered from the Proposed Amendment, the proposal to allow a transfer of up to 208,000 gross square feet (“GSF”) of floor area from Phase I to Phase II of the Project; and (2) modify the proposal set forth in the Proposed Amendment to reduce the parking requirements of the 2009 MGPP by affirming the “Reduced Parking Alternative” as the preferred parking alternative. In connection with adoption of the Reduced Parking Alternative, the Parking Key Plan attached as Exhibit D to the 2009 MGPP would be deleted in its entirety and be replaced by a new Parking Key Plan that would reduce the parking area on the Arena Block, eliminate all parking on Block 1120 and eliminate the parking garage under Building 15 on Block 1128, the likely future site of the public school to be built at the election of the New York City Department of Education.

In connection with the transfer modification, the GSF of Phase II would be increased from 4,434,000 (see 2009 MGPP Exhibit C; referenced on page 12 of the 2009 MGPP) to 4,642,000, an increase of 208,000 GSF. This shift would not increase the maximum total floor area of the Project (because a shift of floor area from Phase I to Phase II would reduce the aggregate floor area of the Phase I buildings by the same amount) or the maximum number of the Project’s residential units, or the approved maximum bulk of any of the individual Phase II buildings, each of which would remain subject to the same Design Guidelines that ESD approved for the Project in 2006. The transfer would not change the Project requirement of 2,250 affordable housing units or the minimum number of affordable housing units required for Phase I. This proposed shift in floor area is appropriate, given the constraints on the Phase I build-out on the Arena block resulting from the configuration of the Arena as a stand-alone building.

In connection with the parking modification, ESD staff recommends adoption of the Reduced Parking Alternative because staff believes that alternative to be more appropriate than the base case parking scenario, for the following reasons:

- The Reduced Parking Alternative is more consistent with recent public policy trends, as reflected in the 2012 Downtown Brooklyn Parking Text Amendment, of encouraging utilization of mass transit facilities rather than use of private automobiles. Like the Reduced Parking Alternative, the 2012 Downtown Brooklyn Parking Text Amendment requires 2 parking spaces for every 10 market-rate units and eliminates accessory parking requirements for affordable housing units. A transit-oriented parking program is difficult to achieve at some locations, but the Project site has convenient access to numerous subway and bus lines, as well as the LIRR Atlantic Terminal, making it an excellent location for more transit-oriented development. Although most of the Project site is not within the Downtown Brooklyn Special District, the portion of the Project site...
not within the Special District is immediately adjacent to and has many of the characteristics of that area.

- The reduction in parking requirements for the residential units will reduce the cost and magnitude of the construction required for the Project’s residential buildings, thereby facilitating a faster construction schedule, from both a financial and construction-scope perspective. Eliminating accessory parking requirements for the affordable units will make it easier to finance the construction of the affordable housing and speed construction of the affordable units, a major ESD and community priority.\(^3\)

- The reduction in the scope of Project construction would reduce to some extent the magnitude of below-grade excavation at some locations, marginally reducing the duration of construction of certain individual building elements and associated noise and other construction impacts.

- As noted in the FSEIS, the Reduced Parking Alternative has very similar environmental impacts as the base case parking scenario analyzed in the FSEIS.

The final form of such modified amendment as recommended by staff is attached hereto as Exhibit F (the “Final Amendment”). For the reasons set forth above, staff recommends that the Directors affirm the Final Amendment.

**IX Court-Ordered Findings as to Phase II**

As noted above, the Court Order directed ESD to issue further findings on whether to approve the general project plan for Phase II of the Project. ESD staff recommends that the Directors make this finding in light of the supplemental information in the FSEIS about the environmental impacts of the delay in Phase II construction assumed for purposes of analysis in the FSEIS and the Project changes outlined above. More specifically, ESD staff recommends that the Directors determine that this new information and the Project changes do not disturb the land use improvement and civic project findings that the Directors made in affirming the 2006 MGPP, that such findings remain in full force and effect, and that the 2009 MGPP in so far as it relates to Phase II of the Project is approved and ratified by the Corporation.

**X Proposed FCR – Greenland Transaction**

Attached hereto as Exhibit G is a summary of a transaction proposed by FCR whereby FCR and Greenland would create a joint venture to carry out portions of the Project. For the reasons set forth in Exhibit G, ESD staff concludes that the proposed transaction does not require ESD consent. However, as further set forth in Exhibit G, ESD staff nonetheless recommends that in order to avoid doubt or ambiguity, the Directors affirmatively consent to the proposed transaction. In general, the transfer provisions of the Project documents are designed to ensure that any successor Project developer has the financial means and the construction requirements.

\(^3\) It should be noted that under the Reduced Parking Alternative, residents of the Project’s affordable units would be eligible to park on-site on the same terms as those available to residents of the Project’s market-rate rental units; the distinction between the number of parking spaces required for market-rate units and affordable units relates to the number of parking spaces required for the Project, not the parking privileges of future Project residents.
expertise required to develop a major mixed-use project in an urban environment. Based on due diligence conducted by ESD staff, Greenland appears to meet this test both as a practical matter and as a matter of current project contractual definition. Therefore, ESD staff recommends, based on the factual and legal matters recited in Exhibit G, that the ESD Directors affirmatively consent to the assignment to the Venture of those portions of the Project as described in Exhibit G, which consent will not be deemed consent to any provision of any document between or among Forest City Enterprises and its affiliates and Greenland Holdings and its affiliates to the extent such provisions are inconsistent with, or would be deemed to modify, any provision of the MGPP or the Project documents.

XI Essential Terms of Proposed Amendments To Project Documents To Establish Accelerated Deadlines for the Project’s Affordable Housing Construction

As set forth above in Section VI(B)(iii) (“Affordable Housing”), staff recommends that, in response to public comments in connection with the Proposed Amendment, the Project documents be modified to establish a firm schedule with accelerated deadlines for delivering affordable housing as part of the Project, with monetary penalties imposed on the developer for an unexcused failure to meet that schedule, and to establish additional requirements so that affordable housing units are constructed as market rate housing units are constructed. Specifically, after consultation with the City, FCR, Greenland, elected officials, and members of the Brooklyn community, staff specifically recommends four steps to be formalized as modifications to existing Project documents, as follows.

First, ESD will require that all affordable housing units required by existing Project documents be built by 2025 (ten years earlier than currently required). Specifically, Project Site Affordable Housing Units (i.e. 2,250 Affordable Housing Units) will be required to have a temporary or permanent certificate of occupancy by May 2025, subject to extensions set forth in the existing Development Agreement and the Project’s Modified General Project Plan. To the extent this requirement is not met, developer will pay Liquidated Damages of $2,000 per month for each Affordable Housing Unit that does not have either a temporary or permanent certificate of occupancy.

Second, ESD will require that two affordable buildings, totaling not less than 590 units of affordable housing, be built in the next phase of Project development: Building 14 (B14) will be commenced by December 31, 2014 and Building 3 (B3) will be commenced by June 30, 2015, each in accordance with the letters of intent for each such building from the New York City Housing Development Corporation dated May 16, 2014, subject to Unavoidable Delay and assuming no Affordable Housing Subsidy Unavailability or Market Financing Unavailability, as these terms are defined in the existing Development Agreement. ESD will utilize existing enforcement mechanisms to require prompt completion of these two buildings. The existing Liquidated Damages in the Development Agreement for failure to commence the first three buildings on the Arena Block (i.e., $5M each over a 12 month period) will apply to B2 (as currently contemplated) as the first Required Building, B14 as the second Project Building, and B3 as the third Project Building, as defined in the Development Agreement at Section 8.6(d)(i). For the purposes of Development Agreement Section 8.6(d)(i), the “Second Commencement Deadline” and the “Third Commencement Deadline” will be December 31, 2014 and June 30, 2015, respectively. In order to further accelerate construction of affordable housing units, B14
and B3 will be 100% affordable buildings, as allowed under the Project’s MGPP and existing Project documents. Phase I rental buildings may contain only affordable, only market, or a combination of affordable and market units, provided that: (I) each such building complies in all respects with the obligations contained in the MGPP and Project documents as amended consistent with these materials; and (II) all Phase I rental buildings, considered collectively, would be mixed-income buildings with a combination of low-, moderate-, and market-rate units integrated throughout Phase I.

Third, ESD will require developer to build affordable housing as it constructs market rate housing. In particular, ESD will amend the Development Agreement to require that a minimum of 35% of all units for which construction has commenced at any time will be Affordable Housing Units until construction of 1,050 Affordable Housing Units has commenced. Thereafter, this percentage requirement may drop to a minimum of 25. However, by 2025, FCRC must complete 2,250 Affordable Units, as set forth above. If at any time before completion of 2,250 Affordable Units developer falls below the 35%/25% threshold, it will not be able to complete a single market rate unit until the threshold is again met.

Fourth, ESD will direct all Liquidated Damages to the New York City Housing Trust Fund, a fund administered by the NYC Department of Housing Preservation & Development.

**XII  Creation of Subsidiary for the Atlantic Yards Project**

As set forth above in Section VI(B)(ii) (“Project Oversight”), staff recommends that, in response to public comments in connection with the Proposed Amendment, ESD create a subsidiary, as permitted under the UDC Act, to monitor development of the Project, more specifically detailed as follows.

ESD will create a new subsidiary, the Atlantic Yards Community Development Corporation (“AYCDC”), to improve oversight and monitoring of the Project:

- ESD will establish, subject to Director approval, AYCDC within 6 months.

- AYCDC will be governed by a board of fourteen (14) directors, who will be responsible for monitoring the delivery of public commitments related to the Project by making policy recommendations to the ESD Directors.

  - Nine (9) board members, including the Chair, will be appointed by the New York Governor (Governor must appoint Chair per statute). Of these nine (9), no more than five (5) may be City or State employees;

  - The additional five (5) board members will be appointed by New York City Mayor and local elected officials:

    - 1 appointed by the Mayor of the City of New York
    - 1 appointed by the Brooklyn Borough President
    - 1 appointed by the Speaker of the New York State Assembly
    - 1 appointed by the President Pro Tem of the New York State Senate
    - 1 appointed by the Speaker of the New York City Council;
All board members will be appointed to serve three year terms and must reside in New York City;

All elected officials making appointments will be encouraged to consult with Brooklyn Community Boards 2,3,6 and 8 in making appointments;

AYCDC will meet not less than quarterly, and will comply with the New York State Open Meetings Law; and

ESD will provide adequate staff support and cover administrative expenses for AYCDC.

• AYCDC will be charged with the following specific responsibilities:
  • Reviewing proposed changes to Project plan and agreements, and advising ESD board accordingly in advance of votes;
  • Monitoring developer compliance with all public commitments;
  • Monitoring, reporting on and responding to construction impacts and quality of life issues;
  • Evaluating the quality and effectiveness of monitoring, support and other services;
  • Making recommendations to ESD on ways to improve and expedite developer responsiveness to public obligations and increase transparency of Project development;
  • Assuring effective communication between the developer, government agencies and officials, elected officials and community and civic organizations;
  • Developing recommendations related to the Project, including in relation to unanticipated issues; and
  • Complying, as appropriate, with the Public Officers Law as it applies to members of the board and the conduct of business by AYCDC.

XIII Requested Actions
Accordingly, the Directors are being requested to:
(1) Adopt Findings pursuant to New York State Environmental Quality Review Act;
(2) Adopt Court-Ordered Findings as to the Project’s Phase II;
(3) Affirm the 2014 Modified General Project Plan, as modified and amended;
(4) Make a Determination with Respect to Greenland Joint Venture;
(5) Adopt Proposed Essential Terms for Modification of Project Documents;
(6) Authorize Creation of a Subsidiary for the Project; and
(7) Authorize Corporation staff to take related actions.
**XIV Attachments**

Resolutions
Exhibit A – Project Site Plan
Exhibit B – 2009 Modified General Project Plan
Exhibit C – Transcript of 4/30/14 Public Hearing
Exhibit D – Copy of written comments received
Exhibit E – 2014 SEQRA Supplemental Findings Statement
Exhibit F – June 2014 Amendment to 2009 MGPP with Exhibit D-1
Exhibit G – FCR-Greenland Transaction
June 27, 2014

BROOKLYN (KINGS COUNTY) – Atlantic Yards Land Use Improvement Project and Civic Project – Adoption of Findings Pursuant to New York State Environmental Quality Review Act; Adoption of Court-Ordered Findings as to Phase II of the Project; Affirmation of 2014 Modified General Project Plan; Determination with Respect to Greenland Joint Venture; Adoption of Proposed Essential Terms for Modification of Project Documents; Authorization to Create a Subsidiary for the Project; and Authorization to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting (the “Materials”), a copy of which are hereby ordered filed with the records of the Corporation relating to the Atlantic Yards Land Use Improvement and Civic Project (the “Project”), the Corporation hereby makes and adopts, pursuant to the New York State Environmental Quality Review Act, inclusive of the implementing regulations of the New York State Department of Environmental Conservation (“SEQRA”), the following findings and determinations, which findings and determinations are made after full consideration of the Project’s current Modified General Project Plan (the “2009 MGPP”, attached as Exhibit B to the Materials), the Final Amendment to the 2009 MGPP attached as Exhibit F to the Materials (the “2014 MGPP Amendment”), the Supplemental SEQRA Findings Statement attached as Exhibit E to the Materials (the “Supplemental SEQRA Findings Statement”), which Supplemental SEQRA Findings Statement is hereby adopted by the Corporation:

- The Corporation has given consideration to the Draft and Final Supplemental Environmental Impact Statements (“DSEIS” and “FSEIS”, respectively) prepared for the Project and presented to the Directors.

- The requirements of the SEQRA process have been met.

- Consistent with social, economic, and other essential considerations from among the reasonable alternatives available, the approval of Phase II of the Project (as described in the 2009 MGPP) and the 2014 MGPP Amendment (the “Action”) is one that will achieve Project goals and will avoid or minimize significant adverse environmental impacts to the maximum extent practicable, including the impacts disclosed in the 2006 Final Environmental Impact Statement (“FEIS”), DSEIS, FSEIS and Supplemental SEQRA Findings Statement.

- Consistent with social, economic, and other essential considerations, significant adverse environmental impacts associated with the Action which were identified in the FEIS, DSEIS, FSEIS and Supplemental SEQRA Findings Statement will be avoided or minimized to the maximum extent practicable by incorporating as conditions to the decision those mitigation measures identified in the FEIS, 2006 SEQRA Findings Statement, FSEIS and Supplemental SEQRA Findings Statement as practicable.
• The Project changes do not disturb ESD’s prior determination that the Project is in compliance with Section 14.09 of the New York State Historic Preservation Act.

and be it further,

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to comply with the requirements of SEQRA in connection with the Project; and be it further

RESOLVED, that pursuant to the July 2011 Decision and Order of New York State Supreme Court for New York County, which directed ESD to issue findings on whether to approve the general project plan for Phase II of the Project, and after consideration of the information presented in the FSEIS and Supplemental SEQRA Findings Statement as to the environmental impacts of a potential delay in Phase II construction, and after consideration of the modifications to the 2009 MGPP discussed in the Materials, the Corporation hereby finds that this new information and the Project changes do not disturb the land use improvement and civic project findings that the Corporation made in affirming the Modified General Project Plan for the Project on December 8, 2006, that such findings remain in full force and effect, and that the 2009 MGPP in so far as it relates to Phase II of the Project is approved and ratified by the Corporation; and be it further

RESOLVED, that, pursuant to Section 16 of the UDC Act, after due consideration of: (1) the testimony given at the April 30, 2014 public hearing on the Proposed Amendment to the 2009 MGPP; (2) all comments received by the Corporation during the UDC Act comment period concluding May 30, 2014; (3) the DSEIS, the FSEIS, and the Supplemental SEQRA Findings Statement, including responses to comments made at the public hearing or received thereafter; and (4) the UDC Act, SEQRA, and other applicable law, the Corporation does hereby affirm the Final Amendment to the 2009 MGPP attached as Exhibit F to the Materials (the 2009 MGPP, as modified by the Final Amendment, collectively the “2014 MGPP”); and be it further

RESOLVED, that, based on the factual and legal matters recited in, and for the reasons set forth in, Exhibit G attached to these Materials, ESD hereby consents to the proposed FCR – Greenland transaction described in Exhibit G, subject to and on the condition that the form and structure of such transaction be as materially described in Exhibit G, which consent will not be deemed consent to any provision of any document between or among Forest City Ratner and its affiliates and Greenland Holdings and its affiliates to the extent such provisions are inconsistent with, or would be deemed to modify, any provision of the MGPP or the Project documents; and be it further

RESOLVED, that based on the Materials, and after due consideration of all public testimony and comment received, the Corporation is authorized to execute amendments or modifications to the Project documents in connection with the establishment of accelerated deadlines and additional requirements for construction of the Project’s affordable housing, substantially on the terms and conditions presented to this meeting, and the Corporation hereby finds that such
proposed terms are in conformity with the Project’s Modified General Project Plan (inclusive of modifications adopted in these Materials); and be it further

RESOLVED, that the Corporation is hereby authorized to create a subsidiary under Section 12 of the UDC Act dedicated to monitoring the development of the Project, substantially on the terms and conditions presented to this meeting; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized and directed, in the name and on behalf of the Corporation, to execute and deliver any and all documents and to take any and all such actions as may be necessary or appropriate to effectuate the foregoing resolutions.

* * *
Exhibit A-1
Project Site Plan
General Project Plan

Site Plan

Proposed Project (Approximate GSF)

<table>
<thead>
<tr>
<th></th>
<th>GSF</th>
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<tbody>
<tr>
<td>Arena</td>
<td>850,000 GSF</td>
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<tr>
<td>Office*</td>
<td>336,000 GSF</td>
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<tr>
<td>Hotel*</td>
<td>165,000 GSF</td>
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<tr>
<td>Residential*</td>
<td>6.4 M GSF (Approx. 6,430 Units)</td>
</tr>
<tr>
<td>Retail</td>
<td>247,000 GSF</td>
</tr>
<tr>
<td>Open Space</td>
<td>8 Acres Public/ 1+ Acres Private</td>
</tr>
</tbody>
</table>

*Variation (B1, B2, Site 5)

The project allows for certain variation, which would replace some residential use and the entire hotel use with additional commercial space in B1, B2 and Site 5.
New York State Urban Development Corporation  
d/b/a Empire State Development Corporation  
Atlantic Yards Land Use Improvement and Civic Project  
Modified General Project Plan  
June 23, 2009¹

A. Introduction

The New York State Urban Development Corporation d/b/a the Empire State Development Corporation ("ESDC") is adopting this Modified General Project Plan ("GPP") for the Atlantic Yards Land Use Improvement and Civic Project (the "Project") in accordance with the New York State Urban Development Corporation Act (the "UDC Act") to effectuate certain amendments to the Modified General Project Plan for the Project dated December 8, 2006 (the "2006 MGPP"), which 2006 MGPP itself amended the General Project Plan dated July 18, 2006. The 2006 MGPP is restated herein together with the amendments effected hereby. This GPP reflects the additional review of the Project undertaken by ESDC and the City of New York (the "City"). The Project comprises the construction of a major mixed-use development in the Atlantic Terminal area of Brooklyn. Occupying an approximately 22-acre area, the project site (the "Project Site") is roughly bounded by Flatbush and 4th Avenues to the west, Vanderbilt Avenue to the east, Atlantic Avenue to the north, and Dean and Pacific Streets to the south and includes the approximately 9-acre (including the land under the 6th and Carlton Avenue Bridges), below-grade Long Island Rail Road ("LIRR") Vanderbilt Storage Yard (the "LIRR Yard") and Metropolitan Transportation Authority ("MTA") storage yard used for inactive New York City Transit buses (the "MTA Yard"; together with the LIRR Yard, the "Yard"). The Project is being undertaken by ESDC, the City, the New York City Economic Development Corporation and affiliates of Forest City Ratner Companies ("Forest City Ratner"; together with its affiliates, "FCRC"), including, without limitation, Atlantic Yards Development Company, LLC ("FC-AYDC"), and Brooklyn Arena, LLC (together with FC-AHDC, the "Project Sponsors").

¹ Certain factual descriptions in this GPP reflect factual conditions as of the adoption of the 2006 MGPP and have not been updated unless germane to the substantive amendments to the GPP set forth herein.
Additionally, through the sale of their property, the MTA and the LIRR are participating in the Project.

As indicated on the Site Plan, the Project Site is comprised of numerous parcels of land, (i) most of which are either currently owned by FCRC or under contract to purchase by FCRC, (ii) a significant portion of which is comprised of the Yard which is owned by LIRR and MTA, (iii) a small portion of which is currently privately owned and not under contract for sale to FCRC and (iv) a small portion of which is owned by the City, including certain City Streets (as hereinafter defined). FCRC has executed a term sheet with the MTA and is presently negotiating the contracts pursuant to which FCRC (or ESDC or a subsidiary thereof, as designee) will acquire a portion of the Yard and the volume of air space (the "Air Space") above the balance of the Yard starting at an elevation which will be approximately 20 feet above the rails (the "Platform Elevation"). Based upon the foregoing, FCRC currently owns or has agreements to acquire a very substantial portion of the Project Site.

FCRC has an established track record of developing large complex projects in Brooklyn, including MetroTech, Atlantic Center, and Atlantic Terminal, as well as other complex high profile projects in Manhattan, such as the New York Times Tower and the Times Square Hilton Hotel, both of which are part of ESDC’s 42nd Street Redevelopment Project. FCRC is an affiliate of Forest City Enterprises ("FCE"), which was established in 1921, and is a publicly owned real estate development company listed on the New York Stock Exchange (NYSE: FCE).

B. Project Location

The Project Site comprises the following parcels in the Borough of Brooklyn, Kings County, State of New York: the beds of 5th Avenue between Atlantic and Flatbush Avenues (inclusive of the small traffic island) and Pacific Street between Flatbush and 6th Avenues and between Carlton and Vanderbilt Avenues (collectively, the "City Streets"); Brooklyn Tax Block 927: Lots 1,16; Block 1118: Lots 1, 5, 6, 21-25, 27; Block 1119: Lots 1, 7, 64; Block 1120: Lots 1, 19, 28, 35; Block 1121: Lots 1, 42, 47; Block 1127: Lots 1, 10-13, 18-22, 27, 29, 30, 33, 35, 43, 45-48, 50, 51, 54-56, 1001-1021 (formerly Lot 35), 1101-1131 (formerly Lot 27); Block 1128: Lots 1, 2, 4, 85-89; and Block 1129: Lots 1, 3-6, 13, 21, 25, 39, 43-46, 49, 50, 54, 62, 76, and 81.
A "Project Site Plan" is attached hereto as **Exhibit A-1**. The Block and Lot Map is attached hereto as **Exhibit A-2**.

**C. Project Overview and Goals**

The Project calls for the development of an Arena (as hereinafter defined), 16 mixed-use buildings and a newly reconfigured LIRR train yard, generally, to be developed within two phases. The mix and location of uses have been designed to concentrate the greatest commercial activity closest to Brooklyn's major transportation hub (the "Transportation Hub"), located in the vicinity of the intersection of Flatbush and Atlantic Avenues. The Transportation Hub currently provides direct service from the LIRR plus 10 New York City Transit subway lines and is proximate to 11 bus lines and two additional subway lines. The portion of the Project Site west of 6th Avenue (the "Phase I Site") would include Blocks 1118, 1119, 1127 and the intervening beds of 5th Avenue and Pacific Streets (inclusive of the small traffic island), and a portion of the Yard located underneath 6th Avenue between Atlantic Avenue and Dean Street, as well as Block 927, other than tax lot 26. A new arena (the "Arena") for the New Jersey Nets National Basketball Association Team (the "Nets") and five other buildings (with commercial office and retail, residential, community facility and potentially hotel uses and a new subway entrance) would be built on the Phase I Site. In conjunction with the development of the Phase I Site, FCRC would also completely reconfigure, rebuild and relocate the current LIRR Yard. The western portion of the current Yard would be incorporated into the Phase I Site, and a reconfigured and upgraded yard (the "Upgraded Yard"), which would be designed to improve Yard functionality, would be built below grade on the eastern end of the existing Yard footprint and on Blocks 1120 and 1121. As part of the Upgraded Yard, among other improvements, a drill track will be constructed through a portion of Blocks 1119 and 1120, a west portal and LIRR parking spaces will be provided in Block 1120, and an ancillary railroad storage space will be provided in multiple locations in the Yard. The construction and development of the Arena Block and the Upgraded Yard would include environmental remediation. Environmental remediation of Site 5 and the remainder of the Project Site would also occur.

The portion of the Project Site east of 6th Avenue (the "Phase II Site") would include the platform building pad to be constructed in the Air Space at the Platform Elevation. Such
Platform would also be built above the below grade portions of Lots 42 and 47 of Block 1121, which are expected to be added to, and become a part of, the Upgraded Yard. The Platform, combined with the existing at-grade parcels on blocks 1120, 1121, 1129 and a portion of 1128 and the bed of Pacific Street between Carlton and Vanderbilt Avenues, would allow for the planning, reorganization and redevelopment of these currently underutilized blocks. Eleven buildings would be developed on the Phase II Site with primarily residential uses and a number of local retail and community facility uses.

At the option of the New York School Construction Authority, the New York City Department of Education or other appropriate agency (collectively, the "DOE"), FCRC will be obligated to construct, on the Phase II Site, at the expense of DOE, a public school (the "School") comprised of approximately 100,000 square feet in the base (starting on the ground floor and located on contiguous floors) for such grades as determined by DOE based on need. The exact configuration of the School would be determined by mutual agreement of DOE and FCRC. It is expected that the School would be located in Building 5 or a suitable alternative, as mutually agreed by DOE and FCRC. The School will be constructed in the first building constructed in Phase II, or by a date mutually agreed to by DOE and FCRC. The Phase II Site would also include eight acres of publicly accessible open space, a portion of which may become reserved for use by the School during School hours, but would be available for public use outside of School hours, and a small portion of which may be reserved for exclusive use by the School (the "School Open Space"); provided that the location and configuration of the School Open Space shall be subject to the reasonable approval of ESDC; provided further, however, that ESDC shall consult with the City prior to granting any such approval.

The build-out of the Project is likely to occur in two phases, with the Project elements on the Phase I Site and the Upgraded Yard (collectively, "Phase I") anticipated to be completed by 2014 and the Project elements on the Phase II Site (collectively, "Phase II") anticipated to be completed by 2019.

The principal goal of the Atlantic Yards Land Use Improvement and Civic Project is to transform an area that is blighted and underutilized into a vibrant, mixed-use, mixed-income community that capitalizes on the tremendous mass transit service available at this unique
location. In addition to eliminating the blighting influence of the below-grade Yard and the blighted conditions of the area, the Project aims, through this comprehensive and cohesive plan, to provide for the following public uses and purposes:

- a publicly owned state-of-the-art arena to accommodate the return of a major-league sports franchise to Brooklyn while also providing a valuable athletic facility for the City's colleges and local academic institutions, which currently lack adequate athletic facilities, and a new venue for a variety of musical, entertainment, educational, social and civic events;

- thousands of critically needed rental housing units for low-, moderate- and middle-income New Yorkers, as well as market-rate rental and condominium units;

- first-class office space and possibly a hotel to ensure that Downtown Brooklyn can capture its share of future economic growth and new jobs through sustainable, transit-oriented development;

- publicly accessible open space that links the surrounding neighborhoods;

- new ground level retail space to activate the street frontages;

- community facility spaces, programmed in coordination with local community groups, including a health care center and an intergenerational facility, offering child care as well as youth and senior center services;

- a state-of-the-art rail storage, cleaning and inspection facility for the LIRR that would enable it to better accommodate, simultaneously, its new fleet of multiple-unit series electric propulsion cars operated by LIRR which are compliant with the American with Disabilities Act (the "MU Series Trains") and other transit improvements;

- a subway connection on the south side of Atlantic Avenue at the intersection of Atlantic and Flatbush Avenues, with sufficient capacity to accommodate fans
entering or leaving an event at the Arena, eliminating the need for pedestrians approaching the Transportation Hub from the south to cross Atlantic Avenue to enter the subway, and thereby enhancing pedestrian safety;

- sustainability and green design through the application of comprehensive sustainable design goals that make efficient use of energy, building materials and water; and

- environmental remediation of the Project Site.

Each element would be designed pursuant to the comprehensive design and open space guidelines developed by ESDC in consultation with the City and attached hereto as Exhibit B (collectively, as the same may be amended in accordance with the terms thereof, the "Design Guidelines"), which Design Guidelines ESDC approved on December 8, 2006.

D. History

In the late 1960s and early 1970s, the City used the planning and development powers of urban renewal as a tool for reversing the decline in its communities. Several urban renewal areas were mapped in Downtown Brooklyn, including the Atlantic Terminal Urban Renewal Area ("ATURA") (1968) which included western portions of the Project Site on Blocks 927, 1118, 1119, 1120 and 1121. Today, virtually all of the urban renewal area north of Atlantic Avenue has been redeveloped, including major retail development, and a large office building and shopping mall developed by FCRC above the LIRR Atlantic Terminal. This development has produced over 3,000 new jobs for Brooklyn, with 48% of the retail employees living within 2 miles, and 50% of all retail managers living in Brooklyn. It has also generated millions of dollars in City and State tax revenues and has helped retain operations of the Bank of New York, a major employer, in the City. Nevertheless, the blocks on the southern side of Atlantic Avenue, cut off by Atlantic Avenue and the LIRR Yard, have not been redeveloped to complement the growth north of Atlantic Avenue in ATURA. Judged by typical measures of urban land utilization — built densities and vacant properties — the Project Site is fundamentally underutilized, particularly when compared to adjacent uses to the north and compared to the densities allowed in other areas of the City that are in close proximity to major transit hubs. In
addition, the Project Site's below-grade exposed rail yard and many dilapidated, vacant, and underutilized properties perpetuate a visual and physical barrier between the surrounding neighborhoods.

Since the Dodgers professional baseball team left in 1957, Brooklyn, a very large city in its own right (which would currently be the nation's fourth largest), has had no major league sports team. A 73-year tradition of major league baseball, played to an enthusiastic and loyal fan base, ended abruptly. From time to time, ideas have been advanced for making Brooklyn home to a major professional sports team (including the return of the Dodgers), but nothing has transpired. For example, the City's 1974 feasibility study for locating a professional sports complex in Brooklyn, in which the Project Site was identified as a potential location, did not lead to a development plan.

E. Project Description

1. Overview

The Project would provide the first-class Arena needed to bring a professional sports team back to Brooklyn. The Project would also create approximately 5,325 to 6,430 affordable and market-rate housing units, with 2,250 rental units being affordable to low-, moderate-, and middle-income families, while providing class A commercial office space. The Project would result in a signature mixed-use, mixed income development at one of Brooklyn's most important crossroads. This development would create a considerable number of jobs in Brooklyn, help address New York City's substantial housing needs and generate significant revenues for the City and State. The Project would transform what is currently a blighted and underutilized site into a development that incorporates world-class architecture, a dynamic streetscape, and significant public amenities for the entire borough. It is currently anticipated that the buildings would be based on a master plan prepared by Frank Gehry, a world renowned architect. It is anticipated that the open space – which would be eight acres of environmentally sustainable, publicly accessible open space, including, to the extent applicable, the School Open Space – would be based on designs by landscape architect Laurie Olin, whose designs include the open space in Battery Park City and Bryant Park. The buildings and open space will be designed in accordance with the Design Guidelines.
The Project Sponsors would implement a number of sustainable design measures which could include, by way of example, (i) landscaping design with a focus on storm water management, including water features within landscaped areas that would increase storm water retention capacity; (ii) use of high albedo materials for roofs and sidewalks, where possible; (iii) supplementary storm water management tanks to limit runoff into the City combined sewer system and provide possible irrigation sources for open spaces; (iv) storm water reuse both for irrigation of open spaces and for cooling tower make-up; and (v) use of high efficiency water fixtures such as sensing flow restrictors, low flow toilets, faucets and showers, drip irrigation and, in the Arena, waterless urinals. The Project's boilers would operate exclusively on natural gas and be equipped with low NOx burners. All of the Project buildings will be "green" buildings, meeting, at a minimum, LEED certification, which is the recognized standard for measuring environmental sustainability of new buildings. The Project's construction would employ a state-of-the-art construction emissions reduction program, which would include adoption of measures delineated in New York City Local Law 77 of 2003. To the extent practicable, the Project Sponsors would use electric engines operating on grid power rather than diesel engines. All diesel engines throughout the site would use ultra low sulfur diesel, and nonroad diesel engines with a power rating of 50 horsepower (hp) or greater and all truck fleets, under long-term contract with the Project, would utilize the best available tailpipe technology for reducing DPM emissions. Other measures that would be taken during construction include creation of a temporary paid parking lot on Block 1129 for use by construction workers only along with the development and implementation of a Construction Protection Plan, approved by the New York State Office of Parks, Recreation and Historic Preservation which will provide adequate protection to historic resources within 90 feet of the Project Site during construction. All construction activities for the Project would adhere to the environmental measures identified in the FEIS and would follow good engineering practices.

The Project would concentrate its density, height, and commercial uses at the western end of the Project Site to reflect the higher density commercial and residential uses associated with Downtown Brooklyn to the north, with Site 5 serving as a transition in scale from the neighborhoods to the west and south of the Project Site, and to capitalize on the services provided by the mass transit system – specifically proximity to the Transportation Hub (the
largest in Brooklyn), and the residential uses predominant on the eastern end of the Project Site would reflect the residential nature of the adjoining neighborhoods to the north and south.

2. Phase I - Arena Block and Site 5

The Arena is proposed to be sited at the prominent intersection of Atlantic and Flatbush Avenues. The approximately 150-foot tall Arena would have a capacity of approximately 18,000 seats and serve as the home of the Nets; the Arena would also host concerts and other events, including 10 community events, throughout the year (with certain configurations resulting in an increased capacity of up to approximately 19,925 seats). Based on the current schedule, the Arena would open during the 2011 – 2012 NBA season and is expected to be in use for approximately 225 events per year, including 41 regular season home games for the Nets. The Arena Block will contain, in addition to the Arena itself, four buildings, a publicly accessible "urban room," and infrastructure to service the entire complex, including subway improvements and utility improvements. The Arena will either be the first or second building on which construction would begin within Phase I. However, because of site constraints and construction phasing requirements, it is expected that components of the various improvements on the Arena Block will be constructed within the same phase. Thus, while the Arena is being constructed, portions of the infrastructure will also be constructed. These various project components will be identified through a series of easement agreements and/or condominium arrangements which will permit separate ownership, cost allocation and funding from separate sources. The Project Sponsors expect to commence construction on the first non-Arena building within six months of ESDC’s delivery of vacant possession of the Arena Block to the Project Sponsors, but in all cases, on or before the third anniversary of ESDC’s delivery of vacant possession of the Arena Block to the Project Sponsors; the second non-Arena building within six months following the commencement of construction on the first non-Arena building, but in all cases, on or before the fifth anniversary of ESDC’s delivery of vacant possession to the Arena Block to the Project Sponsors; and the third non-Arena building within six months following the commencement of construction on the second non-Arena building, but in all cases, on or before a date certain agreed to by ESDC and the Project Sponsors. The Project documentation to be negotiated between ESDC and the Project Sponsor will require the Project Sponsors to use commercially reasonable efforts to achieve this schedule and to complete the entire Project by 2019. The
failure to commence construction of each building would result in, *inter alia*, monetary penalties being imposed upon the Project Sponsors. As described elsewhere in this GPP, the Arena Block will initially be owned by ESDC, and the Arena itself, by ESDC or a State-created local development corporation ("LDC"), and will then be leased to FCRC. Upon completion, the four buildings will be owned by one or more FCRC entities and, in the case of residential condominiums, by condominium unit owners who purchase units. It is expected that the ownership of the land comprising the Arena site will be structured to allow for the buildings constructed thereon to be subjected to condominium regimes.

Unlike most arena facilities where activity is hidden from view, the Project would seek to provide a visual and physical connection between the Arena's indoor activity and the Urban Room, a significant public amenity comprised of a large, glass-enclosed public space that will provide access to the subway station, the Arena and Atlantic and Flatbush Avenues. This space would accommodate the major flows of people to and from the subway system during the day and night, serve as a direct subway entrance to the Arena and allow for a variety of public uses and programmed events throughout the year. The Arena is designed to allow passersby to see into the "bowl" of the Arena and view the scoreboard from the Urban Room and Flatbush Avenue.

If the Project Sponsors do not expect to commence construction on a particular portion of the Project Site or to use such portion of the Project Site for interim parking facilities or construction-related activities, including staging, in each case for a period of time to be mutually agreed to by the Project Sponsors and ESDC, then such portion of the Project Site would, in the interim, be used as temporary public open space.

Residential development in Phase I would be a mixture of rental and condominium housing. Approximately 1,005 to 2,110 residential units would be created, with 30% of the units on the Arena Block (but no less than 300 units) would be affordable. All rental buildings would be mixed-income buildings with a combination of low-, moderate- and middle-income and market-rate units integrated throughout.

The creation of the Arena Block on the western portion of the Project Site would allow for the footprint needed to house the Arena and Buildings 1 through 4 by joining Blocks 1118, 1119,
and 1127 and closing portions of Pacific Street and 5th Avenue. (See Exhibit A-1). The Site Plan provides an opportunity to improve access to the 10 subway lines by directly connecting the Arena to the subway system through the Urban Room, which would encourage the use of mass transit to the Project Site and to Arena events, in particular. Irrespective of any delay in the construction of Building 1 and the Urban Room, the new subway entrance on the Arena Block will be constructed and be completed by the opening date of the Arena. The Arena Block and Site 5, directly across Flatbush Avenue, would include residential use, Class A commercial office space, ground-floor retail, community facility space in the form of a health care center, and may include a full-service 180-room hotel with a lobby at street level. Buildings 1 through 4 would surround the Arena to create mixed-uses that would activate the street level even when the Arena was not hosting an event.

The western-most portion of the Arena Block (where Building 1 would be located) presents the most significant potential for mixed use and commercial development due to its location on the two major commercial arteries (Atlantic and Flatbush Avenues) with its ability to connect directly to the Atlantic Avenue/Pacific Street subway station. In addition, Site 5 (located across the street from Building 1 at the junction of Flatbush and Atlantic Avenues and at the southern end of the Transportation Hub) also has high potential for either commercial or residential development, while providing a transition (in height and scale) to its surroundings. This very prominent and unique terminus is well suited for high density development with an emphasis on superior architecture and urban design.

Both Site 5 and the Building 1 site are significantly underutilized. Site 5 contains two one-story retail buildings and a parking lot along with blank walls with no glazing and few breaks or entrances abut four public streets. The site for Building 1 currently contains vacant lots, a two story commercial building and a truck storage area among other uses.

The development of both Site 5 and Building 1, with high density buildings, is central to the goal of the Project in order to transform this very public and prominent area by creating architecturally significant buildings that would surround and connect to the Transportation Hub and by developing uses that would activate and create a vibrant streetscape experience for the public.
Site 5 and Building 1 play critical roles in achieving these goals. The subway entrance on 4th Avenue and Pacific Street would serve the new Site 5 development. Building 1 would provide a significant new subway entrance from the Urban Room and the street that would directly serve the Arena, commercial office space, hotel and new residential uses. As reflected in the Design Guidelines, from an urban design perspective, the density and massing of these two new buildings were developed to relate to the existing landmarked Williamsburg Savings Bank building, which is also connected to the Transportation Hub to the north. The Williamsburg Savings Bank building and Building 1 would be the most prominent structures visible to the public from the north, south and west and would interact with each other when viewed from different perspectives. In addition, the Site 5 Building and Building 1 would collectively signify both a southern gateway into and a connection to the surrounding neighborhoods of Downtown Brooklyn, Fort Greene, Boerum Hill, Prospect Heights and Park Slope. The streetscapes developed on Site 5, in conjunction with the Arena Block, would be enlivened by active ground floor uses and glazing requirements.

The Project would create a new neighborhood context along the Atlantic and Flatbush Avenue corridors in keeping with the stature of these streets as two of the principal (and widest) routes through the borough. The proposed buildings would be set back from the property line to create wide sidewalks along Atlantic Avenue and Flatbush Avenue. Street walls and setbacks along Atlantic Avenue would vary based on building location and size, but the overall pattern of the strong base components would enhance the urban streetscape along this major corridor. The ground floors of the buildings are expected to be highly transparent and lined with mostly local retail uses, including potential restaurant uses, thus continuing the strong Atlantic Avenue and Flatbush Avenue retail corridors to the west and south, respectively, onto the Project Site.

A number of access and circulation improvements are also proposed, including the restriping of streets and the creation of drop-off lanes by the setting-back of buildings onto the Project Site as needed.

Set forth on Exhibit C hereto, is a chart that sets forth the maximum heights and maximum gross square footages for each of the 16 buildings proposed for the Project and the maximum aggregate gross square footage for all of such buildings.
Although Site 5 is not included in the portion of the Project Site that will be acquired by ESDC in the initial acquisition, it is anticipated to be acquired by ESDC at such time as necessary so that Site 5 may be developed as part of Phase I.

3. **Phase I - The LIRR Vanderbilt Yard**

At present LIRR operations are primarily located on Blocks 1119 and 1120, and the MTA Yard formerly occupied a majority of Block 1121. Currently, yard tracks are built of conventional rail with wooden ties and switch timbers, and there is no direct connection between the Yard and the LIRR Atlantic Terminal. Trains entering the Yard from the LIRR Atlantic Terminal must travel east, past the Yard, switch, and reverse direction to enter the Yard. Tracks are spaced closely together, allowing only narrow passageways between trains for inspections and limiting toilet servicing to the two outer tracks, requiring trains to be moved in and out of position until each train has had its turn on an outer track. In addition, with limited exceptions, Yard switches, which allow trains to change directions, must be manually operated. The proposed Atlantic Yards Land Use Improvement and Civic Project offers an opportunity to reconfigure, upgrade and partially relocate the Yard to meet current construction standards and address the current and future needs of the LIRR as part of the development plan.

The Upgraded Yard would be built below street grade primarily on Block 1120 (the eastern end of the existing rail yard footprint) and Block 1121, to allow for both the continuation of LIRR yard operations and the operation of the Arena. The Upgraded Yard would include a drill track used for switching trains, which may extend into a portion of Block 1119. The drill track will be owned by the MTA/LIRR. In order to provide for the continuance of LIRR Atlantic Branch operations during construction of the Arena, a staged scheme would be developed to provide a temporary storage yard on Blocks 1120 and 1121 prior to the completion of the Upgraded Yard. The Upgraded Yard would include a new portal ("West Portal") providing a direct route from the LIRR Atlantic Terminal to the Upgraded Yard. The new West Portal would also provide a second means of train egress from Atlantic Terminal, adding safety, security and flexibility in the event of an emergency on the Main Line. The Upgraded Yard will be capable of storing MU Series Trains. The existing traction power substation would be relocated and replaced with a new, modern, indoor substation. The Upgraded Yard would create new employee facilities,
provide a new signal system and improve Yard functionality (including equipment servicing). The Project Sponsors would be responsible for the entire cost of the Upgraded Yard, although a portion of the State and City contributions to the Project (see Project Funding section below) may be utilized for this purpose.

The Project Sponsors anticipate commencing construction of the Upgraded Yard in 2010 but must commence construction no later than 2012, and in connection therewith, will provide a letter of credit and such other assurances, guaranties or security (in both amount and type) as ESDC and the MTA shall require or otherwise determine to be satisfactory. In all events, the Project Sponsors will also reconstruct the Carlton Avenue Bridge so as to be functional as of the opening date of the Arena.

Above the Upgraded Yard, the Project Sponsors would build a platform which would serve as both a protective roof for LIRR operations and as a base for the new development to be built above. As part of a competitive Request for Proposals, the MTA selected the FCRC Atlantic Yards proposal, which included the renovation, reconfiguration and partial relocation of the Yard and the development of a platform and buildings over the Upgraded Yard in Blocks 1120 and 1121. The MTA and FCRC have entered into a term sheet and are presently negotiating contracts for the purchase and sale of portions of the Yard and the air space above, and a construction agreement for the Upgraded Yard. Prior to ESDC filing its petition to acquire any portion of the Project Site not owned by the MTA, FCRC will be required to have entered into definitive agreements (in form and substance acceptable to ESDC) with the MTA for the purchase by it or ESDC of any property interests within the Project Site owned by the MTA and required for the Project.

4. Phase I Summary

It is expected that all of the Phase I buildings would be completed and opened by 2014. The first activity in Phase I, after site preparation, has been the construction of the temporary yard for the LIRR on Blocks 1120 and 1121, so that LIRR operations could be moved from Block 1119 to Blocks 1120 and 1121. Arena construction on Blocks 1127, 1118 and 1119 could begin immediately after acquisition by ESDC and when the temporary yard is complete and LIRR operations are moved. In addition to the Arena, the Upgraded Yard and the new entrance to the
subway system, Phase I is expected to include at least 336,000 gsf of commercial office space, 165,000 gsf of hotel use (approximately 180 rooms), 91,000 gsf of retail, up to 2.1 million gsf of residential use (approximately 2,110 residential units) and community facility uses, which would occupy portions of the residential and retail space. In order to provide reasonable flexibility to respond to market conditions, the programs of Buildings 1 and 2 and the building on Site 5 may be adjusted to allow for more commercial use. This additional commercial use could replace the 165,000 gsf hotel use and about 1.1 million gsf of residential use, or some portion thereof, in Buildings 1 and 2 and the buildings on Site 5. The maximum extent of this allowed flexibility would still result in the creation of approximately 1,005 residential units in Phase I. There would also be approximately 2,346 parking spaces at the end of Phase I, which would include permanent parking on the Arena Block and Site 5 and interim surface parking on Block 1129 and possibly Block 1120. Additionally, (i) parking for 30 cars and five trucks would be provided for the LIRR, located within Block 1120 post-construction or another location satisfactory to LIRR, and (ii) usable storage space would be provided in Blocks 1120 and 1121 consistent with the needs of LIRR.

5. Phase II - Other Project Development Blocks (Blocks 1120, 1121, 1129) and a portion of 1128

Moving eastward on the Project Site and into Phase II, the average height on each block would generally decline along Atlantic Avenue, providing for a reduction in scale as the Project Site moves farther away from the commercial uses and denser buildings associated with Downtown Brooklyn, and in recognition of the more residential and lower-density buildings situated to the east and south. In addition, the building envelopes would step down from the Atlantic Avenue frontage and change character considerably along the southern edge of the Project Site along Pacific and Dean Streets between 6th Avenue and Vanderbilt Avenue to relate to the lower scale of the neighborhoods to the south. For example, the tallest portions of the buildings on Block 1120 (Buildings 5-7), where the Project Site is only one block deep, would be located along the wide thoroughfare of Atlantic Avenue. The building masses and heights would step down to the south when approaching the lower-scale structures on Pacific Street.
Along Block 1129, Dean Street would be lined with trees with the mass and placement of buildings along this street having a lower height and density that is compatible with the character of the neighborhoods to the south. These buildings – Buildings 11 through 14 – would have residential uses on the ground floor fronting Dean Street along with small local retail establishments and lobby entrances, to the larger residential elements, would be set back from Dean Street. These buildings would, similar to the Atlantic Avenue buildings, have a variety of setbacks and heights, but would all be much lower than the buildings along Atlantic Avenue.

The residential uses, in both phases of construction, would help meet the current and expected need for housing in Brooklyn and the City as a whole, and the density of the Project would allow for a substantial number of affordable units to be included as part of the development program. At full build-out, the Project would include approximately 5,325 to 6,430 residential units, depending on the amount of commercial office space provided; most of the buildings on the Project Site would contain a residential component and all of the buildings east of 6th Avenue would predominantly be residential. Of the total residential units, it is expected that 4,500 units would be rentals; the remaining units would be market-value condominiums. The Project will generate at least 2,250 units of affordable housing on site for low-, moderate- and middle-income persons and families, and at least 30% of the units built on the Arena Block will be affordable. The balance of the affordable housing units will be built in Phase II, however not more than 50% of Phase II units will be completed without the completion of 50% of the Phase II affordable units. The affordable units are expected to be built as part of the Mayor's New Housing Marketplace Plan and are expected to be financed through tax-exempt bonds provided under existing and proposed City and State housing programs such as the City's 50-30-20 program. Community facilities, including a health care clinic in Phase I and an intergenerational community center in Phase II with space for at least 100 children for publicly funded day care, would be built as part of the Project. As Project construction proceeds, the Project Sponsors will monitor and assess the availability of publicly funded day care in the area of the Project Site and, if and to the extent required, the Project Sponsors will provide additional space for an approximately 250 day care slots (350 total) in the intergenerational center and/or elsewhere on the Project Site and/or in nearby off-site locations. The Project would provide approximately 3,670 permanent parking spaces for both the Arena and other uses on the Project Site. All
permanent parking would be located below grade. A parking plan showing the various locations for permanent parking for the Project is attached hereto as Exhibit D.

At the option of DOE, a public school will be constructed within the base of a building located within Phase II for such grades as determined by DOE. To the extent the School is constructed on the Project Site, up to an additional 100,000 square feet may be constructed to accommodate the School, provided that such square footage shall only be used as a School and shall be under the control of the DOE. If DOE determines that there is a need for a School, FCRC will be permitted to increase the size of the buildings located east of 6th Avenue by up to a total of 100,000 square feet in the aggregate to provide such space for the School without reducing the proposed project program. At DOE’s option, DOE shall have the right to own or lease such square footage from FCRC. If the square footage is leased to DOE, such lease shall be on a triple net basis with a total rent of $1.00. If the square footage is conveyed to DOE, the total consideration shall be $1.00. FCRC will construct the School's core and shell; DOE will construct the School's fit out. FCRC and DOE will agree upon a total cost for the core and shell construction, costs above which will be paid by FCRC.

6. Open Space

At full build out, the Project would include eight acres of publicly accessible open space on the Project Site, a portion of which may comprise the School Open Space. As set forth in the Design Guidelines, the publicly accessible open space would be available for public use seven days a week, with reasonable closing hours, security and lighting. On the eastern end of the Project Site, Blocks 1121 and 1129 and the current intervening bed of Pacific Street would be combined to create a large unified, publicly accessible open space, while Block 1120 would have substantial open space on its southern edge. As a general matter, the publicly accessible open space would be developed and opened in phases as buildings are constructed within the Project Site.

The publicly accessible open space would be easily accessed from the surrounding neighborhoods, with at least 60 foot wide landscaped spaces extending to Atlantic Avenue to the north and to Pacific and Dean Streets to the south between each of the buildings. The landscaped visual and pedestrian connections are intended to weave the open space into the existing pedestrian and bike circulation network. The publicly accessible open space would have a
variety of both active and passive spaces and planted and paved areas, and would incorporate features such as playing courts, a children's playground, water features, walking paths, a bike path, seating areas and extensive landscaping throughout. The open space would be designed, and the buildings around the open space would be arranged, to promote public access to and use of the space by the general public.

At present, street-level activity is virtually nonexistent on most of the Project Site and the only means to cross the street-level void created by the Yard is by the 6<sup>th</sup> Avenue and Carlton Avenue bridges. In the north-south direction, the open space would extend to Atlantic Avenue across from the terminus of each of the neighborhood streets to the north, linking the site to the area to the north both visually, through the creation of landscaped view corridor, and functionally, through the introduction of walking paths at each of these points. Complementary types of retail and community facility uses are expected to be located in some areas along the perimeter of the open space. These uses would provide opportunities to enliven the existing streetscape, which is characterized by the below-grade Yard, buildings in various states of disrepair, and other vacant buildings and lots.

Upon the completion of construction on the Phase I Site, to the maximum extent practicable, temporary open spaces, to be usable by the general public, would be made available on the Phase II Site until such areas are required either for Arena parking or for the construction of the Phase II Site.

7. Summary

At full build-out, scheduled for the year 2019,<sup>2</sup> the Project would include the Arena and at least 336,000 gsf of commercial office space, 165,000 gsf of hotel use (approximately 180 rooms), 247,000 gsf of retail space, up to 6.4 million gsf of residential use (approximately 6,430 residential units) and community facility uses, which would occupy portions of the residential and retail space, approximately 3,670 below-grade parking spaces and eight acres of publicly accessible open space, a portion of which may comprise the School Open Space. While the Phase II building programs are fixed, with the exception of the location of the School, as noted in

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<sup>2</sup> The Technical Memorandum (as hereinafter defined) addresses the potential impacts from a delayed build-out.
the Phase I summary, there is flexibility in the programs of Buildings 1 and 2 and the building on Site 5 to convert the hotel use and 1.1 million gsf of residential use, or some portion thereof, to additional commercial office space. If the maximum amount of allowed commercial office space were provided, the Project would include approximately 1,606,000 gsf of commercial office space and 5,272,000 gsf of residential use (approximately 5,325 residential units) and the same amount of retail and community facility space, parking and publicly accessible open space.

The Project would provide community facilities, including a health care center and an intergenerational community center offering space for at least 100 children for publicly funded child care and youth and senior activities. A new subway connection on the south side of Atlantic Avenue and eight acres of publicly accessible open space would also be created. Much of Phase II would be constructed on the new platform over a rebuilt and improved Yard, closing a visually and physically divisive gap in the urban landscape.

8. Status of Project Site Occupants and Relocation Plan

All existing residential occupants within the Project Site, who are legally occupying a residential dwelling unit shall be provided with relocation assistance to find decent, safe and sanitary dwellings, in the project area or in other areas not generally less desirable, at rents or prices within the financial means of the displaced person(s). It is expected that ESDC will implement the relocation program with the assistance of a professional relocation consultant. Of 171 total residential units on the Project Site, 139 units are currently vacant, accounting for 82% of the units on the Project Site, while 32 households remain in occupancy. Based on the best information available to the Project Sponsors as of the date hereof, in the 31 households that are currently occupied with no agreements to vacate, 5 of which are owner-occupied and 27 of which are rental units, there are approximately 62 people who remain in occupancy.3

At a minimum, the relocation program shall include the following:

- Referrals to alternative housing will be provided to displaced residential occupants.

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3 These figures do not include transient occupants of the homeless facility who will be accommodated elsewhere.
- ESDC's relocation consultant will meet with the Project's residential occupants to assess their particular housing needs and to assist them in finding replacement housing. Real estate brokerage services will be made available at no charge to the occupants.

- Moving services and expenses will be provided. This will include payment for the cost of the physical move, including the cost of transporting personal property to the replacement housing location, labor and material, insurance and storage as necessary ("Moving Costs"). ESDC or its relocation consultant will bid out all moves and select the lowest reasonable and responsible bid. The occupant either may use the selected mover or may conduct a "self-move" and receive the amount of money that ESDC would otherwise have paid to the selected mover. No Moving Costs will be paid until the premises are vacated. Moving Costs will be uncapped as to amount.

- A relocation assistance payment will be made to each vacating occupant. A one-time payment of $5,000 per household will be made available to each vacating residential occupant or family to assist in meeting additional expenses encountered in establishing new living quarters, such as telephone and other utility hook-up charges, new return address labels, etc. This stipend is also intended to compensate occupants for the inconvenience of having to move, and to encourage them to vacate their units as quickly as possible.

- The above described residential relocation program is the minimum assistance that will be provided. The Project Sponsors have entered into a Community Benefits Agreement whereby they agreed to provide certain enhanced benefits to occupants who were in occupancy of their residence for at least one year. Such benefits include the right to return and to rent a comparable unit within the Project Site at a comparable rate to what they are currently paying.

- There are currently only 7 businesses that are operating on the Project Site which have not signed agreements with the Project Sponsors to relocate, and based on information generated in the FEIS, it is believed that the Project will displace
approximately 185 employees of those remaining businesses. There is also a homeless shelter and a Fire Department of New York equipment clean/storage facility operating at the Project Site. Based on information generated in the FEIS, it is believed that the Project will displace approximately 35 employees of those institutions.

- Limited commercial relocation assistance will be provided to commercial tenants on the Project Site. Assistance will include locating and showing available space to the displaced occupant and providing information about private brokers located throughout the City.

- In addition, payment will be made for the cost of the physical move, including the cost of transporting personal property to the replacement site, labor and material, insurance and storage as necessary. ESDC or its relocation consultant will bid out any such moves and select the lowest reasonable and responsible bid. No Moving Costs will be paid until the premises are vacated.

- Payment will also be made to commercial tenants for other reasonable costs commonly associated with relocation, including the cost of relettering or replacing signs, replacing stationery and reinstalling telephone lines or other existing communications equipment. These re-establishment costs shall be capped at $20,000 per business. All costs related to the residential and commercial relocation program will be borne by the Project Sponsors.

F. Site Acquisition, Lease and Financing Structure

1. Site Acquisition

The Project Site consists of 73 individual tax lots (not including 53 individual tax lots comprising the residential condominiums). Three of these lots (Block 1119, Lot 7; Block 1120, Lot 1; and Block 1121, Lot 1) comprising approximately 40 percent of the land area to be included in the Project Site, are owned by the LIRR and MTA and comprise the Yard. In the spring of 2005, the MTA issued a Request for Proposals to purchase those portions of the Yard which are not needed for Railroad operations, along with the Air Space above those portions
which are needed by the LIRR. FCRC responded to the RFP and was selected as the prospective purchaser/developer of the Yard. MTA/LIRR and FCRC have entered into a term sheet containing proposed terms for the sale and development of portions of the Yard and are presently negotiating contracts of purchase and sale to ESDC or FCRC, a reciprocal easement agreement, and construction and related agreements covering the LIRR railroad and transit improvements that FCRC will make within and in close proximity to the Yard.

The current ownership and control of the parcels comprising the Project Site is illustrated on Exhibit E attached hereto. FCRC continues to negotiate to acquire the remaining private properties within the Project Site. Parcels that are not owned by MTA/LIRR or which FCRC is unable to purchase would be acquired in at least two phases by ESDC through the exercise of the power of eminent domain pursuant to the Eminent Domain Procedures Law (the "EDPL"). FCRC would pay all of the costs associated with such acquisition by eminent domain and would post letters of credit in amounts satisfactory to the condemnation court prior to the commencement of condemnation proceedings.

As noted above, ESDC will acquire certain portions of the Project Site pursuant to the EDPL in at least two phases. The first phase is expected to include that portion of the Project Site that is (i) necessary for the construction of the Arena and the buildings surrounding the Arena, (ii) necessary for the construction, development and operation of the Upgraded Yard (e.g., Lots 42 and 47 of Block 1121, Lot 35 of Block 1120 (or possibly a portion thereof or interest therein) and additional lots on the Project Site), and (iii) necessary for Arena Block and/or Upgraded Yard construction, staging, as well as parking (e.g., Block 1129 and Pacific Street between Carlton and Vanderbilt Avenues). The second and any subsequent phase is expected to include the balance of the Project Site, including the portion of Block 1128 that is included within the Project Site, Lots 19, 28 and the remainder of Lot 35 of Block 1120, and Site 5.

Several New York City streets and other City-owned properties indicated on Exhibit E are also within the Project Site; these streets would be closed and would become part of the Project Site pursuant to an ESDC override of local regulations done in consultation with and with the support of the City. As defined above, the City Streets are 5th Avenue between Atlantic and Flatbush Avenues (inclusive of the small traffic island), Pacific Street between Flatbush and 6th Avenues,
and Pacific Street between Carlton and Vanderbilt Avenues. ESDC will acquire these streets and other City properties with the consent of the City through exercise of eminent domain and will override the City map and the New York City Zoning Resolution in order to permit development on these streets.

All of the properties within the Project Site would be acquired by ESDC, on the conditions set forth below – either by conveyance in the case of the MTA/LIRR properties, through uncontested condemnation in the case of properties owned by the City or FCRC, or through exercise of eminent domain in the case of properties and interests in properties that FCRC has been unable to acquire through negotiation. The cost of acquiring the Project Site, regardless of how acquired, will be paid for by FCRC (and certain of these costs would be reimbursed by the City out of capital funds as described below). ESDC's acquisition of all such properties will not occur until such time as ESDC receives commitments, guaranties and other evidence satisfactory to ESDC that FCRC will (i) promptly commence construction of the Arena, and all of the infrastructure necessary for the Arena (together with the Arena, the "Initial Development"), (ii) complete such construction within agreed-upon time periods and (iii) commence and complete construction of the Upgraded Yard in accordance with and subject to the schedule agreed to with the MTA (and acceptable to ESDC).

With the consent of the City, City streets and other City property underlying the Arena would be acquired for $1.00; other City streets and properties within the Project Site would be acquired, at FCRC's sole cost, at their fair market appraised value or such other value as shall be agreed to by the City and FCRC.

ESDC (directly or through a special purpose subsidiary) will hold fee title to the Project properties acquired by it, at least through construction of the improvements on these properties. The 73 tax lots to be acquired by ESDC will be subdivided and/or combined, at the sole expense of FCRC, to create the individual development parcels contemplated in the plan for the Project. It is expected that each development parcel will comprise an individual tax lot which, except for the Arena parcel, will be leased back to a special purpose FCRC developer affiliate for $1.00. FCRC expects that the financing they have used to acquire properties within the Project Site will be replaced by leasehold financing when the properties are acquired by ESDC and leased back,
so that ESDC's fee interest will not be encumbered other than by (i) the leases to FCRC developer affiliates, (ii) in the case of properties within or above the MTA's Yard, certain reciprocal easement agreements and (iii) in the case of properties on the Arena Block, certain easements or other arrangements which will allow for the integration of the buildings to be located thereon with the Arena and DEP sewer access, as needed. With the exception of the Arena parcel, each development parcel will be subject to an option held by its developer entity to purchase title thereto for $1.00 at any time after the completion of the improvements thereon. With the exception of the Arena parcel, upon completion of the improvements on a specific parcel, ESDC shall have the right to convey its fee interest to the parcel and improvements thereon to FCRC developer affiliate. Upon any such conveyance to FCRC, FCRC will provide adequate assurances that the applicable parcel will be continuously used for the purposes set forth herein for a period of time mutually agreed upon by the parties. Prior to development, while ESDC is holding title to the properties, arrangements will be made by ESDC for property management, security, insurance, etc. Such expenses shall be borne by the Project Sponsors.

It is expected that all housing developments on the Project Site will receive exemptions from State and City mortgage recording taxes. This is customary for affordable housing developments. Although such exemption would also be available for construction financing for the market-rate condominiums developed on the Project Site, no credits for such exemptions would be available upon the sale of condominium units. In addition, no construction loan mortgage, or any portion thereof, will be assigned to lenders who are financing the purchase of condominium units, unless an amount equal to any mortgage recording taxes saved as a result of such assignment are paid to ESDC or other governmental authorities. Accordingly, all financing utilized to acquire condominium units shall be subject to State and City mortgage recording taxes without the benefit of any credit which would have been available had the mortgage recording taxes been paid in connection with the underlying construction financing. The foregoing shall not apply to a severance of the construction loan upon the condominiumization of the development as a whole and/or to the replacement of the construction loan with permanent financing for the development.

2. Development of the Arena
In the case of the Arena site, ESDC would lease the land for $1.00 to a Local Development Corporation ("LDC") organized under Article 14 of the Not-for-Profit Corporations Law. Subject to compliance with applicable Internal Revenue Service regulations, the LDC, which is expected to be organized at the direction of ESDC, will issue one or more series of tax-exempt "PILOT" bonds to pay the costs of constructing and fitting-out the Arena and its ancillary facilities.4 An FCRC affiliate ("ArenaCo"), as agent for ESDC or the LDC, will use the bond proceeds to construct and fit out the Arena. The LDC, in turn, will lease the land and Arena to ArenaCo, and ArenaCo will agree to maintain, operate and lease the Arena for professional basketball and other sports, entertainment and community events for an initial term of not less than 30 years and not more than 40 years. Certain costs of constructing the Arena may be financed through issuance of taxable bonds by the LDC; debt service on these bonds would be paid by assignment to the bond trustee of rent to be paid by ArenaCo under its lease from the LDC. In addition, certain costs of constructing the Arena may be paid directly by ArenaCo with certain payments under its lease.

ESDC will retain ownership of the land upon which the Arena will be built through the initial term of its lease to the LDC, and, under the financing arrangements described above, ESDC or the LDC will retain ownership of the Arena during the initial term. As a result, the land and improvements will be exempt from real estate taxes throughout the initial term. ArenaCo would enter into a payment-in-lieu-of-tax ("PILOT") agreement with ESDC and the LDC under which it would agree to make payments not to exceed the amount that full real estate taxes would be if the land and improvements were not exempt from such taxes as a result of ESDC's ownership thereof. ESDC will assign these PILOT payments to a PILOT trustee who, in turn, will assign to a bond trustee so much of the payments as is needed to pay debt service on the tax-exempt bonds. PILOT bonds will be payable solely out of PILOT payments by ArenaCo. Excess PILOT payments during the life of the bonds would be used to defray the cost of operating and maintaining the Arena. It is expected that ArenaCo's obligations under the PILOT agreement will be secured by PILOT mortgages on its leasehold interest; any taxable bonds would also be secured by a mortgage on the leasehold.

4 This financing arrangement has been contemplated by ESDC and the City for the financing of numerous sports and entertainment facilities, including the Arena, for at least three years.
None of the City, the State or ESDC will be liable on the LDC bonds which will be non-recourse obligations of the LDC, payable solely out of PILOT payments from ArenaCo. None of the City, the State, ESDC or the LDC will be liable to make PILOT payments. PILOT payments under the PILOT Agreement will be the sole obligation of ArenaCo.

ESDC’s real property interest in the Arena property will, in addition to providing exemption from real estate taxes, enable the Arena to receive the benefit of ESDC's sales tax exemption (the "Arena Sales Tax Exemption") on materials incorporated in the initial construction and fit-out of the Arena, and capital repairs and replacements to the Arena, and exemption from mortgage recording taxes on the mortgages securing the tax-exempt bonds and any taxable bonds.

ESDC and the City shall use good faith efforts to obtain the approvals and/or authorizations to obtain energy cost savings for the Arena through either the Con Ed Business Incentive Rate Program and Rider J applicable to Service Classification Nos. 4 and 9, as amended, or the New York Power Authority, the New York State Economic Development Power Board, the New York Public Utility Service and the Energy Cost Savings Program, if applicable.

The initial term of the ESDC lease to the LDC, and the LDC sublease to ArenaCo is expected to be 30 to 40 years, which is also expected to be the term of the tax-exempt bonds. The Nets professional basketball team will enter into a sublease or license agreement with ArenaCo to play its "home games" at the Arena. The Nets will also enter into a non-relocation agreement with the City and ESDC pursuant to which the team will agree to play substantially all of its home games at the new Arena for the life of the PILOT Bonds but in no event no less than 30 years.

ArenaCo will have an option to extend its lease after the initial term up to a total of 99 years, or to purchase the underlying fee interest from ESDC at its appraised fair market value. If the lease is extended beyond the initial term, the LDC will drop from the lease chain and ArenaCo will become the direct tenant of ESDC. In that case, ArenaCo will continue to make PILOT payments equal to what the real estate taxes would have been but for ESDC's ownership of the property. Ten percent of these PILOT payments will be used to pay for maintenance and operation of the Arena; the balance will flow to the City. If ArenaCo exercises its option to purchase the Arena site, the property will revert to the tax rolls. At all times during the existence
of ArenaCo's lease, ArenaCo shall be responsible, at its sole cost and expense, to maintain the Arena as a first class Arena suitable for a professional sports team.

3. Project Funding

The Project budget is currently estimated as set forth below.\(^5\) Compared to the budget estimate included in the FEIS, this estimate includes costs, such as land and other soft costs which were excluded from the estimate used to calculate the economic benefits of the Project in the FEIS. In addition, neither the Project budget included in the FEIS nor this GPP includes financing costs.

<table>
<thead>
<tr>
<th>Use</th>
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<td>Site Acquisition</td>
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<td>Arena</td>
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<tr>
<td>Residential</td>
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<tr>
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<tr>
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<tr>
<td><strong>Total</strong></td>
<td><strong>$4,898,000,000</strong></td>
</tr>
</tbody>
</table>

ESDC is expected to fund $100 million of the currently budgeted approximate $717 million of Project costs attributable to infrastructure improvements necessary for the construction of the Arena and for the redevelopment of the Yard. \(^6\) The City is also expected to fund $100 million of Project costs. City funds may be used for infrastructure improvements and for site acquisition costs related to the Project Site (other than for the acquisition of properties owned by the MTA/LIRR).

ESDC and the City of New York expect to enter into one or more funding agreements (the "Funding Agreements") with FCRC; funding under the Funding Agreements will be conditioned on receipt of all discretionary Project approvals, including without limitation, the approval of the Public Authorities Control Board. Initial funding under the Funding Agreements is expected to be approximately $80 million in the aggregate, $40 million from each of the State and the City,

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\(^5\) The amounts set forth in this section relate to the residential variation for the Project.

\(^6\) The funding agreement between the Project Sponsors and ESDC for such $100 million contribution is currently in place and a portion of such funding commitment has, as of the date hereof, been distributed to the Project Sponsors.
in the case of State funds, to be used to reimburse FCRC for infrastructure costs, including approved soft costs, and in the case of City funds, to be used to reimburse FCRC for land acquisition costs for the Project Site (other than for acquisition of properties owned by the MTA/LIRR) and for infrastructure costs, including approved soft costs. Additional advances of State and City funds (collectively the "Additional Fundings") under the Funding Agreements shall, in the case of the City, fund additional land acquisition costs including costs previously incurred for the Project Site (other than for properties owned by the MTA/LIRR) and additional infrastructure costs, including approved soft costs, incurred by FCRC, and, in the case of the State, fund additional infrastructure costs, including approved soft costs, incurred by FCRC, until the State and the City have funded their entire agreed-upon contributions ($200 million in the aggregate, $100 million from each of the State and the City). In addition, Additional Fundings shall be made taking into account amounts expended by FCRC, provided that (1) at no time will (i) the costs reimbursed to FCRC by the City and State, in the aggregate, exceed fifty percent (50%) of the total costs incurred and paid by FCRC, and (ii) the amounts funded by the State exceed the amounts funded by the City, and (2) such Additional Fundings shall be made upon other terms and conditions to be agreed upon by the parties.

City funding for reimbursement of land acquisition costs related to lands on the Project Site may be advanced to ESDC in lieu of FCRC, in which event, ESDC and FCRC will enter into a contract for ESDC to purchase from FCRC the lands so funded. To the extent such a purchase contract is entered into, ESDC shall have the right to complete such purchase as part of the Project, terminate such contract and proceed with its condemnation of the land which is the subject thereof, or terminate such contract.

Except as hereinafter set forth, in the event that prior to the completion of the Initial Development, the Project is discontinued, abandoned, terminated or permanently enjoined beyond all right to appeal, for any reason whatsoever, including, without limitation, FCRC's voluntary decision to abandon the Project, FCRC's and ESDC's inability to negotiate mutually acceptable terms for definitive Project documentation, or any requirements to modify the terms of this General Project Plan which are not approved by ESDC and are not acceptable to the City, FCRC shall be obligated to reimburse (the "Reimbursement Obligation") the ESDC in an amount equal to the sum of all funds advanced by the ESDC under the Funding Agreements (excluding
amounts advanced on behalf of the City) plus interest thereon calculated at the borrowing rate of ESDC. The Reimbursement Obligation shall also apply, and FCRC shall be obligated to make such repayment to ESDC, in the event the Arena construction is not commenced within one year after ESDC delivers vacant possession of the Project Site to FCRC (subject to up to four years of delays resulting from force majeure events or material adverse changes affecting the financing of the Arena) as required to construct the Arena including staging and necessary infrastructure. In the event the Arena construction is timely commenced but is not completed within six (6) years after ESDC's delivery of vacant possession of the Project Site to FCRC (subject to force majeure delays), FCRC will be required to remit agreed upon portions of the Reimbursement Obligation to ESDC for each year of delay.

Notwithstanding the foregoing, in the event the State and the City elect not to proceed with the Project despite FCRC's willingness to proceed in accordance with the terms of this General Project Plan, and such election on the part of the State and the City is not the result of an inability of the parties to reach agreement on terms after negotiating in good faith, FCRC shall not be liable for the Reimbursement Obligation and any contracts to purchase land from FCRC shall be terminated.

Prior to the commencement of the City funding under the Funding Agreements, FCRC recorded against the Project Site, to the extent owned by FCRC, restrictive covenants providing, inter alia, that such land will be used only for purposes of the Project as set forth in this General Project Plan, as the same may be modified or amended, and/or the other Project documents.

Prior to the Initial Funding, and each Additional Funding, FCRC shall be required to provide each of the State and City with guaranties and/or other security, in form, substance and from entities reasonably acceptable to the State and City, securing the Reimbursement Obligation.

4. Development of the Vanderbilt Yard

FCRC and the MTA/LIRR will enter into agreements pursuant to which MTA will convey to an FCRC affiliate (or directly to ESDC or its subsidiary) certain fee interests in the ground and/or air spaces within Blocks 1119, 1120 and 1121. Under a second contract, FCRC (or ESDC) will convey to MTA/LIRR the fee interest in the below grade portion of Block 1121, Lot 47 and
Block 1121, Lot 42, retaining a fee interest in the air above both parcels. (Lot 42 is one of the parcels depicted on Exhibit E which may require exercise of eminent domain). ESDC will also grant to the MTA and/or the LIRR such temporary and permanent easements as may be necessary and appropriate for the construction and operation of the Upgraded Yard, as ESDC and the MTA and/or LIRR shall agree. FCRC will also agree to construct certain improvements for LIRR’s use within the Yard, including, without limitation, temporary and permanent storage tracks capable of storing MU Series Trains, an electric substation and LIRR employee facilities, and the parties will enter into reciprocal easement agreements providing for necessary access, egress, and maintenance, etc. In addition, FCRC will have the right and obligation to construct a platform above the Upgraded Yard which will be at the Platform Elevation, which shall be approximately the same elevation as the streets surrounding the Upgraded Yard. On this platform, FCRC will develop 6 buildings and publicly accessible open space, in accordance with the Project’s master plan. FCRC will agree to pay to MTA/LIRR its net incremental costs of operating in an enclosed Yard, such as lighting and ventilation, subject to an agreement with the MTA/LIRR.

As part of its agreements with the MTA, and pursuant to separate agreements, FCRC will also construct certain improvements for the New York City Transit Authority, including new entrances and connections to the Atlantic Avenue/Pacific Street subway station complex under Atlantic Avenue with sufficient capacity to better accommodate fans entering or leaving an event at the Arena. (See Project Description, Section E.2.)

Improvements for the MTA, LIRR or New York City Transit Authority will be owned by the MTA, LIRR or New York City Transit Authority, as applicable. The platform above the Upgraded Yard, which will support FCRC developments and the publicly accessible open spaces, will be treated in the same way as land underlying other development parcels comprising the Project Site – that is, it will be owned by ESDC and leased, until substantial completion of construction, to one or more single-purpose, FCRC development affiliates. After construction, ownership will be conveyed to the developer entity.

5. **Other Project Developments**
ESDC will retain title to the land underlying other Project developments through their initial construction periods and will lease development parcels to the individual entities created for each of these developments for $1.00. FCRC shall be required to remit payments in lieu of sales taxes to ESDC under the lease or access agreement for each portion of the Project Site equal to all sales and compensating use taxes, if any, which FCRC would have been required to pay in connection with the development of such portion of the Project Site absent ESDC's ownership thereof, other than the Arena Sales Tax Exemption. After completion of construction, the fee interest to each development parcel will be conveyed for $1.00 to the development entity established for that parcel. Following such conveyance, the conveyed parcel will be returned to the tax rolls and will be eligible for any as-of-right tax benefits for which it qualifies, and the fee owner thereof will be liable for real estate taxes due thereon.

Residential developments within the Project are expected to be financed in a number of ways, depending on the type of development. Affordable housing is expected to be financed through tax-exempt bonds provided under existing and proposed City and State housing programs, such as the City's 50-30-20 program. Market-rate condominiums will be financed through conventional means, as will commercial office and retail developments. Through construction, because ESDC will continue to hold the fee interests, leasehold financing will be used. After conveyance of the fee interests to the developer/owner entity, the mortgages could be spread to cover the fee. FCRC will create condominium regimes for the residential condominium developments.

FCRC expects to utilize the State and City contributions to the Project to help reimburse FCRC for, in the case of the City contributions, the costs of land comprising the Project Site (other than for the acquisition of properties owned by the MTA/LIRR) and, in the case of the State and City contributions, the cost of new infrastructure, including streets and sewers, garages, transit connections, the LIRR improvements and the publicly accessible open space. These contributions will be funded through funding agreements with ESDC and/or the City. The publicly accessible open spaces will be built as the parcels are developed. They will be owned by a Conservancy or other not-for-profit entity established by the Project Sponsors, which will be responsible for the maintenance, operation and security of this public amenity. The Conservancy or other not-for-profit entity will be funded in the first instance by the Project.
Sponsors, and when the surrounding parcels are developed, by the owners of the surrounding buildings within the Project Site pursuant to restrictive declarations recorded against the land upon which such buildings are constructed. Such declarations shall also include obligations on the owners of the surrounding Project properties to (1) operate and perform maintenance in the event the Conservancy or not-for-profit entity defaults on its obligation to maintain and operate, (2) fund maintenance and operation at a sufficient annual level, and (3) provide adequate assurances satisfactory to ESDC and the City that the publicly accessible open spaces will be maintained and operated. The Conservancy or other not-for-profit entity will be governed by a board, which will include representatives of the Project Sponsors, civic group(s) active in park matters, the owners of surrounding properties and, on an ex officio basis, the local community boards and the New York City Department of Parks and Recreation (“DPR”). The initial program and planning for the open space will be subject to the reasonable approval of ESDC, consistent with the Design Guidelines and any material modifications thereto will be subject to the reasonable approval of the City.

The open space will be accessible to the public from dawn to dusk or at hours consistent with the practices of DPR for comparable public parks.

6. Transferability

The agreements with the Project Sponsors will provide that until the applicable building or improvement within Phase I is substantially completed, the applicable portion of each Parcel may not be transferred by the Project Sponsors, without the consent of ESDC and the City, except to affiliates of FCRC and in connection with financing transactions and/or the enforcement of rights of lenders under these financing transactions. In addition, in the event the Nets professional basketball franchise is sold to another entity prior to the completion of the Arena, Project Sponsors may transfer their interest in the Arena to the purchasing entity or its affiliate, provided ESDC and the City are reasonably satisfied that such entity can satisfactorily complete the development of the Arena or if such entity retains the Project Sponsors to develop the Arena.
G. Economic Impact

ESDC has performed an independent economic impact analysis of the Project.\(^7\) ESDC has projected that the Project will have the following impacts during construction and for the first 30 years of operations:

(i) Construction of the project will generate 12,568 new direct job years and 21,976 total job years (direct, indirect, and induced);

(ii) Direct personal income related to construction activities will be $590.0 million and total personal income will be $1.2 billion (direct, indirect, and induced);

(iii) Total construction employment will generate $42.1 million in City tax revenues and $89.9 million for New York State;

(iv) Operations at the Arena and mixed-use development will support an annual average of 4,538 new jobs in New York City (direct, indirect, and induced) and an annual average of 5,065 jobs (direct, indirect, and induced) in New York State, (inclusive of New York City);

(v) On a present value basis, the Project will generate $652.3 million of City tax revenues and $745.3 million of State tax revenues. Thus the project will generate $944.2 million in net tax revenues in excess of the public contribution to the Project.

In addition, the Project will produce an estimated $717 million in public improvements and infrastructure including improvements for the LIRR and for New York City Transit.

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\(^7\) The economic impact analysis set forth herein may vary from that set forth in the FEIS due to the use of different financial models and assumptions applied to the Project. The analysis set forth herein is based upon the residential variation of the Project. This analysis was completed immediately prior to the approval of the 2006 MGPP.
H. Project Purpose – Basis for Land Use Improvement Project and Civic Project Findings

The primary purposes of ESDC's participation in the Project are (i) to transform an area that is blighted and underutilized into a vibrant, transit-oriented, mixed-use and mixed-income community with significant publicly accessible open space and community facility amenities that has appropriate density close to Brooklyn's largest Transportation Hub; (ii) to provide a state-of-the-art Arena to accommodate the long awaited return of a major-league sports franchise to Brooklyn while also providing a first-class athletic facility for the City's colleges and local academic institutions, which currently lack adequate athletic facilities, and a new venue for a variety of musical, entertainment and civic events; (iii) to generate additional economic activity and City and State tax revenues (including sales tax revenues from operations and income tax revenues from events at the Arena and from Project Site households) by providing a venue for professional basketball and other events within New York City (and specifically in Downtown Brooklyn) that otherwise would occur elsewhere and by offering first-class office space, retail space and possibly a hotel to attract new jobs; (iv) to supply critically needed affordable and market-rate housing; (v) to provide a state-of-the-art rail storage, cleaning, and inspection facility for the LIRR which will enable it to better accommodate its MU Series Trains and other mass transit improvements at the Atlantic Avenue/Pacific Street subway station complex; (vi) to provide publicly accessible open space; and (vii) to cause environmental remediation to be performed on the Project Site.

Specifically, ESDC, pursuant to Section 10 of the UDC Act, makes the findings set forth below. These findings are supported and complemented by the findings, determinations and statements of fact described in the Final Environmental Impact Statement and in the Blight Study attached hereto as Exhibit F.

1. Land Use Improvement Project Findings

   A. That the area in which the Project is to be located is a substandard or unsanitary area, or is in danger of becoming a substandard or unsanitary area and tends to impair or arrest the sound growth and development of the municipality.
A study (the "Blight Study") of the Project Site, performed by the consultant engaged by ESDC in connection with the preparation of the FEIS, concluded that the Project Site is characterized by blighted conditions that are unlikely to be removed without public action. The Blight Study found that the Project Site has substandard and unsanitary conditions including vacant and underutilized buildings, debris-filled vacant lots, building facades that are in ill-repair, structures suffering from serious physical deterioration, environmental concerns, and high crime rates. In addition, eleven lots had buildings so physically deteriorated that they were found to be structurally unsound and a threat to public safety, and consequently, those buildings have been demolished. The Blight Study also found that five of the eight blocks that comprise the Project Site are located within ATURA, which was created by the City approximately four decades ago due to blighted conditions, and that unlike most of the blocks in ATURA, the Project Site blocks have failed to meet the goals outlined in the ATURA Plan. The Blight Study further found that the continued blight on the Project Site is due in part to the presence of the below-grade open rail Yard that creates a significant visual and physical gap in the urban landscape and impairs the sound growth of the surrounding area. The Blight Study concluded that the Project will remove these blighted conditions. The Blight Study is attached hereto as Exhibit F.

The Yard itself contains approximately 9 acres (including the land under the 6th and Carlton Avenue Bridges) of potential prime real estate in the borough of Brooklyn in close proximity to a major transportation hub and along a major arterial, but its current location and configuration serves as an impediment to future development both on the Yard blocks and for the surrounding blocks.

B. That the Project consists of a plan or undertaking for the clearance, replanning, reconstruction and rehabilitation of such area and for recreational and other facilities incidental or appurtenant thereto.

This General Project Plan calls for redevelopment of the Project Site, which is currently a blighted area, with uses and density that will best suit the opportunities presented by the large Transportation Hub and activity of Downtown Brooklyn on the western end of the site and the residential character of surrounding neighborhoods. There will be extensive environmental remediation of contaminated materials on the site. The platform to be built over the rebuilt, upgraded and partially relocated Yard will allow for development above the Upgraded Yard.
thereby removing a significant blighting influence, while improving Yard operations. The platform also will allow for a significant amount of publicly accessible open space that creates a physical connection between the surrounding neighborhoods. The Arena, commercial, retail, residential and community facility uses will invigorate the economic life and street activity of the area.

The Project will provide approximately 5,325 to 6,430 residential units. Of these, there would be approximately 4,500 rental units, 2,250 of which will be affordable to low-, moderate- and middle-income families. All of the housing, affordable and market rate, is needed to serve housing demands.

Eight acres of publicly accessible open space, including the School Open Space, will be provided for numerous recreational activities. Both active and passive uses will be accommodated in a design that includes paths and seating areas, lawns, a playground and water features. This open space will be developed largely on the platform over the Upgraded Yard and in the bed of Pacific Street between Carlton and Vanderbilt Avenues, replacing an open cut in the landscape and a lightly used street with a pedestrian-friendly, recreational area that connects the surrounding neighborhoods.

The Project will generate substantial tax revenues for the City and State and will generate a payment to the MTA, in the form of cash and improvements, for the fee interest in land and air space, as well as provide the MTA with a modern and efficient Upgraded Yard that can better accommodate its recently purchased fleet of MU Series Trains. New jobs will be generated and much needed affordable and market-rate housing will be created by the Project. The Arena will attract significant numbers of people, enhancing local business, both on the Project Site and in the surrounding area. In addition, the City will benefit from transit improvements and infrastructure improvements that are part of the Project.

C. That the plan or undertaking affords maximum opportunity for a participation by private enterprise, consistent with the sound needs of the municipality as a whole.

The Project Sponsors will develop most of the Project components and will provide financing for many of these components. In addition, while payments-in-lieu-of taxes will be used to repay the bonds used to finance construction of the Arena, the Arena will be operated by the Project
Sponsors and will primarily be utilized for private sports events and shows, while also serving as a possible venue for local college athletics and hosting community events. FCRC affiliates will develop, own and operate all the commercial and residential rental structures, and will develop the residential condominium(s). FCRC will maintain the Urban Room as a publicly accessible space with a subway entrance.

2. Civic Project Findings

A. That there exists in the area in which the Project is to be located, a need for the educational, cultural, recreational, community, municipal, public service(s) or other civic facility to be included in the Project.

The Arena will provide a needed venue for the Nets professional basketball team to be relocated to Brooklyn from its current home in New Jersey, as well as provide a venue for the City's colleges and local academic institutions, which currently lack adequate athletic facilities, and for other sport events that cannot currently be accommodated in Brooklyn. The Arena will also provide needed support for cultural and community events such as concerts, family entertainment and graduation ceremonies. These events will generate economic benefits for Brooklyn and for the City and State, while promoting civic pride. An Urban Room connected to the Arena will serve as a significant public amenity by accommodating the major flows of people to and from the transit center during the day and night, serving as a direct subway entrance to the Arena and allowing for a variety of public uses and programmed events throughout the year. The Arena will make Brooklyn competitive with other municipalities that have undertaken development of similar public facilities.

Eight acres of publicly accessible open space will be created with pedestrian and bike path connections between the surrounding neighborhoods, which are currently separated by the below-grade Yard. The neighborhoods are underserved by open space resources and the Project's open space will be a significant public amenity that serves the surrounding neighborhoods as well as the Project Site with a variety of active and passive uses. Additionally, such open space will play an important part in the area's storm water management system by significantly reducing runoff to the Gowanus Canal.
The new subway entrances on the south side of Atlantic Avenue, at the Flatbush Avenue intersection will significantly improve circulation to and from the 10 subway lines directly serving this major Transportation Hub and will accommodate fans entering or leaving an event at the Arena. Public safety will be substantially enhanced and public convenience increased by eliminating the need to cross Atlantic Avenue at a busy and complicated street intersection in order to access the subway system.

The new Upgraded Yard is needed to accommodate modern transportation demands at Brooklyn's major Transportation Hub. The Upgraded Yard will better accommodate the recently-purchased fleet of MU Series Trains, which are compliant with the Americans with Disabilities Act, will improve Yard operations by allowing toilet servicing to occur on all tracks, and will create enhanced spaces for inspections and servicing to occur and provide an enclosed space protected from the elements. In addition, the Upgraded Yard will provide a direct connection to the main line through the West Portal, increasing efficiency, and providing a secondary egress track in the event of an emergency on the main line, increasing public safety. This Project will create the opportunity for significant, and needed, improvements to the Yard's functionality and efficiency, which will benefit the public.

B. That the Project shall consist of a building or buildings or other facilities which are suitable for educational, cultural, recreational, community, municipal, public service or other civic purposes.

The Arena will be designed to accommodate the types of events described in this General Project Plan and will be suitable for the above purposes. The Arena will provide for the return of a professional sports team to Brooklyn, as well as entertainment and community events for the amusement and cultural enrichment of the residents of the City and the State.

The open space will have a combination of active and passive uses as part of a single, comprehensive master plan that encourages use by the surrounding neighborhood residents. The open space extends to the streets with large spaces as wide as a city street between each of the buildings so that the space feels like a unified whole with visual and pedestrian connections through and out of the space that weave it into the existing urban fabric. The open space will be accessible to the public from dawn to dusk or at hours consistent with the practices of DPR for comparable public parks.
The new subway entrance will improve public access to the 10 subway lines directly serving Brooklyn's major Transportation Hub and increase public safety by providing subway access from the south side of Atlantic Avenue.

As described herein, the Upgraded Yard will be designed to increase functionality and efficiency, providing significant civic benefits at Brooklyn's largest Transportation Hub. The Upgraded Yard will accommodate the MU Series Trains.

C. That such Project will be leased to or owned by the state or an agency or instrumentality thereof, a municipality or an agency or instrumentality thereof, a public corporation, or any other entity which is carrying out a community, municipal, public service or other civic purpose, and that adequate provision has been, or will be made for the payment of the cost of acquisition, construction, operation, maintenance and upkeep of the Project.

ESDC will retain ownership of the land under the Arena through the initial term of its lease to the LDC, and ESDC or the LDC will retain ownership of the Arena during the initial term. The initial term would equal the term of the tax-exempt bonds issued by the LDC and is expected to be 30 to 40 years. As described herein, adequate funds will be made available for construction of the Arena and FCRC will be responsible for the operation, maintenance and upkeep of the Arena.

The publicly accessible open spaces will be built as the parcels are developed. They will be owned by a Conservancy or other not-for-profit entity established by the Project Sponsors, which will be responsible for the maintenance, operation and security of this public amenity. The Conservancy or other not-for-profit entity will be funded in the first instance by the Project Sponsors, and when the surrounding parcels are developed, by the owners of the surrounding buildings pursuant to restrictive declarations recorded against the surrounding Project properties. The declarations, as described above, would require sufficient annual funding for the maintenance and operation of the open space, as well as providing adequate assurances that it will be maintained and operated. The Conservancy or other not-for-profit entity will be governed by a board, which will include representatives of the Project Sponsors, civic group(s) active in park matters, the owners of surrounding properties and, on an ex officio basis, the local community boards and DPR. The initial program and planning for the open space will be subject
to the reasonable approval of ESDC, consistent with the Design Guidelines and any material modifications thereto will be subject to the reasonable approval of the City.

The MTA will retain ownership of the subway station in which the Project Sponsors are making substantial improvements. As described herein, the cost of subway improvements will be borne by FCRC.

The MTA will retain ownership of the Upgraded Yard and of easements through other portions of ground and air space on the Project Site as needed. MTA will retain ownership of the below grade portion of Block 1120, Lot 1, and Block 1121, Lot 1 and will acquire the fee interest in the below grade portion of Block 1121, Lot 47 and Block 1121, Lot 42. The fee interest in the air space above Lots 42 and 47 will be retained by FCRC or ESDC. After its acquisition of the same, ESDC will hold fee title to the air space above Lots 42 and 47 and lease all of the same to FCRC in accordance with the terms set forth herein. As described herein, adequate funds will be made available for construction of the Upgraded Yard and FCRC will be responsible for MTA's net incremental cost increase for operating in an enclosed Yard pursuant to an agreement with the MTA.

With respect to the 16 buildings to be developed, each building will be leased from ESDC to a development affiliate of FCRC, and in each instance the tenant will be responsible for constructing, maintaining and operating the building throughout the term of the lease. It is expected that each lease, other than that underlying the Arena, will terminate upon completion of construction of the improvements to be located on the parcel of land leased thereby, with title to such land being conveyed to FCRC upon such lease termination.

D. That the plans and specifications assure or will assure adequate light, air, sanitation and fire protection.

The ESDC Department of Design and Construction will review and approve Arena plans and specifications and will assure that the above criteria are satisfied. The Arena and other improvements, other than the Upgraded Yard and other transit improvements, will be designed and built in accordance with the New York City Building Code or pursuant to approvals by the New York City Department of Buildings and building permits which will be issued by the New York City Department of Buildings, to the extent applicable. The publicly accessible open space
will be designed and constructed pursuant to the Design Guidelines developed by ESDC in consultation with the City and attached hereto as Exhibit B.

The MTA will review and approve plans and specifications and issue permits for the new subway facilities and the Upgraded Yard. The platform above the Upgraded Yard will be designed and built in accordance with the New York City Building Code or pursuant to approvals by the New York City Department of Buildings. The LIRR/MTA will review and approve the plans and specifications in their proprietary capacity as well.

3. Findings for all ESDC Projects

A. That there is a feasible method for the relocation of families and individuals displaced from the Project area into decent, safe and sanitary dwellings, which are or will be provided in the Project area or in other areas not generally less desirable in regard to public utilities and public and commercial facilities, at rents or prices within the financial means of such families or individuals, and reasonably accessible to their places of employment.

ESDC will implement a relocation plan as described herein. FCRC has and will continue to provide additional benefits for residential tenants which will provide tenants with reasonably comparable space at their then current rent or, at their election, a one-time relocation payment. Residents who so choose, will be relocated on the Project Site into brand new, safe and sanitary units, as soon as feasible. Until their on-site unit is available, the residents will receive a rent subsidy so that they continue to pay their then-current rent for decent, safe and sanitary off-site units in the neighboring areas, thus ensuring that housing is at all times within the financial means of the residents and in a location that is not less desirable in regard to public utilities and public and commercial facilities and that is reasonably accessible to their places of employment.

I. Site Investigation and Hazardous Materials

The Yard has been utilized for over 100 years for railroad and other industrial purposes. Contaminated materials may be present on the surface or in the subsurface. Under the terms of a temporary license agreement between MTA and FCRC, FCRC and their consultants have been provided access to the Yard to gather information and collect data that is reflected in the FEIS.
In addition to the Yard, many other parcels on the Project Site contained industrial and other uses, including gas stations, and may have contaminated materials present on the surface or in the subsurface. FCRC has begun investigations on parcels that it controls and would undertake investigations on certain other properties, under a license or under a lease, once ESDC has completed acquisition of the Project Site or earlier, to the extent feasible. Environmental testing results analyzed as of October 2006 are reflected in the FEIS.

Collectively, under the terms of the licenses and the transaction documents, FCRC would be obligated to perform any mitigation or remedial program that may be required under applicable laws and regulations or as otherwise agreed to among ESDC, MTA (with respect to the Yard) and FCRC.

J. **Local Regulation Override**

Although the City has been consulted throughout the planning process and has provided significant input to the Design Guidelines, the Project would require ESDC to override certain local regulations pursuant to the UDC Act. These overrides would permit a development more reflective of, and consistent with, land use policy envisioned for Downtown Brooklyn and would include the following:

(i) Override of Use Regulations to allow: (a) Commercial uses in a residential district and commercial uses above the height of the first or second floor in commercial overlay districts; (b) Residential uses in a manufacturing zone; (c) Community facility use in a manufacturing zone without obtaining a special permit from the City Planning Commission (the "CPC"); (d) Arena use in a residential and residential/commercial overlay district, and Arena use in C6 and C4 commercial and M1-1 manufacturing districts located closer than 200 feet from a residential zone without obtaining a special permit from the CPC; (e) Uses within the beds of City streets; (f) Commercial and residential uses to occupy portions of the development without regard to the location restrictions contained in the Zoning Resolution; and (g) Physical culture establishments without obtaining a special permit from the New York City Board of Standards and Appeals.

(ii) Override of floor area and open space regulations to allow: (a) Commercial and residential floor area in excess of that permitted in the underlying districts; (b) Location of residential floor area without regard to open space ratio or lot coverage requirements, where applicable; and (c) Location of floor area in the bed of mapped City streets.
(iii) Override of height and setback controls, including modification of minimum base heights in contextual districts and Special Downtown Brooklyn District streetwall controls, and modification of maximum base heights, setback requirements, sky exposure planes, and maximum building heights.

(iv) Override of minimum distance between buildings on a single zoning lot.

(v) Override of signage regulations to allow arena signage to exceed the applicable height, surface area, and illumination controls on the arena block.

(vi) Override of parking regulations to allow for accessory parking to be provided on zoning lots within the Project Site without regard to requirements regarding restrictions on location of accessory off-street parking spaces.

(vii) Override of loading requirements for commercial uses on the Project Site.

(viii) Override of Zoning Resolution special permit requirements to allow for a platform over or within a railroad right of way or transit air space to be included within a zoning lot and used for development.

(ix) Override of the land use controls of the Atlantic Terminal Urban Renewal Area (ATURA) Plan, as they relate to Site 5 and Site 6A to the extent the ATURA Plan requires compliance with zoning.

(x) Override of the restriction on the use of streets shown on the City Map as it relates to Pacific Street between Flatbush and 6th Avenues, 5th Avenue between Flatbush and Atlantic Avenues (inclusive of the small traffic island), Pacific Street between Vanderbilt and Carlton Avenues and an area underneath 6th Avenue between Atlantic Avenue and Pacific Street.

K. ENVIRONMENTAL REVIEW

ESDC, acting as lead agency pursuant to the requirements of the State Environmental Quality Review Act ("SEQRA"), and the implementing regulations of the New York State Department of Environmental Conservation, conducted an environmental review of the Project described in the Modified General Project Plan affirmed in 2006. The City and the MTA participated as involved agencies in the preparation and review of the Environmental Impact Statement ("EIS") that was prepared. At their December 8, 2006 meeting, the Directors adopted SEQRA Findings (the "Findings Statement"), which concluded the SEQRA process at that time.

Due to the modifications currently proposed to the Modified General Project Plan affirmed in 2006, ESDC worked with its consultants to prepare a Technical Memorandum, dated June 2009 (the "Technical Memorandum"), to assess whether these proposed modifications, design
development, the change to the Project's schedule and other changes in circumstances result in any new or substantially different significant adverse impacts than what had been described in the EIS and the Findings Statement. The Technical Memorandum concludes that the proposed modifications, changes related to the design development, the change to the Project's schedule and other changes in circumstances do not result in any new or substantially different significant adverse impacts and that, if the amendments to the 2006 Modified General Project Plan set forth in this GPP were to be affirmed substantially in the form proposed, there would be no need for a supplemental environmental impact statement.

The Project will be built and operated as described in the Findings Statement and Technical Memorandum, and FCRC will implement the mitigation measures as described in the Findings Statement.

L. CONCLUSION

This Land Use Improvement and Civic Project will redevelop a blighted area with a mixed-use, mixed-income project that provides a first-class Arena, critically needed residential units, significant commercial development, and a large public open space. This development will take advantage of Brooklyn's largest Transportation Hub to capture economic opportunities for Brooklyn and the City of New York and to address significant housing demands, within the sound planning framework of transit-oriented development. In order to accomplish these and other herein articulated goals, the challenge of building over Vanderbilt Yard would be successfully undertaken by relocating the facility to the eastern end of the Yard with modern and efficient facilities and building a platform over the Yard to heal the existing incision in the streetscape. This General Project Plan adopts a comprehensive vision that would eliminate the blighted and underutilized condition of the Project Site and provide new, thoughtful and artful designs for buildings and open spaces that mediate the scales of the differing adjacent neighborhood characteristics and foster connections between the surrounding neighborhoods.
Attachments

Exhibit A-1 – Project Site Plan
Exhibit A-2 – Project Block and Lot Map
Exhibit B – Design Guidelines
Exhibit C – Maximum Building Heights and Square Footage
Exhibit D – Parking Plan
Exhibit E – Property Ownership and Control
Exhibit F – Blight Study
Exhibit A-1
Project Site Plan
(attached)
Exhibit A-2
Project Block and Lot Map
(attached)
Exhibit B  
Design Guidelines

The Design Guidelines were not modified from those attached as Exhibit B to the 2006 MGPP. A copy of such Design Guidelines may be found at [http://www.empire.state.ny.us/AtlanticYards/](http://www.empire.state.ny.us/AtlanticYards/)
Exhibit C
Maximum Building Heights and Square Footage
(attached)
Exhibit D
Parking Plan
(attached)
Exhibit E
Property Ownership and Control
(attached)
Exhibit F
Blight Study

The Blight Study has not modified from the version attached as Exhibit F to the 2006 MGPP. A copy of such Blight Study may be found at [http://www.empire.state.ny.us/AtlanticYards/]
NEW YORK STATE URBAN DEVELOPMENT CORPORATION
D/B/A EMPIRE STATE DEVELOPMENT CORPORATION

PUBLIC HEARING
RE: ATLANTIC YARDS LAND USE AND
CIVIC PROJECT DRAFT SUPPLEMENTAL EIS

&

2014 Proposed amendment To The 2009 MGPP

Long Island University
75 DeKalb Avenue-Room HS107
Brooklyn, New York

April 30, 2014
5:41 P.M.

BEFORE:

EDWARD C. KRAMER, ESQ.,
THE HEARING OFFICER
PRESENT FOR EMPIRE STATE DEVELOPMENT:
Paula Roy.............................. 14
Rachel Shatz
Robin Stout, Esq.
Deborah Royce
Regina Stephens
Destiny Burns
Kenneth Adams
Derek Lynch
Other Project Participants

ALSO PRESENT:
The Public
The Press
The Media

Marc Russo,
Stenographer
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THE HEARING OFFICER: Ladies and gentlemen, welcome to Long Island University for today's public hearing.

It is now just a little after 5:30 p.m. and we would like to begin.

My name is Edward Kramer and I am the independent Hearing Officer for today's public hearing.

I have been asked by the New York State Urban Development Corporation, doing business as Empire State Development, or ESD, to conduct today's public hearing from 5:30 p.m. to 9:00 p.m. tonight.

This hearing is being held pursuant to the New York State Environmental Quality Review Act and its implementing regulations collectively known as S-E-Q-R-A or SEQRA, the New York State Urban Development Corporation Act, as amended, known as the UDC Act and any other applicable law.

Public notice of this hearing was duly given by written notice published in the Monday, March 31, 2014 edition of The New York
This hearing is being held in connection with ESD's Atlantic Yards Land Use Improvement and Civic Project in Brooklyn.

The project site encompasses approximately 22 acres, including the main area bound by Atlantic Avenue, Flatbush Avenue and Dean Street and Vanderbilt Avenue, excluding certain properties within block 1128, which is bound by Sixth Avenue, Dean Street, Carlton Avenue and Pacific Street. And further includes certain parcels down by Atlantic Avenue, Flatbush Avenue, Pacific Avenue and Fourth Avenue.

The project is described in detail in the project's 2009 Modified General Project Plan or 2009 MGPP, copies of which are next to you where you checked in. The 2009 MGPP also is available on ESD's website, www.esd.ny.gov.

The purpose of this hearing is to inform the public about the project and to permit all interested persons to comment on two documents; the March 2014 Draft Supplemental Environmental Impact Statement or DSEIS, and the March 2014 proposed amendment to the 2009 MGPP, known as the
proposed amendment.

Copies of the proposed amendment and of the executive summary of the DSEIS also are available next to where you checked in tonight. And, again, are available online at ESD's website.

A stenographic record of this hearing is being made. If you have a written copy of comments to deliver orally tonight, please leave them with the stenographer to assist in obtaining an accurate transcript.

The stenographer's transcript of this hearing and a copy of any written statements which are submitted here today, will be available for review during regular business hours at ESD's New York City office, 633 Third Avenue, New York, New York 10017. Upon written request, a copy of the record can be purchased for the cost of reproduction.

The hearing will remain open until all members of the public who are present at the hearing have been given an opportunity to make statements or comments on the project, the DSEIS and the proposed amendment.

The public comment period on the
DSEIS will close on Monday, May 12, 2014. The public comment period on the proposed amendment will close on Friday May 30th, 2014. Written comments should be delivered to ESD at 633 Third Avenue, New York, New York 10017, attention Mr. Derek Lynch or may be submitted by e-mail to: atlanticyards@esd.ny.gov.

Of course, comments also may be made verbally at this public hearing.

All comments received at the public hearing and all written comments received by ESD by the deadlines I just referred to, will be considered by ESD in its final consideration of the SEIS and the proposed amendment.

Please note that no decisions have been made whether to approve the SEIS or proposed amendment. Any such determination will not be made until after the close of the public comment periods and after all public comments have been received.

I would like to briefly take care of some administrative matters by asking the stenographer to mark the following documents as exhibits to the hearing transcript.

Exhibit 1, a copy of the Public
Notice that appeared in The New York Daily News on March 31, 2014 along with an affidavit of publication attesting to the publication of this notice.

(Public Notice, appearing in The New York Daily News dated March 31, 2014, and affidavit of publication was marked as Hearing Exhibit No. 1.)

THE HEARING OFFICER: Exhibit 2, March 28, 2014, ESD Directors' materials relating to the acceptance of the DEIS and adoption of the proposed amendment for purposes of this public hearing and, also, authorized the holding of this public hearing.

These documents shall be deemed marked.

(ESD Directors' materials relating to acceptance of the DEIS and adoption of proposed amendment for purposes of public hearing with authorization to hold the public hearing was marked Hearing Exhibit No. 2.)

THE HEARING OFFICER: Now let me introduce Paula Roy, Director of the Atlantic Yards Project at ESD, who will present more detailed
information describing the project, the DSEIS and the proposed amendment.

Then I will recognize anyone who wishes to make a comment.

Thank you.

Ms. Roy.

MS. ROY: Thank you.

My name is Paula Roy and I'm the Director of the Atlantic Yards Project at ESD.

Please permit me to briefly summarize the project.

A VOICE: We can't hear you clearly.

MS. ROY: I'm sorry.

A VOICE: Speak into the mic.

MS. ROY: Okay.

Can you hear me?

A VOICE: Thank you.

MS. ROY: Allow me to briefly summarize the project, the DSEIS and the proposed amendment.

As the Hearing Officer stated, this public hearing relates to ESD's Atlantic Yards Land Use Improvement and Civic Project. The
The project consists of:

1. The Barclays Arena, that has hosted over 300 events since opening.
3. Eight acres of publicly accessible open space; and,
4. The development of 16 buildings for residential, office, retail and potential retail use.

The residential component of the project will include up to 6,430 apartments, of which 4,500 will be rental apartments and 50 percent or 2,250 will be affordable to low, moderate and middle income households.

ESD has prepared the March 2014 Draft Supplemental Environmental Impact Statement for the project. Hard copies of the DSEIS executive summary are available on the table outside where you checked in, as well as online at ESD's website.

There's also a complete hard copy of the entire DSEIS on that table available for
inspection tonight as well as at ESD's offices.

The DSEIS analyzes the environmental impacts of the prolonged phase of construction and the environmental impacts of two proposed changes to the project set forth in the proposed amendment.

The DSEIS includes extensive technical analysis of potential adverse environmental impacts from an extended Phase 2 build out, including the potential impacts with respect to:

Air quality;
Traffic;
Noise;
Socio-Economic conditions; and
Many other areas expected both during construction and upon Phase 2 completion.

The DSEIS indicates prolonged Phase 2 construction would result in significant localized adverse impacts on neighborhood character in the immediate surrounding area during the construction period resulting from construction traffic and noise impacts and the visual effects of construction.
The DSEIS also identifies significant adverse noise impacts during certain periods of Phase 2 construction on the exterior -- of a number of buildings around the project site, including a public school located across Atlantic Avenue, finds that the resulting interior noise levels within the school would not materially impair -- materially impair its operation.

In addition, the DSEIS indicates that there would be a significant operational, traffic and pedestrian impacts upon completion of Phase 2 after an extended build out.

The DSEIS has further identifies a significant shortage of school seats in the elementary, intermediate public schools within subdistrict 1 of Community School District 13. And also finds that a delayed Phase 2 construction would extend the duration of significant adverse impacts of Phase 1 of passive open space resources in the non-residential study area.

These impacts are similar to impacts that were identified in the project's 2006 Final EIS. Both the DSEIS and the 2006 FEIS have identified significant adverse environmental
impacts with respect to the following:

Community facilities due to the shortage of public school seats, which would only be partially mitigated by a new public school proposed as part of the project;

Construction period open space, which is gradually eliminated through the incremental creation of Phase 2;

Transportation during construction and after completion of Phase 2; and,

Construction noise.

The DSEIS identifies measures to mitigate these significant environmental impacts to the maximum extent possible. However, with respect to the predicted shortage of public school seats, operational traffic and pedestrian impacts and construction traffic and noise, no practicable mitigation's been identified to fully mitigate significant adverse impacts.

The DSEIS further finds that prolonged construction would not have significant socioeconomic impacts in the surrounding area and would not adversely impact the character of the neighborhood surrounding the project site outside
of localized impacts in the area immediately
surrounding the Phase 2 sites.

Please note that all substantive
comments received tonight by ESD on the DSEIS and
in writing will be addressed in the Final SEIS for
the project.

Regarding that proposed 2014
Modified General Project Plan, the March 2014
proposed amendment recommends that the project's
2005 -- 2009 Modified General Project Plan allowed
for the transfer of up to 208,000 gross square
floor area from Phase 1 to Phase and a modification
of parking requirements.

Copies of the proposed amendment,
as well as the 2009 MGPP are available at the table
outside where you signed in.

All proposed modifications have
been analyzed in the DSEIS for potential impacts
and any identified practicable mitigation is also
set forth in the DSEIS. Specifically, the proposed
modifications are:

First, a shift in the 208,000
gross square --

A VOICE:  Sorry. Can you please
speak louder and directly into the mic. It's hard
to hear.

MS. ROY:  Sorry.

A VOICE:  That's all right.

MS. ROY:  A shift in 208,000 gross
square feet from Phase 1 to Phase 2.

The shift would reduce the
aggregate floor area of Phase 1 buildings by the
same amount and, therefore, the shift would not
increase the maximum floor area of the project.

The shift would also not increase
the maximum number of the project's residential
units or the approved maximum bulk of any
individual Phase 2 buildings, each of which would
remain subject to the same design guidelines that
ESD approved for the project in 2006.

The transfer would not change the
project's requirements of 2,250 affordable housing
units.

The second proposed modification
is a reduction in the number of required parking
spaces to reflect a lower anticipated parking
demand.

The 2009 MGPP required
approximately 3,670 permanent parking spaces for
the project as a whole. The DSEIS studied the
proposed modifications of the requirements that
would provide for 2,896 permanent parking spaces.

Additionally, as an alternative to
that base case, the DSEIS also studied a reduced
parking alternative that would further reduce the
number of parking spaces to 1,200 spaces for the
project as a whole.

ESD will consider public comments
submitted with respect to both this space case and
the reduced parking alternative before we do a
final decision on whether and to what extent the
parking requirements ought to be reduced.

That decision will be incorporated
into the 2014 amendment to the 2009 MGPP.

And, finally, the last proposed
modification to the 2009 MGPP is a replacement of
the parking key plan attached as Exhibit D to the
2009 MGPP with the new parking key plan.

Except as I have described, the
2009 MGPP will remain unmodified and in full force
and effect. Projects will remain unchanged.

Please also note that earlier this
week, ESD received a letter from the project
developer indicating their intent to request that
the LIRR and the MTA consider including certain
platform and building foundation work to be
undertaken concurrently with the LIRR Vanderbilt
train yard work, adjusting the completion date for
the permanent rail yard by 15 months.

A copy of that letter is available
on ESD's website.

And that concludes my summary of
the project, the DSEIS and the proposed amendment.

As previously stated, copies of
the March -- March 28, 2014 ESD's Directors'
material relating to these items, as well as copies
of the executive summary of the DSEIS and the
proposed amendments to the 2009 MGPP are available
at this hearing without charge to anyone who
requests a copy. These documents and the DSEIS in
its entirety are also available for inspection at
this hearing as well as on ESD's website and at our
offices at 633 Third Avenue.

Thank you very much.

THE HEARING OFFICER: Thank you,

Ms. Roy.
In order to help facilitate an orderly and productive public hearing, I ask that speakers note the following protocols for the hearing:

Prior to speaking, speakers should please sign in at the tables just outside this hearing room.

Speakers will generally be heard on a first-come basis except that elected officials generally will be given deference to speak when available.

All speakers will be limited to three minutes. Presentations that run longer may be concluded after all speakers have completed their remarks if there is time remaining before the schedule 9:00 p.m. close of this hearing.

The hearing will remain open until all scheduled speakers have had an opportunity to speak.

The written comments are given equal weight as verbal testimony and can be submitted to ESD via e-mail to atlanticyards@esd.ny.gov or be mailed to ESD at 633 Third Avenue, New York New York 10017, attention ROY ALLEN & ASSOCIATES, INC., 212-840-1167

409 Lafayette Street, 2nd Floor, New York, New York 10003
626 RXR Plaza, West Tower, 6th Floor, Uniondale, New York 11556
Derek Lynch. If submitted via e-mail, please indicate in the subject line, public comment for Atlantic Yards Project.

The deadline for written comments in both the Draft Supplemental Environmental Impact Statement is Monday, May 12, 2014. And the deadline for written comments on the proposed amendment to the 2009 Modified General Project Plan is Friday, May 30th, 2014.

Cards with instructions for submitting comments can be found at the tables just outside of this room. If you have signed on to speak tonight but must leave before being called to speak, please leave any written comments you may have at the tables where you signed in.

Also, if you have signed in to speak but prior speakers have made the points you wanted to raise, please note that ESD will review and respond to all such points, and instead of testifying, you may leave any written comments you will have also at the tables where you signed in.

We’re now ready for speakers. I will be calling names in groups of five. When you hear your name, please take a seat in the row
reserved for speakers in the front -- right in
front of me here.

In order to ensure an accurate
transcript and to enable all assembled to hear your
remarks when called, please come to the microphone
and state your name and address. If you are
representing an organization or governmental
entity, please identify the organization or entity
and state its address. If you have written copies
of your remarks, we would appreciate it if you
could leave copies of those remarks with the
stenographer.

Finally, I want to remind you that
the purpose of this hearing is to afford you an
opportunity to make comments on the project, the
DSEIS and the proposed amendment. This is not a
question and answer session. It is, instead, an
opportunity for you to present your views so that
ESD can consider them in making its determination.

Before I start calling the
speakers, I would like everybody to please take
seats. Everybody in the back, please take seats if
you are not working the camera.

Thank you.
Please take seats in the back.

THE STENOGRAPHER: Can you tell them to turn cell phones off.

THE HEARING OFFICER: And after you take seats in the back, could everybody please either turn their cell phones off or put them on vibrate.

At this time, I would like to ask the first five speakers to approach the front of the room and take a seat in the reserved areas.

The first five speakers are in order:

Jane Marshall;
Walter Mosley;
Jim Vogel;
Laurie Wheelock; and
Vivia Morgan.

Ms. Marshall, you are first.

MS. MARSHALL: This is were I speak?

THE HEARING OFFICER: Yes.

MS. MARSHALL: Good evening and thank you for the opportunity to speak.

My name is Jane Marshall and I'm a
Senior Vice President of Development at Forest City.

The main point that I want to make to ESD and the public at large is, that Forest City is, and remains, fully committed to completing Atlantic Yards Project as expeditiously as possible. This includes building 2,250 affordable housing units and providing all of the public amenities that are a part of this project.

We fully recognize that we have obligations to complete these parts of the project in full. And together with our partner, Greenland Holding Group, we fully intend to meet all of those obligations.

So far we have met the project -- all the project requirements for building the arena and the infrastructure associated with it.

We have started construction of the first residential building on the arena block, B2, in which 50 percent of the units will be affordable.

We are working on the design of B3, the next building on the arena block with affordable housing.
And we intend to launch two buildings on block 1129 as soon as possible, one of which will contain affordable rental housing.

Like any other real estate project, the most important determinant of the pace at which it can be built is the availability of financing. The barriers to financing are litigation and lack of capital. Litigation makes it difficult to get financing because banks generally won't lend money to a project that's under a cloud of lawsuits.

In addition, the great recession of 2008 and '09 dried up financing for a long time for almost everyone.

We have tried, and continue to be innovative, in coming up with resources to free up and obtain capital needed to build this project. Most recently, we reached out globally for development partners, the result of which is the pending Joint Venture with the Greenland Holding Group, a major developer in China.

The JV has been approved by the U.S. Government and is going through the approval process in China. We expect it to be finalized in
June.

We are already working with Greenland on a plan and construction schedule that in no way resembles the time line analyzed in this SEIS. Rather, it resembles the construction schedule that we have always pursued despite the obstacles thrown in our path, which is to complete the project in ten years.

This brings me to my last point. The SEIS that you're considering studies the environmental consequences of a 25-year build out. When we negotiated our definitive documents with ESD and the MTA, they insisted that there had to be outside dates by which, if we did not finish the project, we would be in default, incur significant financial penalties, lose our sizable equity investment to date and lose the right to develop the project.

This 25-year outside date was never viewed by Forest City as a proposed construction schedule but as a date by which we fail. We have always intended to complete the project much, much sooner than that and we will.

Thank you.

I'd like to note that there's a clock in the front for the convenience of the speakers and there will be a slight chime or more than a slight chime, will go off when there's 30 seconds left.

Can everybody please take seats.

The next speaker is Walter Mosley.

ASSEMBLYMAN MOSLEY: Thank you for this opportunity to speak about the Atlantic Yards Redevelopment Project as it relates specifically to the Draft SEIS submitted this past March.

My name is Walter Mosley. I'm a New York State Assemblyman from the 57th Assembly District. I currently serve on several committees; to be exact, the relevant committee I sit on as it pertains to this project are Housing and Corporations, Authorities and Commissions committees.

However, more importantly, I'm a life-long, third generation Brooklynite. I'm a father of a son. I'm a husband. And I say this to give you an understanding that my interest in how
we move forward with this project is personal to me and my constituents.

The last -- the late great New York Congressman, Major Owens, was once quoted as saying that, "The use of power to advocate on behalf of the powerless, is the greatest virtue of any leader." Now during my career as a public official, I've had the pleasure to serve my district at several levels; whether it's been through my participation with our local Community Board, as a State Committeeman or, currently, as a member of the New York State Assembly.

I've had the pleasure of representing my district with the sole intent of making sure that whatever development takes place, that we move forward and closer to the ideals of equality, fairness and transparency.

In the spirit, as noted by my predecessor, I'm again urging the developers and ESD to make a concerted effort to ensure that the project does not ignore the will and desires of any resident who wishes -- who wishes to take on an active role in the effort to establish a new and sincere paradigm that will seek to truly respect
and revitalize the local community and the borough as a whole.

Now with this in mind, I believe that tonight is another opportunity for all parties involved to unite around our core values as neighbors as we take into account what is needed to ensure the appropriate level of transparency and assurance as it relates to:

1. The build out commitment within the necessary time frame to meet the affordable housing goals promised to the community.

2. Providing the appropriate level of construction compliance and oversight over the current and subsequent construction phases; and,

3. Installing an onsite, State-sponsored environmental monitor; and,

4. Putting in place an independent board where community input and accountability is guaranteed.

To meet these challenges along with several others, the following measures need to be put in place to provide the necessary assurance and public supervision as we seek to heighten the
level of accountability and project governance going forward:

As such, a project oversight entity to supervise the Atlantic Yards Project remains an absolute necessity. In the past, ESD has established subsidiaries to formally involve the City and local elected officials in the governance of similar projects; i.e. Brooklyn Bridge Development Corporation and the Queens West Development Corporation.

The fact that we do not have project oversight subsidiaries to Atlantic Yards only heightens the fact that we have less accountability in comparison to similar projects.

To address this, we would suggest ESD establish a subsidiary corporation for the ongoing oversight of the Atlantic Yards Project, inclusive of a board of directors made up of, in part, public officials.

The entity would be created to undertake four key responsibilities:

Oversee the implementation of the design guidelines for the construction of the subsequent towers;
Coordinate the involvement of the State and City agencies responsible for the environmental impact litigation;

Manage the development of policies surrounding the project, including environmental concerns; and,

Last, approve changes to the General Project Plan with community involvement and comments.

In light of the Draft SEIS findings, and based upon the development's most recent decisions to build the next three towers with conventional construction methods, indicates that a prolonged Phase 2 construction period is imminent.

Subsequently, we need to comprehensively identify all adverse environmental impacts that must address, in part, local community facilities, construction period for open space, transportation, both operational and during construction and ongoing construction noise and air pollution.

I'm committed to the process of ensuring that a build-out plan for Phase 2 seeks to
engage and include the participation of local
elected officials and community members.

However, I also feel compelled to
believe that we take this moment in time and look
at this period to include within the future plans
of this development, the site -- of the site, the
core values of equality, reciprocity and
transparency.

As a resident and representative
of this community, my constituents and neighbors
should be assured, at the very least, to believe
that this process and this outcome here tonight
will be different. And if it is different, that we
move forward together as partners and not as
adversaries.

And, last but certainly not least,
I want to put into the record that my request that
the public review period for the Draft SEIS, which
was released on March 28th, 34 days ago, be
extended for an additional 60 days. As announced
by ESD, you will close the period for written
public comment on May 12th, which is 45 days from
the release of the Draft SEIS.

I alone, and may others, believe
that it is an insufficient amount of time for my constituents and neighbors to properly analyze and respond to a document of more than 1,200 pages and it compares unfavorably to an 85-day public comment period allowed by the Draft Scope of Work issued on December 19th of 2012, and a 67-day comment period of the Draft EIS --

THE HEARING OFFICER: Assemblyman, can you finish up, please.

ASSEMBLYMAN MOSLEY: -- on July 2006.

I'm closing.

To this end, I would urge ESD to evaluate -- re-evaluate and re-issue a new deadline in response to this most recent impact study.

Thank you again for this opportunity to testify.

(Applause.)

THE HEARING OFFICER: Thank you, Assemblyman Mosley.

The next speaker is Jim Vogel.

MR. VOGEL: I'm speaking on behalf of Senator Montgomery who is in transit.

I thank you for the opportunity to
address you today with my thoughts regarding the Supplemental Environmental Impact Statement produced by ESD under a court order of Judge Marcy Friedman.

I begin with a reminder of the origin of the SEIS because it speaks to several essential problems with the Atlantic Yards Development Project and apparent acquiescence towards the wishes of the developer by ESD and a lack of sufficient oversight of the developer or consideration for the effects of the development on the surrounding residents by the ESD.

I've admired the actions of the ESD at managing other projects around New York State over the years, which compounds my frustration with the problems encountered on a daily basis with the Atlantic Yards Development Project, literally a block from my district office.

These problems reflect very seriously in the accountability, trust and perceived allegiance of the ESD - a public authority charged with the oversight of projects to produce public benefits to the people of the State of New York, not for certain developers working in...
New York State, which is not the unfortunate public perception.

To date, over 900 people have been directly displaced for this project. New traffic patterns have tied new knots in our streets and deprived local residents of scarce parking.

A speculative real estate fever is forcing even more long-time residents from their homes, a fever based on the assumption that Atlantic Yards will change the character of the neighborhood surrounding it to a miniature upscale Manhattan.

Hundreds of millions of dollars in public money has been invested, all of this without the genuine participation of the public or a single elected official, other than the Governor, and all at the service of a sole developer.

The overall timetable has been pushed back without an EIS, precipitating a lawsuit that resulted in this SEIS. The current SEIS addresses only the original timetable extension, ignoring many other changes that would logically be part, but aren't even considered now or at the beginning of the project to contemplated
experimental modular construction with its risks and the reduction of projected tax revenue? No one. Who would have thought that the considerable public investment in this project and most of the financial benefit would be directed to a new company, 100 percent owned by a foreign government? How could we expect that commitments made by the original developer and a small group of local residents, have no oversight because the developer decided oversight was unnecessary? Most unexpectedly of all, who would foresee the ESDC would take such a hands-off approach in their oversight of an important project? And what do we see in the way of public benefit? We've seen very, very limited public benefits and only those that were considered important by the developer, such as the subway entrance near the arena. The timetable for any promise of public benefits has been indefinitely postponed. The public has been told that someday there will be school. Someday there will be affordable housing for a few decades. Someday there will be publicly accessible open space --
whatever the developer means. Or, perhaps, there
won't be anything like this if the developer,
whoever that ends up being, again, petitions for
changes to the contract.

The ESD must restore principal
oversight to this process in order to restore the
public's trust. Without this trust there will,
doubtless, be other well-intentioned lawsuits by
the public desperate for reassurance. The public
does not wish to delay the public efforts. They
wish to ensure their delivery.

The ESD and developer can best
avoid future lawsuits by establishing meaningful
participation, such as the establishment of an LDC,
engaging in a genuine dialogue in contrast with the
current arrangements and immediate delivery of
certain promised public benefits with a definite
calendar for the ongoing delivery of the promised
benefits.

The major public benefit being,
the creation of 2,250 units of affordable housing.
The longer the delivery of this promise is delayed,
the fewer original residents promised this benefit
will there be to actually benefit from it. And
since the gauge is adjusted every year, delay makes
any affordable apartments more expensive than most
Brooklynites can afford. This delay should not be
allowed to continue and vital public benefits must
be prioritized.

Therefore, I urge the ESDC require
that any new residential construction in the
Atlantic Yards Development Project contain 35
percent affordable housing and that a substantial
number of these affordable units be two, three and
four-bedrooms, to accommodate the needs of
families, as was the original intent and design.
It must be delivered with all possible speed.

I'm confident that if the ESDC
re-asserts itself as the primary manager of this
important project, the development project at
Atlantic Yards will progress more quickly, reliably
and amicably than has been the case to date.

Thank you for your attention.

Senator Velmanette Montgomery, New
York State 25th District.

(Appause.)

THE HEARING OFFICER: Thank you,
Mr. Vogel.
The next speaker will be Laurie Wheelock.

Could everybody please take seats.

MS. WHEELOCK: Good evening.

THE HEARING OFFICER: Excuse me, one second.

Could everybody please take seats.

It's important to a hearing like this that people do not congregate by the doors --
or stand up, using their phones and e-mails. It's distracting to the speakers and not especially courteous of them.

Will everybody please take seats.

There are plenty of seats here.

Please continue.

MS. WHEELOCK: Thank you.

Good evening.

My name is Laurie Wheelock and I'm legislative counsel for Assemblymember Jim Brennan of the 44th Assembly District.

He's also in transit back from Albany so I will be speaking on his behalf.

He wants to thank everyone for giving us the opportunity to testify tonight at the
public hearing on the Draft Supplemental
Environmental Impact Statement and proposed
amendment to the Modified General Project Plan or
SEQRA.

As a New York State Assemblymember
for the 44th Assembly District and the chair of the
Corporation Committee, he has seen this project
through its earliest stages in planning, to meeting
with the local Community Boards and concerned
citizens, through all the lawsuits, the
groundbreaking of the project, the opening of the
Barclays Center, construction of B2 and so on.

He's worked alongside many of the
elected officials in the City and the State level
and as well as the federal level to protect what he
believes is the public's interest.

Myself and several local elected
officials have been working collectively on a
number of aspects and share several comment
concerns.

The first continues to be how the
delay in the schedule for constructing the
affordable housing from the 10-year time frame to
25 years has had a deeply negative impact on the
community already. In 2010, the economic recession was cited as the reason ESD and Forest City Ratner renegotiated construction time frame and delayed the build out of the affordable housing. However, today Brooklyn is experiencing an economic development boom. Gentrification is rampant and our low to middle income residents are struggling to remain in their houses.

No matter what happens, ESD and Forest City Ratner need to work together to accelerate the construction of the affordable housing component of this project. Delaying the build out of the vast majority of affordable housing to 2035 is unacceptable. The goal for completing the project must be ten years.

The Draft SEIS issued studies the effects associated with only a 25-year time frame as has been discussed by everyone so far this evening. While we understand the necessity to look at 25 years as a practicable matter, the impacts of gentrification make it imperative that the affordable housing be completed within the ten year time frame.
Despite the delay in affordable housing, there are serious concerns about the current income qualifications. They're outdated and insufficient to give the population currently living in communities surrounding the Atlantic Yards Project.

Moreover, there's a need for greater proportion of two and three-bedroom units in the plans for the residential housing. The affordable housing units currently being constructed in B2 are primarily studio and one-bedroom units, which do not properly reflect the number of families dependent on the availability of affordable units.

And the housing memorandum understanding between Forest City Ratner and ACORN, Forest City Ratner promised 50 percent affordable units would be two and three-bedrooms, to go to families. However, only 35 affordable units will be two bedrooms and ten of those are targeted to families making at or below average incomes in the neighborhood. This proportion must be modified in order to properly reflect the community's needs.

Due to these concerns and others,
the coalition and other elected officials have met with ESDC's C.O., Ken Adams, on September 16th, 2013. There was a press conference held November 15, 2013 to update the public on our efforts. And on January 24th, 2014, we met with Forest City Ratner, CEO, MaryAnne Gilmartin, where we voiced these concerns and asked questions about the deal for the Joint Venture with Greenland Holding Company.

In conclusion, I remain committed in obtaining a firm commitment from ESDC and Forest City Ratner to accelerate the time frame of completing the build out of affordable housing at the Atlantic Yards Project back to the original ten-year time frame.

And I would like to end by requesting that ESDC extend the public review period for the DSEIS by an additional 60 days for providing the public more time to review the extensive materials released for comment.

Once again, I appreciate the opportunity to testify before you this evening.

Assemblymember Jim Brennan, 44th Assembly District here in Brooklyn.
(Applause.)

THE HEARING OFFICER: Thank you, Ms. Wheelock.

The next speaker is Vivia Morgan.

MS. MORGAN: Good evening.

Thank you so much for having me.

My name is Vivia Morgan. And I'm here tonight to represent Building Construction Trade Council and the Mason Tender District Council's strong support of continued construction of Atlantic Yards.

The BCTC is an organization consisting of local affiliates of 15 national and international unions which represents 100,000 members in New York City.

The project has brought steady, good-paying jobs to Brooklyn. Of the 2,000 new jobs created at Barclays Center, 80 percent of the employees are from Brooklyn. One-third are from local Community Boards and one-third are from public housing residents.

Additionally, it is a large project, the type of project we need in the City to keep many people working as possible. Atlantic
Yards will create thousands of union construction jobs and will ensure that many middle class families can provide for their -- for their families in the years to come.

When the project continues on the ground floor of residential building, it is critical that we do not put any more constraint on this project. It is time to take the -- to take a step back, let the developers build, the construction worker to work.

On behalf of our 100,000 worker, men and women and families they provide for, the BCTC and Local 79 supports the amendment and urge the expeditious review process for Atlantic Yards Development.

Thank you so much for this opportunity to speak.

And, again, I'm representing Local 79 Construction Trade Council.

(Applause.)

THE HEARING OFFICER: Thank you, Ms. Morgan.

The next five speakers are:

Ben Suthiwong;
Jewel Jeffery;
Alison Wasserman;
Glenn Baksh; and,
Walton Wilson.

Please take seats up front.
And the next speaker is Ben Suthiwong.

MR. SUTHIWONG:  Good evening.
My name is Ben Suthiwong. I am an iron worker for Local 361.
We strongly support the continued construction of Atlantic Yards.
Formed in 1895, Ironworkers Local 361 has a proud history of working on bridges,
skyscrapers and other construction projects throughout the City.
The project has brought steady, good-paying jobs to Brooklyn. Of the 2,000 new jobs created at the Barclays Center, 80 percent of employees are from Brooklyn. Again, it was said before, a third of the local Community Board and a third are public housing residents.
Additionally, it is a large project, the type of project we need in the City to
keep as many people employed as possible. Atlantic Yards will create thousands of union construction jobs and will ensure that many middle class families are able to pay their bills for many years.

When the project continues, there will be even more jobs for the community with continuing construction work and the retail on the floor of residential buildings. It is very important that we do not put any more restraints on this project. It is time to take a step back, let the developer build and put construction workers to work.

Local 361 supports the amendment and urges the expedited review process for the Atlantic Yards development.

Thank you.
(Applause.)

THE HEARING OFFICER: Thank you, Mr. Suthiwong.

The next speaker is Jewel Jeffery.

MS. JEFFERY: Good afternoon.

My name is Jewel Jeffery.

THE HEARING OFFICER: Can you get
closer to the mic.

A VOICE: We can't hear you.

THE HEARING OFFICER: Everybody's looking forward to hearing you.

MS. JEFFERY: I'm so grateful to be here this afternoon.

Good evening, everyone.

My name is Jewel Jeffery and I'm from Local 580.

A VOICE: We can't hear you.

MS. JEFFERY: Okay. My name is Jewel Jeffery and I'm from Local 580.

That's much better?

VOICES: Yes.

MS. JEFFERY: Okay.

I'm a resident of Brooklyn for the last 24 years. And I'm -- and I work -- and local 580 strongly support the continuous construction at Atlantic Yards.

A VOICE: We can't hear you.

MS. JEFFERY: Since it's inception -- I gotta get out to the mic.

All right.

A VOICE: There you go.
MS. JEFFERY: I am a member of local 580 and strongly support the continuous construction of the Atlantic Yards.

Since -- that got to be the wrong spot.

(Laughter.)

MS. JEFFERY: Since the inception in 1938, Ironworkers Local 580 has been a leader in construction industry for when things -- providing the top health and welfare funds, as well as an apprenticeship program. They date back to 1960.

The project has brought strongly, good-paying jobs to Brooklyn, 2,000 new jobs, creating the Barclays Center, 80 percent of employees are from Brooklyn. One-third are from local communities and one-third are from public housing residents.

In addition, it is large project, the type of project we need in this City to keep many people employed as much. Atlantic Yards will create thousands of union construction jobs as well and ensure that many middle class families are able to pay their bills for many years.

When the project -- many years --
when the project continues, there will be even more
jobs for the community for continued construction
work and the retail on the ground floor of the
resident building.

It is very important that we do
not put any more restraint on this project. It is
time to take a step back to let the developers
build and put construction workers to work.

Local 580 supports the amendments
and they urge that the expected review project of
this Atlantic Yards Development.

Thank you.

(Appause.)

THE HEARING OFFICER: Thank you,
Ms. Jeffery.

The next speaker is Alison
Wasserman.

MS. WASSERMAN: Hi.

My name is Alison Wasserman. I'm
speaking on behalf of the Real Estate Board of New,
also known as REBNY.

REBNY is a trade association
representing 15,000 owners, builders, brokers,
managers and professionals active in New York City.
We would like to offer our comments on the items which are the subject of this public hearing.

REBNY has been an early and unwavering supporter of the Atlantic Yards project. With the arena completed and operating successfully, we have seen the benefits of a long and difficult development process.

The Barclays Center has been a major catalyst for economic development in downtown Brooklyn and the entire Atlantic Yards project will continue to bring economic benefits as well as address the City's housing needs.

The City continues to face a shortage of housing and affordable housing. We will need to build more than 400,000 units over the next 20 years simply to address the needs of the growing housing population -- of the growing population. We need to build more housing, both affordable and market rate, as soon as possible.

The first residential building in Atlantic Yards is 50 percent affordable and is going on as we speak. These units are crucial to help address the dearth of affordable housing in
Brooklyn. With over 6,400 units planned, the local businesses will enjoy a new level of prosperity and the City will have significant contributions to its housing inventory.

Now that the DSEIS is complete, we encourage Empire State Development to adopt the proposed amendments as soon as possible. It's very important for the neighborhood and the City that we move forward rapidly with -- and permit this project to move forward. The neighborhood and the City need the housing and the economic benefits that this project will provide.

It is in the best interest of our City that this development continues without delay. Let's let the developer do what they do best, build.

Thank you.

(Applause.)

THE HEARING OFFICER: Thank you, Ms. Wasserman.

The next speaker is Glenn Baksh.

MR. BAKSH: Good evening, everybody.

VOICES: Good evening.
MR. BAKSH: I don't own any office. I don't come to you with a letter of law but I come to you with the spirit of the law.

I am Brooklyn! The reason I say that, I've lived here for 42 years. I've seen Hakeem Jeffries go by, Leticia James go by. And I've seen politicians come and go, spiritual leaders. Brooklyn has the largest church, the Christian Cultural Center, including Brooklyn Tabernacle in New York.

I was here when the Western Beef was across the street. I'm -- I used to go at All Boys High School in McDonald Street. I transferred to Franklin Deleanor Roosevelt High School. After 50 years in Wall Street and a BS from NYU in cultural and social anthropology, I lost my job and got laid off.

But Tax the Bill Program, which was located here on Hudson Street, I was able to get a chance and more the 2,000 people to work at the Barclays Center.

(Applause.)

MR. BAKSH: And I'm here today at the Barclays Center with thanks to the Bill Program.
under Mr. Caldwell.

Thank you, sir.

I also was an usher and I got promoted - I got the Brooklyn Star Award.

(Applause.)

MR. BAKSH: I wrote my first poem in Franklin Roosevelt High School, my second poem at NYU and I write -- read my third poem, Tell Me the Color Of, at the Bill Program.

I am here today, my mother lives here and my sisters live here. We have two houses between Carlton and Cumberland. I've been here when the tennis courts was here.

Thanks to God, that Shirley Chisolm is finally in Brooklyn. Thanks to her.

I'm from the Caribbean community and the Caribbean community is a part of Brooklyn.

(Applause.)

MR. BAKSH: We represent everything that you do. We are here and we are here to stay!

So I just want to thank you for your project that you do at Atlantic Yards.

I have one minor problem with the
MTA and Barclays Center. The No. 4 train and No. 5 train, the 5 train stops on the downtown at 9:00 p.m. I've been riding this train, paying 25 cents for 42 years, and this train stops at 9:00 p.m. on the downtown side and goes local. There is no reason why Atlantic Yards, the MTA and the MTA management cannot continue to give the service to the public to the people to Utica Avenue and Franklin Avenue. You should see how jammed up at 9:00 p.m. Every night I go there.

I've sent an e-mail to mta.com. I can't get a response. It's too bureaucratic. But one thing I will leave with you is Frederick Douglas: I will unite with anybody to do what is right and with nobody to do what is wrong.

Thank you for your time.

(Applause.)

THE HEARING OFFICER: Thank you, Mr. Baksh.

The next speaker is Walton Wilson.

MR. WILSON: Good evening, everyone.

A VOICE: Good evening.

MR. WILSON: My name is Walton
Wilson. I'm a retired junior high school teacher. I don't have much of a taste for business but when -- when I heard that this project, the Barclays project was coming to Brooklyn, I could not sleep. I would get up at 4:00 in the morning to go through the neighborhood, to the churches and all the different organizations to let them know that we should go forward and support this project because I knew something good was going to come out of it.

There was a Community Benefits Agreement and there's a lot of controversy about it. I, myself, I'm not sure whether we got -- we got much bang for the buck but the intent was right.

VOICES: Nothing.

MR. WILSON: The intent was right. But like I say, the stadium is here, even though many of the detractors didn't want to hear, and I understand it's the highest grossing stadium in the world --

A VOICE: And isn't that --

MR. WILSON: -- excuse me. Can I finish. You'll have your say. I'll put your name
on the list if you want to speak.

(Laughter.)

MR. WILSON: Okay.

Okay. Personally, I didn't benefit but I know somebody in my community benefited. And that's all -- that's all that's important for me.

I am the president of the Black Institute of Crown Heights and never been funded one dollar by anybody. I've still been able to run programs and do my thing. Hopefully, that some of my kids will get jobs in the Barclays Stadium. Hopefully, because of the ripple effect of this stadium that I was able -- not hopefully, but I'm able to start to be part of a business in my part of the area because -- directly because of this stadium.

Something good is happening.

There's a lot of negatives but I'm going to stay with the positives. If, you know, the people that fought this stadium, the stadium's okay. They're complaining of big traffic problems. I have yet to see any traffic problem around Barclays Stadium. I mean, you know, where is it?
The things are going on. And the stadium's going forward. Let this project go ahead.

My -- I know people, personally a friend of mine, her rent was doubled recently and she has nowhere to go. Maybe she could get this affordable housing. Why put that off, you know? So like let it go ahead and let the project come and then we can figure out what to do with it.

Thank you.

(Applause.)

THE HEARING OFFICER: Thank you, Mr. Wilson.

The next five speakers will be: Priya Ramanthan; Marcus Brooks; Gib Veconi; Jenna Stern; and, Serena Derryberry. And the first speaker is Priya Ramanthan.

MS. RAMANTHAN: Good evening, everyone.

Thank you everyone.
Thank you for the opportunity for allowing me to speak today.

My name is Priya Ramanthan. And I'm the executive director of personnel and I'm at the Brooklyn Navy Yard overseeing the employment center.

The Brooklyn Navy Yard Employment Center is a program of the Brooklyn Navy Yard Development Corporation, the non-profit organization that manages the 300-acre industrial park on behalf of the City of New York.

The yard is home to over 330 businesses and employs almost 7,000 people.

The Brooklyn Navy Yard has operated an onsite employment center for over 15 years with a strong focus on placing workers in any of its 330 tenants and we have proudly placed more than 2,000 local residents in quality jobs since 1999.

The Brooklyn Navy Yard Employment Center identifies, pre-screens and matches qualified job seekers in a variety of positions with businesses both inside and outside of the yard.
Since June of 2013, the Brooklyn Navy Yard Employment Center has been working closely with SCS Modular, to help recruit, screen and train candidates for positions to support in the construction of B2, out of their space at the Brooklyn Navy Yard. The employment center has placed 60 individuals to date with SCS Modular and has worked with them to determine if candidates could be hired immediately or if they required any further training.

Along with our onsite training partner, Brooklyn Workforce Innovations, we've enrolled 38 candidates into training helping them receive their OSHA 10 and 30 certifications while also providing workshops and job readiness prep and measurement.

Thirty-two of these candidates received an OSHA 10 and 30 credential and 22 of these candidates were then hired by SCS Modular. The remaining ten trainees are now able to use their new OSHA certifications to successfully pursue job opportunities for other companies.

Of those placed, the full-time positions range from helper to senior tech and even
an office administrator, resulting in an average wage of $23.80 an hour, in addition to benefits. Twenty-eight percent of those hired are veterans and six percent are women.

The employment center worked closely with many local community-based organizations for these positions, placing emphasis on this borough, with Brooklyn residents making up 76 percent of those who receive training and 50 percent of those placed.

As construction continues, we expect the number of hires and trainees at SCS Modular to increase overall, connecting more local residents to quality job opportunities at the Brooklyn Navy Yard.

Thank you for allowing me to speak today.

(Applause.)

THE HEARING OFFICER: Thank you, Ms. Ramanthan.

The next speaker is Marcus Brooks.

MR. BROOKS: Good evening.

Good evening, Marcus Brooks.

I am the general manager of
Brooklyn Boulders, as well as an officer of the Brooklyn Boulders Foundation, a five-year old organization here in Brooklyn that introduces New York City folks to the sport of climbing.

And we also do a great job with our foundation introducing inner city youth to the sport of climbing.

We enthusiastically support the continued development of the project. We specifically are interested in the affordable housing piece. I go back on the affordable housing for our particular staff, most of whom make under 100 percent of the area median income, therefore, the affordable housing component is super attractive to us.

We're very excited about the continuation of the project and we're looking forward to that affordable housing component coming to fruition.

Thank you.

(Applause.)

THE HEARING OFFICER: Thank you, Mr. Brooks.

The next speaker is Gib Veconi.
MR. VECONI: Good evening, everyone.

Thank you for the opportunity to speak.

My name is Gib Veconi and I'm treasurer of the Prospect Heights Neighborhood Development Council.

VOICES: Louder.

MR. VECONI: PHNDC is among the community organizations who are petitioners in the lawsuit that resulted in the Supplemental Environmental Impact Statement we're discussing this evening.

We didn't sue to stop Atlantic Yards. We didn't sue to delay Atlantic Yards. We sued because Forest City Ratner and the Empire State Development Corporation agreed to delay the completion of Atlantic Yards from 10 to 25 years.

Last year we asked that the SEIS study an alternative to the 2009 modified plan involving multiple developers. We asked for that because multi-developer projects get done faster.

For instance, construction at the Hunters Point South Project in Queens was
contracted to three developers and this year it's
expected to deliver over 900 affordable apartments.
The downtown Brooklyn plan has
resulted in over 8,000 apartments completed or
under construction by more than ten developers with
over 400 of those affordable. These achievements
had all taken place in the years since Atlantic
Yards was approved and are a sharp contract to
Forest City Ratner's failure to deliver even a
single apartment to date. In fact, as of this
month, Forest City continues to announce delays at
Atlantic Yards.

But ESDC refused to do a
meaningful analysis of the opportunity to get
Atlantic Yards back on track. This Draft SEIS
claims that the agreements it signed with Forest
City and the work Forest City has done on the
project's second phase, make involving other
developers too complicated. But those agreements
hadn't been signed in the summer of 2009 when the
SEIS should have been done.

In fact, the agreements themselves
depended on ESDC's approval of the 2009 modified
plan which courts have ruled is illegal without an
SEIS. Think about that.

ESDC is telling us that its failure to comply with State law in 2009 makes it possible for Forest City to have an exclusive right to the Atlantic Yards site indefinitely.

Brooklyn families in danger of displacement should not -- you should be able to rely on the State to do what is necessary to realize the goals of the Atlantic Yards Project be delivered when originally promised.

It isn't their fault that ESDC prepared -- failed to prepare an SEIS in 2009 that could have allowed for Atlantic Yards to be completed on schedule. And it isn't their fault Forest City Ratner moved ahead with construction during the nearly three years the public has been waiting for it and the ESDC to produce the court-ordered SEIS, especially because during that time, the median rent in Brooklyn has risen by a staggering 30 percent. Two wrongs can't make a right.

ESDC's failure to explore other options when Forest City asked for a 15-year delay in 2009 doesn't justify its failure to do a proper
analysis now. We call on the agency to put its responsibility to the public ahead of the commitments it made to a private developer based on its own illegal actions.

Thank you.

(Applause.)

(Audience participation.)

THE HEARING OFFICER: Thank you, Mr. Veconi.

The next speaker is Jenna Stern.

MS. STERN: Thank you.

I'll be somewhat brief.

My name is Jenna Stern and I live with my family on Dean Street in the Newswalk Building.

We are Brooklyn residents for over 20 years. And despite other opportunities, decided to raise our child here. Our building and our neighborhood has a strong base of working families.

The original promise of development within a ten-year time line was casually extended to perhaps 25 years, affecting an entire generation in this neighborhood.

During the build out of the arena,
we were forced to call 311 repeatedly and even
directed to call 911 in order to get a response to
violations of noise, light, air pollution, double
-- triple-parked cars, idling trucks, et cetera.

Others will speak of specific
promises broken and lack of accountability and lack
of transparency and lack of community input; all of
which are true. But what it boiled down to for me
is this, a fundamental lack of respect for our
neighborhood.

(Applause.)

MS. STERN: And that's what it is.
It's our neighborhood. It's not collateral damage.
It's where we live, where our kids play baseball,
practice soccer, go to school.

We have a right to those sidewalks
being kept clear so our kids don't have to walk in
the street to get around cars. We have a right to
have our trees replanted. We're still missing 70
of them.

We have a right to a certain level
of compliance, compliance to guidelines and laws
governing noise and air pollution. Simply put,
you need to keep the promises that you made to us.
As was shown all to clear the last time, no one was very interested in doing that.

So that means we need an impartial monitor. We need a dedicated public development corporation or subsidiary with a board that equals directors appointed in conjunction with local elected officials. We need effective and responsive oversight.

Thank you.

(Applause.)

THE HEARING OFFICER: Thank you.

The next speaker is Serena Derryberry and her two children.

(Laughter.)

MS. DERRYBERRY: My name is Serena Derryberry and I'm here to speak on behalf of the Dean Street Block Association, Sixth Avenue to Vanderbilt, on construction, air quality and noise impacts.

Air quality.

A pattern of poor implementation of environmental commitments as they relate to air quality, combined with inadequate monitoring of fugitive airborne dust is of great concern for our
Block Association.

The primary means of ascertaining compliance with the dust depression measures is through daily spot inspections by FCRS's onsite --

THE STENOGRAPHER: Can you slow down a little bit.

MS. DERRYBERRY: I only have a couple of minutes.

-- onsite environmental monitor and the site's superintendent.

So despite the oversight provided by the OEM, 192 incident reports cited air quality impacts, many of them associated with construction, have been filed on Atlantic Yard Watch since it was started in mid 2011.

Our complaints extended back to early 2007 when asbestos abatement began in the Ward Bread Bakery properties. To date, no government entity has confirmed that air quality monitoring is being executed at the time of that incident.

According to the State's quarterly reports, AKRF, the lead author in this SEIS, was the State's environmental monitor at that time.
Among the air quality related violations the community had documented that put us at risk are idling trucks, malfunctioning equipment, uncovered stockpiled materials and failure to miss unpaved surfaces.

Unbelievably, it was the community and not the State that identified that there was no monitoring presence, no air monitors during virtually any extended work hours. The DSEIS sugarcoats the performance of the OEM. For example, the DSEIS states that the HCR reports, the construction site was connected to the electrical grid as early as practicable but the HCR states in their own reports that the power grid was not made available --

THE HEARING OFFICER: If you slow up, I'll give you 20 more seconds.

(Laughter.)

MS. DERRYBERRY: -- until the year following the groundbreaking of the arena.

And I really resent that you're trying to undermine me right now.

Likewise, until the community members consistently documented problems, truck
behavior at the site continued to be disruptive and there was considerably idling.

On September 2011, only hours before FCRC's OEM publicly stated protocols for the trucks had been significantly improved at the construction site, a community member documented a large number of violations of protocols.

This is a pattern in which obvious problems identified by the community are not identified by the OEM or are responded to slowly.

Construction noise.

The DSEIS identifies a significant adverse impact in construction noise that may now last 25 years instead of 10. Anecdotally, no matter whether it is for 10 or 25 years, no single adverse impact alters the quality of life of residents more than construction noise, particularly during extended work hours.

Three-hundred and thirty individual incident reports citing noise impacts, many of them associated with construction, have been filed on Atlantic Yard Reports. The nature of the Atlantic Yards construction site, which includes an operating rail yard and arena and two
major thoroughfares, puts the community at the higher risk of extended work hours.

The FEIS mitigation for construction noise is commitment to install double-paned windows in the street facing buildings, if they are not already installed and an air conditioner.

Residents reported the mitigation does not work because there is no fixed target for a fully OITC rating identified necessary to stop construction noise. The OITC rating of double-paned windows varies widely and their effectiveness to stop noises is directly impacted by the use of the air conditioners that breach the seal. Air conditioners in windows wear out. There's no written obligation for FCRC to maintain their mitigation over time.

Finally, FCRC has only agreed to replace windows on street-facing, even though many rear-facing windows face the construction site.

Thank you.

(Appause.)

THE HEARING OFFICER: Thank you, Ms. Derryberry.
A VOICE: Are you finished?

MS. DERRYBERRY: No.

THE HEARING OFFICER: You can continue.

MS. DERRYBERRY: That's okay. It's clear. Thank you.

THE HEARING OFFICER: The next five speakers are:

Joe Coello;
Verica Fields;
Timothy Latchana;
Jane Freidsen; and,
Jimmy Greenfield.
And the first speaker is Joe Coello.

MR. COELLO: I won't be speaking that fast.

(Laughter.)

MR. COELLO: Good afternoon, all. I am Joseph Coello, president of Brookman Construction, chair of Brooklyn Voices for Children and a proud member and executive board member of the Atlantic Yard Community Benefits.
I'd like to thank the Empire State Development, Forest City Ratner and you for allowing me a few moments to speak here today. I've been an active participant in the Atlantic Yards Project since the signing back in 2005. I've spoken out in favor of this project at many hearings and have remained active throughout the many years of litigation to solve this project.

The continued delays to this project will have an adverse effect on the economic growth of this community.

Here's what I do know. Barclay Center is alive and well at the corner of Flatbush and Dean. The work that was done to build it to the best of their ability, was done by union workers that resided in Community Boards 2, 3, 6 and 8. Many were from NYCHA houses and where possible, several minority businesses were awarded contracts.

The Barclay Center continues to provide employment opportunities for thousands of Brooklynites. B2, the housing at the corner of
Dean and Flatbush, has been started and continues to go forward. The first building is 50 percent affordable and we will continue to be pushing that forward.

Atlantic Yards will continue to allow for job creation, affordable housing and commercial opportunities. And I hope that we can continue to move this project forward. There is no project of this size or this scope without controversy nor debate.

Yes, we need jobs and we also need equitable minority participation.

Yes, we need affordable housing for all family sizes.

Yes, we need economic growth and the ability to share in the changes to this community.

And, yes, we need this project to move forward.

Now that the DSEIS has been completed, I urge and encourage an expedited review so that the benefits of this project that we've worked long and hard for can be realized.

Thank you.
(Applause.)

THE HEARING OFFICER: Thank you, Mr. Coello.

The next speaker is Verica Fields.

MS. FIELDS: Kierika.

THE HEARING OFFICER: Vierika.

MS. FIELDS: Kierika with a K.

THE HEARING OFFICER: Kierika with K and Fields.

(Laughter.)

MS. FIELDS: Hi, everybody.

My name is Kierika Fields.

And I live in Brooklyn. I'm a long-time resident of Fort Greene and also Crown Heights. But this home in Fort Greene has been in my family for 100 years. My grandmother raised her family there and died in that house.

I'm currently working at Barclays part time. I love and appreciate my job. And at the same time are very many shortcomings to the project. I see that a lot of people come into the neighborhood and they don't even do basic urban planning.

There's a building on Ashland
Place between DeKalb and Fulton. It's the tall residential building there. And whoever designed it, didn't realize that there are rats in this neighborhood. And the rats are more prevalent with all of the construction. So now what looks pretty, you can sit outside and, you know, and sit and have your coffee and talk on your phone but there are rats jumping in and out of that -- that pretty -- that flowerbed because whoever came into the neighborhood did not do urban planning.

So while I do support Barclays because right now this is my only source of employment. I'm a writer so, you know, I need my little part-time job. But at the same time, I want people that are coming into the area to kind of look at where you are. You are in Brooklyn. And we do talk loud. We do play our music loud and that is a part of the essence of it.

And I just want people to really realize that as they come into the community that it is a community that was here before you came. And I wanted to kind to say -- I wanted to keep some of the flavor of it.

And I would also like us to be
more mindful of the youth in the community. Most
of the young children that I know can't afford to
go see a game at the Net Center. They can't afford
to see Beyonce.

And like I said, I work there.

I've been there from the beginning. Okay. I'm Jay Z'd to death. God bless him but, you know, I've
seen enough.

(Laughter.)

MS. FIELDS: But the young kids
that want to go, can't afford to go. So I would
like to have some type of situation where we can
get hoop tickets.

And when I went to -- I went to
Brooklyn Tech. I went to Brooklyn Tech. So I went
to Brooklyn Tech. They had a program where if you,
they were first come, first serve, but you could go
and you go -- I saw -- I saw Debbie Allen in a
play, I can't remember, I saw Lily Tomlin on
Broadway.

I'm just saying, it was a certain
thing that I was able to take advantage of. And I
think that Barclays should make sure that these
young kids take advantage of this new Shakespeare
play. There's a new Shakespeare Theater and all those things that are coming.

And I do wish they would hurry up with the low income housing at Barclays because I know a lot of people need it, including myself. I have a daughter who's graduating from college in two years and I would like for her to be able to apply.

And I just -- I want the project to move forward but I want it to keep its original resident and essence in mind as they do so.

Thank you.

(Applause.)

THE HEARING OFFICER: Thank you, Ms. Kierika Fields.

MS. FIELDS: Thank you.

THE HEARING OFFICER: The next speaker is Timothy Latchana.

MR. LATCHANA: How you doing everyone?

My name is Timothy Latchana. I'm a member of the Insulators Local 12 and I represent the Edward Malloy Initiative for Construction Skills.
Since its inception in 2001, the Edward Malloy Initiative for Construction Skills, Incorporated, has grown. It's a nationally recognized model for addressing, training and employment issues in the industry. The program has opened new doors and career opportunities in the building and construction trades available through union apprenticeship programs and is helping to strengthen New York City's middle class.

I actually came in right after high school. And through Construction Skills, I was able to obtain an apprenticeship and improve my lifestyle and become more independent.

The access to meaningful and long-term careers that pay good wages and benefits is empowering individuals and strengthens our community. As of March 2014, Construction Skills is proud to have placed 1,485 New York City residents into union apprenticeship programs.

The Atlantic Yards Project has brought steady, good-paying jobs to Brooklyn. Additionally, it's a large project and will create thousands of union construction jobs.

Many citizens will be able to
improve their quality of life by earning good wages and benefits.

Construction Skills and the Insulators Local 12 supports the amendment and urges an expedited review process for the Atlantic Yards development.

Thank you.

(Applause.)

THE HEARING OFFICER: Thank you, Mr. Latchana.

MR. LATCHANA: No problem.

THE HEARING OFFICER: The next speaker is Jane Freidson.

MS. FREIDSON: My name is Jane Freidson and I live in Newswalk at 535 Dean Street in a third-floor apartment that faces the Pacific Street side, so I look at the rail yards.

I moved into this building in late 2009 from Park Slope. I've been living in Brooklyn for a really long time, 40 years. And I knew that the project was going to be built when I moved there. So I was signing on for the benefits of what this project was supposed to bring to my community, my new community.
And honestly I certainly -- I knew I was going to be living with construction for awhile but I had no idea it could be as long as 25 years. And in my demographic, I might not be around at this point when this project is done.

(Laughter.)

MR. FREIDSON: So what I really think is that all of us who live in this neighborhood and especially those of us who are characterized in the SEIS as, "likely to experience significant local adverse impact from construction," that's my demographic too, I think that we deserve the peace and quality of life during the construction. I'm all for the jobs.

Thankfully, I have been to a few Nets games and I enjoy the stadium. But, honestly, we have to finish the apartments that were promised to our community and we have to finish those apartments in time for the people who need them to be able to afford to stay in this neighborhood.

My children, who were born and raised in Brooklyn, could barely afford to rent apartments when they graduated in college, you
know, with all these other roommates.

Times are so different from when I grew up and when I moved to New York. And we have to grab the moment before our children can't be here, before the workers who are actually making good wages, the construction workers, can't afford to be here, let alone the workers who are working in Barclays part-time for I'm guess a lot less than $24 an hour.

I'm asking the ESDC to ensure real, meaningful oversight of the completion of this project. I am really dismayed to have read that just this week Forest City Ratner has asked to increase the short-term duration of the construction in the rail yards by approximately 15 months.

So there goes the trees that we were promised just a year ago after they ripped them out across the street from our building.

There goes the eight-foot sidewalk that we were promised --

THE HEARING OFFICER: Could you please finish up.

MS. FREIDSON: -- that would be
reopened.           I -- I still have time, 16

seconds.       THE HEARING OFFICER:  I'm sorry.

(Audience participation.)

MS. FREIDSON:  So what we need is,

is we need the ESDC to establish a meaningful,
realistic public development subsidiary with
authority to oversee completion of this project in
a way that considers our needs for a decent quality
of life during construction.

(Appause.)

THE HEARING OFFICER:  Thank you,

Ms. Freidson.

The next speaker is Jimmy

Greenfield.

MR. GREENFIELD:  Hello, everyone.

I'm Jimmy Greenfield.  I have a

place at 636 Dean Street, across the street from, I
guess, what's now going to be the second phase of
the construction.

I wanted to just start by saying I

really applaud everybody here and all the people

who've spent so much time and effort in their
lives, sacrificing some other things to try to get to this place which is a -- a committee meeting that would never have happened if it hadn't been -- been generated by a lawsuit.

And that goes to the problem that we all are having here in that we've all been following the rules very patiently, staying with it and yet always at every turn, we're rebuffed. We're made to feel like we're not being given the full amount of information that we need.

And I would just like to say that, you know, even ironic that the potential partner for Ratner is going to be a Chinese company coming from a completely different culture where you don't have to disclose information to its population.

(Audience participation.)

MR. GREENFIELD: You don't have to do anything and they don't even have a way of fighting back. They don't even have a way of having a committee meeting like this one here.

So I would just like to say that, I think, the onus is really on the ESDC. It's really on Ratner at this point to try to provide us with an olive branch, try to make us feel like, at
the end of the day, going forward -- and by the
way, we're not opposed to -- the decision was made
a long time ago as to whether or not this would be
built.

This is not about fighting with
the unions or fighting with anybody else. It's a
done deal. We accept that. What we're now having
an issue with is the fact that the rules changed
again. And all of a sudden what was decided upon
earlier as it being a 10-year build out period is
now a 25-plus build out period with still not very
much definition as to what affordable is in the
affordable housing complex.

So all of this stuff, really, what
we need to do finally is to just put the onus on
the ESDC to ensure that we're given some assurance
that in the end we will be able to have some kind
of real oversight and make sure that our rights
just be -- looked out for.

Thank you.

(Applause.)

THE HEARING OFFICER: Thank you,
Mr. Greenfield.

The next five speakers will be:
Leticia James;
Vincent Haynes;
Susan Lerner;
Joseph Rosenberg; and,
Jessica Suarez.
Advocate James.
MS. JAMES: Good evening, everyone.

VOICES: Good evening.

MS. JAMES: I want to thank the Empire State Development Corporation, the Prospect Heights Neighborhood Development Corporation, Brooklyn Speaks, my colleague, Assembly Member Mosley and the many members of the Fort Greene, Clinton Hill, Prospect Heights, Crown Heights communities for allowing me to say a few words and for not forgetting me.

It was not long after I was elected to the City Council that I became involved in the development of Atlantic Yards. Some would say the Atlantic Yards Project is really part of my legacy and, actually, made me.

But from the beginning, I joined the many community voices in calling for a plan
that prioritized affordable housing. What I wanted then and what I want now is more affordable housing to stem the tide of gentrification, which is having an adverse impact on the balance of the racial composition of downtown Brooklyn, something that we would all celebrate I would hope and something that we all would want to maintain.

I join the many community voices in calling for a plan for affordable housing, sustainable community development, responsible development and local jobs over office space, an arena, a commercial strip that alienated existing small business owners.

And in 2005, Forest City Ratner promised in the Community Benefits Agreement to provide affordable housing at Atlantic Yards. Unfortunately, most of the promises that were incorporated in the CBA have not been realized.

And so now here we are many years later, we have an arena, all of the small mom and pop shops, independently owned that I patronized, that you patronized, they're all gone. And what we have more and more are franchises, primarily a new commercial strip.
And yet residential housing -- housing that we desperately need given the crisis in affordable housing, given the fact that tonight 52,000 individuals are going to sleep homeless in our shelters, a third of them children and most of those children look like me. This development corporation wants to -- wants to postpone the plan for 25 years or more, which is a move the Empire State Development Corporation approved through Atlantic Yards 2009 Modified General Project Plan.

Let me be clear, we are here today because unquestionably this extended construction will put an unnecessary and unfair strain on the wider community. And the courts agreed with this assessment, requiring Forest City Ratner to provide a Supplemental Environmental Impact Statement covering the community impact of this extended construction.

My concerns regarding this residential housing are exasperated by the approval of the Joint Venture with Greenland Holdings Group, to which Forest City Ratner sold its interest in the Atlantic Yards Project. This foreign company now holds decision-making control of this project.
Frankly, it is outrageous in a
project that has received hundreds of your tax
dollars.

A VOICE: Hundreds of millions.

MS. JAMES: Hundreds of millions
of your tax dollars, with the expectation that
residential construction and affordable housing
would be -- would be built could so easily
relinquish control to a foreign government.

It is troubling to me as an
elected official that the courts have consistently
stood as the only entity holding Forest City Ratner
and ESDC somewhat accountable. And the question
is, where are the -- all the others?

Our jobs, our role as elected
officials is to hold agencies and entities
accountable and where is the accountability other
than in the courts? And yet, Forest City
Ratner/Greenland is expected to request additional
housing subsidy, more of your tax dollars to
complete this project. They want more of your
money but yet there's no commitment for any of the
so-called benefits to the community.

As a community we ask for what
every developing company -- community wants; a voice in the process, a reasonable expectation of public accountability, that your government is responsive to your felt needs for promised public benefits.

Where is government at a time when individuals are living -- doubling up and tripling up and we've got an affordable housing crisis? Where is government? Giving tax breaks and tax breaks and more subsidies and more subsidies to a developer and then just saying, well, 25 years, no problem.

In reviewing the Draft Supplemental Environmental Impact Study, I am displeased to see that ESDC has not been able to rectify the ongoing problem of a delayed construction. Nor do we have a projected date for the development of certain platform and foundation construction, including the building of the platform needed for vertical development over the Vanderbilt Yard.

And then we also add, where is all the employment? Where are all the residents from public housing that they promised? They hired them
for a certain period of time and then laid them off.

Where are all of the promised benefits?

I apologize if I get angry but this project really is a case study of how not to do development anywhere in this country.

(Applause.)

(Audience participation.)

MS. JAMES: As of today, Atlantic Yards B2 residential tower, the first residential tower slated for construction is set to be built through modular development and has been delayed until late 2015.

Additionally, three residential buildings set for conventional construction, in which two of three will have a mix of affordable, market rate housing have been planned.

Lastly, a fifth building, also set for modular development, has been planned. I would just hope that they would be on schedule.

And I would hope that given all of the tax subsidies, that they would build for working families and they would build for families...
with children as opposed to try to market to
single, individuals who live on Wall Street. They
need to market to families who live in Brooklyn.

THE HEARING OFFICER: Please.

MS. JAMES: Families in Brooklyn

who desperately need affordable housing.

(Applause.)

MS. JAMES: Since the time the
decision concerning the SEIS was -- were handed
down in 2011, FC -- Forest City Ratner has had no
legal impediment to completing the buildings
planned for Phase 1, which would include 300
affordable housing with the additional 1,950 of the
2,250 affordable apartments set for Phase 2.

Every day rent is too damn high in
our neighborhood.

(Applause.)

MS. JAMES: Every day rent is
increasing in the desirable neighborhoods of Fort
Greene, Clinton Hill and Prospect Heights.

Every day the Office of Public
Advocate receives a complaint or more from this
district of individuals saying that they've been
evicted.
Every day I’ve got to hold the hand of a grandmother, of a grandfather, of a family member about to be evicted.

Every day we receive complaints about the lack of affordable housing in this very desirable neighborhood.

Every day people call me and say, Tish, what is happening to the diversity in downtown Brooklyn?

Every day someone is calling me and saying, where is the affordable housing in downtown Brooklyn?

And every day someone is calling me and saying, where is government?

So we are calling on ESDC to consider new oversight for the Atlantic Yards Project as a whole and to act immediately to improve oversight of construction and environmental impacts to the site.

Governor Cuomo, you’re up for re-election. You need our support.

Governor Cuomo, it's time that you hold this project accountable, that you demonstrate some progressive leadership and that you get your
house in order with regard to Atlantic Yards.

Thank you for allowing me --

(Applause.)

THE HEARING OFFICER: Thank you, Public Advocate James.

The next speaker is Vincent Haynes.

MR. HAYNES: I feel somewhat at a disadvantage following our illustrious Public Advocate, Ms. James. It's a tough act to follow but I'm going to do my best.

(Laughter.)

MR. HAYNES: Ladies and gentlemen, to the Empire State Development Corporation, good evening.

My name is Vincent Haynes. Incidentally, I'm a former Brooklyn United for Integrated Local Development employee, as well as a Downtown Brooklyn Alliance employee.

But more importantly, today, I stand before you as a concerned citizen and community resident. And I submit to you that the Forest City, Bruce Ratner Atlantic Yards Project
affords the opportunity to finally produce the business district in downtown Brooklyn that was intended with the construction of the Williamsburgh Savings Bank at 1 Hanson Place but was abruptly halted by the great depression.

Job development in the boroughs outside of Manhattan, in this case, especially -- is an industrious method to stem the tide of businesses leaving New York City for New Jersey and other locations.

While rents for commercial space are prohibitive for some companies, offering lower leasing rates for office space in the boroughs is a way to keep jobs in New York City and maintain the tax base that sustains municipal services like the Metropolitan Transportation Authority.

This well-designed development is to be built on actually unused land, such as the rail yards, not on top of nearby residents' homes. It also takes into account the neighborhood character of Brooklyn, as well as the technical limitations of traffic, sewage, safety and environment.

The Atlantic Yards Project readily
addresses the critical need for sustainable and
affordable housing units, --

A VOICE: In your dreams.

MR. HAYNES: -- health and
resource centers for our youth and seniors,
economic and workforce development, cultural arts,
entertainment and recreational venues plus other
amenities.

(Audience participation.)

MR. HAYNES: Proponents and
investors of this development --

THE HEARING OFFICER: Please let
the speaker speak.

MR. HAYNES: -- of this
unjustifiably subjective, to endless opposition and
frivolous litigation.

(Audience participation.)

MR. HAYNES: The little engine that
could, fueled the economy, prosperity and longevity
of downtown Brooklyn and surrounding communities.
The new crossroads of the world
has been needlessly idling in neutral for long
enough.

(Audience participation.)
MR. HAYNES: The time has now come for Atlantic Yards to merge into the fast lane of production, full speed ahead to completion of construction and fulfillment of the promise from which countless lives will be enriched for generations to come.

Atlantic Yards now!

(Audience participation.)

MR. HAYNES: Thank you.

(Applause.)

THE HEARING OFFICER: Thank you, Mr. Haynes.

Please do not interrupt the speakers. No cat calling, shouting out. Please be courteous to all sides.

The next speaker is Susan Lerner.

MS. LERNER: So, hi.

I'm Susan Lerner. And I'm a resident of Fort Greene. I live at 234 Cumberland.

And I'm not here on behalf of any organization, although I've been getting a lot of e-mails from different organizations that I support.

And I do want to mention my
daytime job even though I'm not here as a representative of my organization, I'm the executive director of the Common Cause New York.

(Applause.)

MS. LERNER: And I'll like to talk about the role of oversight in a large public project like the one that we're talking about today.

And I'd like first to say to my union brothers and sisters, that if there were adequate oversight of this project, more of you would be employed --

(Applause.)

MS. LERNER: -- and more of you would be full-time employed and the promises of the developer made at the beginning would be realized.

So don't get confused about oversight. Oversight is there to protect you.

And the problem that we have with this project is that really has been, as Ms. James pointed out, a shocking lack of oversight and a lack of concern for how tax dollars are being spent.

There is an opportunity now to
rectify that as a result of the court decision but, also, I think, as part of the natural process and what we hope to see is an effective oversight that's put into place.

And I would like to echo the request that we have more time to comment. I do not have written comments simply because I haven't had an opportunity to spend enough time with these documents to use the expertise which I have built up as a good government advocate for many, many years, to make suggestions in addition to the ones that our elected representatives have made about effective means of oversight.

I think oversight is also particularly required, and effective construction oversight, because, quite frankly, my personal opinion of the nature of the contractor that is being brought in. It is an unfortunate fact that there are very low construction standards in China.

My son works currently in Beijing. He's considering leaving the city because, as he says, every time you go into a modern building, you worry about it falling down around your ears.

So that is a real problem. Tax
dollars being used for construction that is controlled by a foreign government. But, also, the track record in China of very shoddy and dangerous construction, we as taxpayers and as residents in Brooklyn, need to be assured that that culture of construction is not being brought to our shores.

And, lastly, I think we need to be very cognizant of the socioeconomic impacts. As other speakers have pointed out, the nature of our neighborhood has been significantly impacted. The developer and the developer's partners seem to have no understanding of the nature of our neighborhood or much concern for protecting its character. Oversight, effective oversight would help to address that lack.

Thank you.

(Applause.)

THE HEARING OFFICER: Thank you, Ms. Lerner.

The next speaker is Joseph Rosenberg.

MR. ROSENBERG: Good evening.

I'm Joe Rosenberg, the executive director of the Catholic Community Relations
Council, a not-for-profit corporation established by the Archdiocese of New York and the dioceses of Brooklyn and Queens in 2008 to represent the church on local legislative and policy matters.

I'm pleased to be here this evening and to testify in support of Atlantic Yards land use and civic project.

Atlantic Yards is important for Brooklyn. It's important for job creation, economic growth and the development of desperately needed housing.

Over 2,000 jobs were created at Barclays with 80 percent of the employees being Brooklyn residents. Many of the jobs are for those in the local Community Boards and in public housing.

There was a commitment that local neighborhoods would benefit from the construction of the Barclays Center and that has indeed been the case.

The construction of Atlantic Yards will create thousands of union construction jobs. In addition, with a large commercial component being part of this project, permanent jobs will be
created in the retail market as well. This will help to serve not only residents of the local Community Boards, also residents of our City and other visitors who come to these neighborhoods.

Every one in this room is aware of the housing crisis that confronts our City. It is important to focus on the creation of new housing units, not just rehabilitate existing units. The Atlantic Yards development does exactly that.

When completed, Atlantic Yards will consist of as many as 6,400 units. These includes 4,500 units of rental housing with 50 percent of them being affordable to low, moderate and middle income families.

Residents of Community Boards, 2, 3, 6 and 8 will receive a preference to get affordable housing units. This will allow income eligible New Yorkers who live in Fort Greene, Prospect Heights, downtown Brooklyn and other nearby neighborhoods to receive a preference for the newly constructed apartments, allowing them to stay in the neighborhoods where they have lived and raised families.

This development is good for jobs,
good for business and good for housing. It has our full support.

Thank you.

(Applause.)

THE HEARING OFFICER: Thank you, Mr. Rosenberg.

The next speaker is Jessica Suarez.

MS. SUAREZ: Good evening.

My name is Jessica Suarez. I'm here tonight speaking on behalf of non-traditional employment for women.

Non-traditional employment for women, or NEW, is grateful for Forest City Ratner Company's support of trade women. NEW provides women of New York City with free training and access to high paying careers in the skilled trades. With NEW's training, graduates have access to careers with starting wages averaging $15 per hour, benefits and a path to higher wage employment.

Forest City Ratner Companies and the Darman Group partnered with NEW during the Barclays Center at Atlantic Yards Project to
increase female and local trade women for participation. And NEW believes that we'll have the same success with the Atlantic Yards land use improvement and civic project.

By building Atlantic Yards, a project that will create thousands of union construction jobs, we are ensuring that many middle class families are able to pay their bills.

NEW prepares low income women for careers that provide opportunities to enter the middle class.

As the construction industry rebounds, NEW will expand improvement in low income neighborhoods, increase access to skilled trades careers and target employment of local residents on construction projects.

NEW will partner with City Council Members and community groups to target recruitment in Community Boards, 2, 3, 6, 8 and NYCHA residents. NEW will train 500 women next year.

NEW will place women in entry level and mid-wage positions in the construction trades, building operations and LEAD facilities.

NEW will work with City Council
members to ensure that local trade women are
working on construction projects in their
districts.

NEW graduates are working as
carpenters, electricians, ironworkers, laborers,
plumbers, porters, door attendants and operating
engineers thanks to a unique partnership between
NEW, the building construction trades, contractors
and owners in New York City.

Since 2005, NEW has placed more
than 946 graduates in the building and construction
trade unions and another 900 graduates in other
industry-related careers. These women should be
able to afford to live in the City that they have
built and more affordable housing will provide
that.

Women are still working in
traditional jobs and earning substantially less
than men. The U.S. Department of Labor defines a
non-traditional job as one with less than 25
percent women. Entry-level positions in the
skilled trades have higher wages than traditional
jobs and essential benefits. Non-traditional jobs
pay.
NEW provides much needed services to women in underserved communities. There are limited opportunities for low income and minority women to obtain secure jobs that provide a living wage and essential benefits, which is health insurance.

NEW graduates who have taken the apprenticeship program have seen their wages increase by 50 percent in two years.

And non-traditional employment for women thanks Forest City Ratner and companies for its past support and looks forward to the expedited review and approval of the project.

Thank you for the opportunity to testify today.

(Applause.)

THE HEARING OFFICER: Thank you, Ms. Suarez.

The next speakers are:

Rudy Mulligan;

Anthony Newerls;

Tucker Reed;

Judith Frances; and,

Carlos Scissura.
And the first of those speakers will be Rudy Mulligan.

MS. MULLIGAN: Good evening.

My name is Rudy Mulligan.

I am a member of United Brotherhood of Carpenters, New York City District Council, Local 157.

But not too long ago I was laid off from my job in social work where I was never going to make more than $35,000 a year, even with my very costly Bachelor's degree.

Unemployed, unsure of how to make a jump to a higher wage job, and as a women in our society without a family connection to the trades, totally unaware of the possibility for me as entry into the skilled trades, I came across a non-traditional employment for women, which runs a pre-apprenticeship program for women who want to enter the skilled trades.

After completing the six-week training program, I was referred to the trade of my choice and entered the District Council of Carpenters four-year apprenticeship program where I was making the same money on day one that I was
making on the last day of my previous eight-year career.

As a resident of Crown Heights and Bedford Stuyvesant, I have seen first hand the resident -- excuse me, the effects of joblessness and underemployment on communities.

Continuation of the Atlantic Yards Project provides an essential jobs program in a borough that's still recovering from an economic failure decades old.

Please expedite the completion of this project and keep Brooklyn and trades women working.

Thank you.

(Appplause.)

THE HEARING OFFICER: Thank you, Ms. Mulligan.

The next speaker is Anthony Newerls.

MR. NEWERLS: Good evening, everyone.

Thank you.

I am Anthony Newerls, executive director of the Brooklyn Blizzards Youth...
Organization, representing 45,719 young people city wide with 16,945 residing here in Brooklyn.

FOCH is an acronym that we use in our organization, F-o-c-h. The F is for focus and our organization is fulfilling obligations completely until successful.

The O is for opportunity that we give the young people.

The C is for connection; and,

The H is for hope.

So over the past year, we have taken 722 people to Barclays Center events. The games was exciting. The atmosphere was nice. But the kids had an opportunity to connect with the young college athletes that they seen that they are known -- not from TV but through their local parks and their community that have went on and came to college to play basketball at the Barclays Center that they knew prior.

Connection.

Making a connection with young people that you have seen in your local development and your local parks was something that the kids was excited about. They knew the kids from the
park. That gave them inspiration to go to college.

I heard someone speak about the CBA. I had the opportunity to be there when Mayor Bloomberg got to sign the CBA. But right now, I still have a CBA because I made a promise to the community members and the young people that they would benefit in the agreement that I made with them to fight for jobs every time I get an opportunity to do so. And that is what we're doing here today.

By the show of hands, is anyone here on public assistance? Will you raise your hand?

Thank you.

That strengthens my case because you know nothing about the young people in my community. The young people in my community that I'm going to name -- the young people in my community that I'm going to name, who is no longer on public assistance and thanks to the Barclay Center's full-time opportunity employment, they started before the Barclay opened and they're still there.

So I'm going to take the time to
call the names, Jordan Williams, Destiny Wesby, Rubin Sedano, Timmy Basmore, Aconis Jones, Chiquana Grenth and Candice Benjamin, all working still at the Barclays Center, all off public assistance because of that opportunity. And any time that we can give a young person an opportunity to work, to sustain a job and help their parents, I think is a great thing.

So anything that we can do to keep employment coming, not only the Atlantic Yards Projects, I'm going to fight for jobs. I'll fight for any job that is going to help our young people sustain income.

Thank you very much.

Applause.

THE HEARING OFFICER: Thank you, Mr. Newerls.

The next speaker is Tucker Reed.

MR. WASHINGTON: Good evening.

Thank you for the opportunity to speak this evening.

I'm speaking on behalf of Tucker Reed, president of the Downtown Brooklyn Partnership.
My name is Alan Washington. I am the director of real estate planning, Downtown Brooklyn Partnership. For those of you who do not know us, we're a local economic development organization for downtown Brooklyn.

VOICES: We can't hear you.

MR. WASHINGTON: We manage three business improvement districts and serve as a champion for all of downtown Brooklyn constituents.

Not too long ago we all know that Atlantic Yards was an underutilized stretch along Flatbush and Atlantic Avenues. When the Barclays Center opened in September of 2012, the neighborhood saw an immediate lift. Thousands of visitors, some of whom are coming to Brooklyn for the first time to visit Barclays Center, had begun to fill up the surrounding bars and restaurants and spurred the development of four new hotels.

The second layer of economic impact for the Atlantic Yards development is on the horizon with the completion of the first phase of housing. This phase is going to bring 350 new units of housing to the neighborhood; 50 percent of which are affordable. Yet the bulk of the housing
units are part of the second phase of this project, which includes 6,400 residential units, including 2,250 affordable units, all of which are being built at the Atlantic Yards site.

These units are desperately needed, as had been mentioned earlier this evening and as evidenced by Mayor Di Blasio's commitment to build and preserve over 200,000 affordable units over the next ten years. And to be honest, Forest City is the primary developer creating affordable housing in downtown Brooklyn.

There are currently about 11,000 housing units under construction or in the pipeline in downtown Brooklyn. About 3,500 of these units are affordable. Forest City is responsible for approximately 2,431 of these affordable housing units --

(Audience participation.)

MR. WASHINGTON: That's 70 percent of all affordable housing units we expect to be built in downtown Brooklyn.

(Audience participation.)

MR. WASHINGTON: In short, the Atlantic Yards project --
THE HEARING OFFICER: Please let the speaker speak.

MR. WASHINGTON: Everyone had their opportunity, please let me finish.

THE HEARING OFFICER: Excuse me one second.

Please do not interrupt. Let the speaker speak. Everybody will have their say. If you agree with the speaker, you can cheer at the end or clap or you can boo. You'll have your opportunity.

MR. WASHINGTON: Thank you.

In short, the Atlantic Yards Project represents unparalleled opportunity to make a significant dent in Mayor De Blasio's target of 200,000 affordable units.

There is no time to waste. As we all know, rents are rising dramatically in downtown Brooklyn. Until -- in light of this and from an economic development point of view, we ask Empire State Development Corporation to proceed as quickly as possible with the review and the approval of the SEIS.

Litigation over the project will
cause significant delays, particularly in securing financing to complete the project. It is time for the project to move ahead so that the City can realize all the benefits associated with Atlantic Yards.

Thank you for the opportunity to speak.

(Audience participation.)

THE HEARING OFFICER: Thank you, Mr. Reed.

The next speaker is Judith Francis.

MS. FRANCIS: Thank you.

My name is Judith Francis.

I'm a 35-year resident of Brooklyn and I own a sole business here too for many of those years.

What's left of this debacle overseen by the New York State Economic Development Corporation on behalf of Forest City Ratner? There is no affordable housing. There are no new schools, new parks or transit infrastructure as promised.

We now have gaping holes in our
landscape where real people and real businesses once thrived. That was before Eminent Domain was abused for the personal gain of one man, Bruce Ratner, who then failed in every single way.

The community has supported responsible development. We have supported union labor. We have supported affordable housing. What is the answer? The answer is not Forest City Ratner.

They have proven unable and incapable. I was shocked tonight to hear one of the people at Forest City Ratner, the construction manager, who came up tonight and blamed the victims of their own folly for the delays and for their failure. That takes the cake.

It is time to stop the madness. We need a new developer or many new developers. No -- not one dollar of my taxes should go to one person in the tune of billions of dollars to -- to then foist something on us that is taking not 10 years, not 15 years and now we're told 25 years to get all these promises delivered -- hardly.

Do we wait for North Korea's Jong-un to come as the next white knight after the
Russian Oligarch and the Chinese fail?

(Appplause.)

MS. FRANCIS: Do we wait another
20 years, 15 years, 25 years for affordable
housing?

We need real live residences and
business owners appointed by the courts, not by
politicists. I -- I take exception to the
Assemblyman Mosley when he cited Brooklyn Bridge
Park as a success in community -- a community
advisory council. It's a travesty is what it is.
We're going to have a 31-story tower and a 16-story
tower at the foot of Atlantic Yards in what was
supposed to be a public park.

Okay. So it's not -- if it's, you
know, appointed by the park -- by the court's maybe
-- maybe we'll have a chance. You know, I have to
say one thing, I am grateful to see the head of the
Economic Development Corporation sitting among us
tonight, Kenneth Adams, is here in the house. And
I'm glad he's here to hear our voices because there
are many of us. And we really mean it, we want --
we want what was promised and we want it now and we
don't want to wait 25 years, Kenneth.
You know, on second thought, maybe we should have the North Koreans take over this project because that way at least Brooklyn will be saved from being nuked.

Thank you.

(Applause.)

THE HEARING OFFICER: Thank you, Ms. Francis.

The next speaker is Carlos Scissura.

MR. SCISSURA: You could hold your boos until afterward.

(Laughter.)

MR. SCISSURA: Good evening, everybody.

Hope all is well. Good to see you all.

I know I've worked with many of you in the past on this project and I hope that in your dealings with me in the past that -- and in my new current position, you will at least appreciate that I was fair and was able to sit and listen to all sides of the issue.

A VOICE: Boo.
MR. SCISSURA: You're supposed to wait until at the end.

(Laughter.)

MR. SCISSURA: Good to see Kenneth Adams, my predecessor at the Brooklyn Chamber of Commerce and now doing a phenomenal job at the Empire State Development.

Obviously, I'm here to support the project. I think that you've heard a lot tonight from both sides. You will continue to hear a lot from both sides.

A couple of things that I think I have heard and I continue to hear out there.

First of all, I've been to dozens and dozens of events at Barclays; sporting events, concerts. I have met many people who used to be at Borough Hall yelling at me about the project now who are at the Barclays Arena enjoying it. And several of who had said to me, you know what, it's not as bad as we thought. It actually is a good project. And that's real. And if you don't believe that, you should go and you will run into some of the same people.

The second thing is, economic
development, jobs, housing. Has everything happened as quickly as we want it to happen? No. We know that. Will it happen? Yes. Do we need this Supplemental EIS to be approved? Yes. Do we support the affordable housing? Yes. Do we support economic development? Yes.

There are many businesses -- and walk around and you will see many small businesses and several of them are in this room tonight that you will hear from, Akiva. You will hear from Aliotta. You'll hear from a bunch of people who own small businesses who are thriving because of the Atlantic Yards Project.

So our position, the Brooklyn Chamber's position and the Brooklyn Chamber's role is to promote economic development throughout Brooklyn -- Brooklyn, 2.6 million people. Brooklyn extends to Coney Island. It extends to East New York. It extends to Canarsie. It is not just one little place. And there are thousands and thousands and hundred of thousands of people across this borough, across the City who live what's happening in Brooklyn and who are enjoying and who are working and who are making money because of
this development.

So Kenneth and the entire team, we urge you to approve this Supplemental EIS. Let's get the shovels in the ground. Let's build the affordable housing that the Mayor is calling on and let's continue to provide jobs to Brooklyn.

Thank you.

(Audience participation.)

(Applause.)

THE HEARING OFFICER: Thank you, Mr. Scissura.

The next five speakers will be: Robert Puca; John Nevin; Peter Krashes; Rhona Hetsrny; and, Doug Derryberry. And Robert Puca will be the first speaker.

MR. PUCA: Thank you, Ed. My name is Robert Puca. I live at 535 Dean Street in the Newwalk Building. I'm a member of the Dean Street Block Association. I'm also a member of local
Community Board 8 and I -- I'm a life-long member of Brooklyn - all 51 years of my life I've lived in Brooklyn.

I'm really torn to read my script here or go off the cuff but I'm going to do a little of both.

A VOICE:  Bada boom bada boom!

MR. PUCA:   Bada boom bada boom, exactly.

Why are we here tonight? We're here because there was court case -- and one court case. And we're here because Forest City Ratner and the State broke two big promises and commitments.

We don't -- we're not standing in the way of development. What we want for this project going forward is, we want accountability. We accountability to the public through oversight reform. It is time for the project to be overseen by a dedicated public development corporation or subsidiary with a board that includes directors appointed in conjunction with local elected officials.

Our call for accountability is
shared by most of the local civic organizations and
elected officials surrounding the project.

Atlantic Yards, Ken, is the only
large State project where decisions are made by a
board of political appointees with no local
members; no one from the community, none of our
local elected officials --

(Applause.)

MR. PUCA: I'm using this
opportunity, Ken, to urge you, to urge you to
appoint this oversight board. And now that Forest
City Ratner has sold 70 percent of its stake in the
project to a company called Greenland. Greenland
is owned 100 percent by the Chinese government.

If Forest City Ratner wasn't
accountable to our concerns before, who do you
think's going to be accountable now as we appoint
this board? Is it the Chinese government going to
be accountable to us? Are they going to listen to
our concerns? Not at all.

We are not nimbys. I am not a
nimby. Even though I live adjacent to the rail
yards and I've lived there for the last 12 years,
Ed and myself, have we gotten grayer, Ed? Are you
agreeing? I'm talking to you. You've gotten
grayed.

(Laughter.)

THE HEARING OFFICER: I've gotten
grayed and less.

MR. PUCA: Okay.

(Audience participation.)

MR. PUCA: So we're not nimbys.

Unfortunately, Forest City

Ratner's contractors and the people that work the

project have too often failed to comply with New

York City Laws and the environmental commitments

the State has made us.

The DSEIS is a private sponsored,
generally in compliance and yet over the years, the

neighborhood, the people who live in the

neighborhood, have documented instance after

instance of noncompliance related to noise,

nighttime work, air quality, trucks, construction

worker parking, sanitation, rodents, et cetera.

This is important that we have

accountability, transparency and oversight. We need
to appoint an oversight board and monitor. Someone

we can call. Someone who's responsible. Someone
who will listen to us.

Ken, I urge you -- I urge you as a person who lives in the neighborhood and feels the direct -- direct impacts. So, please, appoint this board.

Thank you.

(Applause.)

THE HEARING OFFICER: Thank you, the graying, Mr. Puca.

(Laughter.)

THE HEARING OFFICER: The next speaker is John Nevin.

A VOICE: He left.

THE HEARING OFFICER: Is John Nevin here?

A VOICE: He left.

THE HEARING OFFICER: In that case, the next speaker is Peter Krashes.

MR. KRASHES: So my name is Peter Krashes. And I'm making a statement on behalf of the Dean Street Block Association, focused on construction monitoring.

A VOICE: Pick up the mic.

MR. KRASHES: The history of --
it's going to take me a minute.

The history of Atlantic Yards has been contentious but there's one thing the State, the developer, the community agree about today. The residents of our Block Association and their neighbors live, work and worship in an area that is directly impacted by the implementation and operation of both the first and second phases of the project; whether they're built fast, slow or not completed.

In 2009, New York State and Forest City Ratner broke the law and our trust when they failed to assess how the community in the vicinity of the project may be negatively impacted by 25 years of Atlantic Yards construction instead of 10. They chose to put the community at risk in order to secure expiring federal tax free bonds for the arena.

Now, as part of the court-ordered process, the DSEIS is being issued four-and-a-half years late and we're in the ninth year after demolition began in the project footprint.

Although adverse construction impacts have been unfolding at this site for
roughly one year less than the original anticipated
duration of the project's full build out, only one
project building of an anticipated 17 is even close
to completion.

Any community adjacent to a
collection site depends on and has a right to
expect compliance with environmental laws,
regulations and commitments. In the case of
Atlantic Yards, compliance with a number of
environmental commitments was an integral part of
the development agreements.

And yet, extending all the way
back to 2007 an asbestos abatement on Ward Bread
Bakery, our community has documented patterns of
violations, some serious, of environmental
commitments in New York City Law, we have been
forced to take the extraordinary step of keeping a
311 construction log and, ultimately, in 2011,
creating a community-led initiative called,
Atlantic Yards Watch, was a means of getting our
concerns addressed.

Now why did Atlantic Yards Watch
with over 1,000 incident reports from more than 100
community members have been filed, most of them
accompanied by a 311 complaint and documentation of
the incidents. Many of these incidents capture
concerns related to residents' health, safety and
property. And it's not the community's job. It's
the State of New York's job to ensure Forest City
Ratner and the contractors comply with
environmental commitments.

Unfortunately, for long stretches
in the history of this project, the State does not
have the ability, focus or, perhaps, inclination to
understand its own project, most especially as it
unfolds on the ground. Both the State and the
developer depend on documentation gathered by
Forest City Ratner's onsite environmental monitor
to understand its day-to-day construction at the
site.

But we have documented problems
that extend over hours, days and weeks. We have no
trust. The onsite environmental system -- monitor
system or, in fact, any system that relies on data
generated by the developer and contractors will
effectively identify noncompliance.

It's a long time since -- two
things. It's long since past time for impartial
and motivated construction monitoring onsite.

In this DSEIS context, with the State acknowledging some adverse construction impacts may last 25 years instead of 10, how can anything less be justified?

Thank you.

(Applause.)

THE HEARING OFFICER: Thank you, Mr. Krashes.

The next speaker is Rhona Hetsrony.

MS. HETSRONY: Hi. Good evening, everybody.

VOICES: Good evening.

MS. HETSRONY: My name is Rhona Hetsrony. I'm a member and on the board of the Dean Street Block Association, as well as a resident at Newswalk. My windows directly face the Pacific Street construction site.

I'm here to demand that the project be overseen by a dedicated public development corporation with a board that includes local elected officials.

We have seen what devastation
occurs when a large State project has decisions
made by a board of political appointees with no
local representation and developer interest is the
only driving factor.

Let's talk about the devastation
to the community so far. I get out at 6:00 a.m. to
go to work at a hospital and I need my sleep. And
drilling, trucks, lights and general construction
noise is keeping all of us up overnight. This has
got to stop.

My home faces both the Long Island
Railroad and Atlantic Avenue. Both areas are prone
to nighttime construction work. The amount of work
at night must be reduced and we need better noise
attenuation.

There is little monitoring, none
of it transparent on the vibrations in our homes
caused by the construction. My apartment actually
shakes when they are out there. I don't think
damage to our homes is of much concern to the
developer.

Street beautification has given
way to arena patrons leaving their garbage on our
streets with no clean-up effort from the developer.
Open space will be long delayed and perhaps never completed. The project was supposed to connect our neighborhoods but we continue to be cut off from one another.

Green space, as originally promised, will not materialize unless one wants to consider the wall of grass outside the arena entrance as green space. Not too many children will play on a wall.

Residents cannot even walk down Sixth Avenue between Dean and Bergen as the police have taken over the sidewalks for their private vehicles. I saw a neighbor struggling all winter with shopping carts, strollers, snow banks, et cetera, trying to maneuver this street. The police were supposed to be given parking by the developer in the surface parking lot but that area is only half used. What is up with that?

Finally, over 250 parking spots have been eliminated from the streets immediately surrounding the arena in my section of the neighborhood. I know this because I have been counting the continuous loss of spots for years now.
Limited parking ruins attraction
to move into the area. A reputation for parking
problem is now on par with Park Slope.

In addition, we have to compete
with construction workers, arena patrons and
employees for the few spots. We petitioned in
Albany for residential parking permits and Senator
Golden, who hails from Bay Ridge, blocked our
request. Long term residents demand parking
permits now.

Plans to renege on arena parking
and to add thousands of new residents to the
immediate vicinity of the arena smacks of poor
planning and further disregard for the community.

The time is right now for our
elected officials in the community to have input
into future plans and for an accountable oversight
board.

Right now the developer, whose
arena has been subsidized by New York City
taxpayers, hopes to sell 70 percent of his rights
to a Chinese company who will have less regard for
the community than he does. This was done without a
real bidding process --
THE HEARING OFFICER: Please finish up.

MS. HETSRONY: -- and, of course, no community input or knowledge.

I run a hospital and I need three bids to purchase a life saving defibrillator and there has been no bidding process --

THE HEARING OFFICER: Ms. Hetsrony, please finish up.

MS. HETSRONY: -- for the major change in ownership.

Thank you.

(Appause.)

THE HEARING OFFICER: Thank you, Ms. Hetsrony.

The next speaker is Doug Derryberry.

MR. DERRYBERRY: Hi, everybody.

I'm Doug Derryberry. I live on Dean Street between Carlton and Vanderbilt Avenues, which is a block and a half from the arena and is directly across the street from the service parking for the arena.

I'm a member of the Dean Street
Block Association and I'm also a member of Local 802. I'm pro union and pro jobs. I'm not anti development. But I do have some grievances on --

VOICES: The mic.

MR. DERRYBERRY: -- on how the project came to be and so just bear with me for two-and-a-half minutes.

I moved to Dean Street in 2005. Since then, I've tried to be patient and keep a close eye on things. But it's hard to watch because too clear unclear how the government does not have the public's interest at heart in this matter.

Crony capitalism has been evident again and again. Circumnavigating ULURP at the beginning at the incredibly below market price they got for the rail yards and the tax subsidies and all the rest. All the things Bloomberg and Pataki, Schumer, Cuomo et al, have employed to further line the pockets of their buddy Bruce Ratner is appalling.

The collusion between Forest City Ratner and the ESDC, which withheld critical documents from public view so they could reapprove
this project without the revised EIS is illegal. The Supreme Court declared it illegal when they voted against the ESDC in 2011.

So now we're here.

I've learned that corporations can and enough are evil and although our government is meant to serve the interests of the public, sometimes it serves the interest of billionaire developers instead.

Now walking around my neighborhood, year in and year out, it's here you see the negative impacts the project puts on its neighbors; the decreased parking and increased traffic congestion that started with this project was immediate and is undeniable.

Many street trees that we relied on for shade or better air quality, have been cut and almost none of them to be replaced or just gone to further notice.

Moving violations of construction vehicles approaching the project site are frequent. I filed many incident reports on the atlanticyardswatch.net and I've witnessed a lot more than I reported but I'm busy, illegally parked
idling trucks, et cetera.

So we neighbors of the project, especially if we're facing ongoing construction constantly for the rest of our lives, need better accountability and oversight from this developer. It's the job of government to make sure this private developer stays compliant with all the laws and all environmental regulations and commitments for the project.

I'd like to join the voices of so many tonight for a -- some type of new project oversight entity, perhaps a dedicated development corporation with a board populated by the local community members that have been vetted by local elected officials, especially now that a foreign corporation will have a controlling interest of the project, we really need this type of reform of the government and oversight of this project.

Thanks for your time.

(Applause.)

THE HEARING OFFICER: Thank you, Mr. Derryberry.

In a moment we're going to take a break. I want to remind everybody that sign ups
for speaking, there will be a cutoff at 9:00. And we'll continue until everybody here who has signed up has had an opportunity to speak.

I'll see you all in ten minutes.

(Brief recess.)

THE HEARING OFFICER: The next five speakers will be:

Meredith Statou;

A VOICE: Staten.

THE HEARING OFFICER: Jennifer Baer.

Daniel Contreras; and

Anurac Heda.

And Meredith Statou.

MR. STATEN: Staten. Like Staten Island.

THE HEARING OFFICER: Meredith Staten is the first speaker.

Go right up.

MR. STATEN: Good evening.

VOICES: Good evening.

MR. STATEN: Can you all hear me?

VOICES: Yes.

MR. STATEN: My name is Meredith
Staten. I'm a Brooklyn resident. I've been here for over 50 years. And I'm very happy to see the Atlantic Yards go forward.

However, there is some part criticism. The number of pages that I have looked through is about that thick (indicating). And they squeeze it down to about that thick (indicating.) I don't know how anybody could read all of that in a short time. So I'm hoping they would extend the time for us to review it.

The other thing is, I'm talking about the Community Benefits Agreement. I'm in favor of the Community Benefits Agreement. But there's a lot of things that we're going to lose. We're going to lose parking. They're going to put a 20-story building where the parking is supposed to be.

The park is going to be gone. We need parking. We need transportation, such as the rail yards. They're reducing the size of the rail yards so the trains cannot pull in all the way. That is not the agreement that we contracted for. That's not what they said they were going to give us.
We need to have a monitor there. Keep their feet to the fire to make sure that they honor all the agreements they said they will give us and help us maintain the apartments, the housing, the school, the transportation. It's a shame that we have to always go back to the beginning and try to stop what they're doing to be able to force them to do that.

If it wasn't for the court order, they would be going ahead and we would have no -- no input. The court order said that they needed to make a monitor there and that is what I agree to, is we need to be able to hold their feet to the fire.

We have a Community Agreement. I want to see it going to finish. That Community Agreement, I want to see all the things that the -- the housing they promised us that they would give us.

I'm sure that many people want housing. I know that that rail yard -- and to me it was an ugly site, a hole in the ground. But now we have a plan and that's why I hope that we'll be able to sustain the plan and finish it.
Thank you very much.

(Applause.)

THE HEARING OFFICER: Thank you, Mr. Staten, as in Staten Island.

(Laughter.)

THE HEARING OFFICER: The next speaker is Jennifer Baer.

MS. BACON: Is it Bacon?

THE HEARING OFFICER: Ask the gentleman there.

MS. BACON: No, he's asking about Baer or Bacon.

THE HEARING OFFICER: Jennifer -- I have Baer.

Is there a Jennifer Baer?

(No response.)

THE HEARING OFFICER: Is there a Jennifer Bacon?

MS. BACON: Yes.

(Laughter.)

THE HEARING OFFICER: He missed that.

MS. BACON: I am Jennifer Bacon from the Dean Street Block Association. I've lived
on Dean Street between Sixth and Carlton --

A VOICE:  Speak into the mic.

MS. BACON:  -- for nine years.

Having a championship round NBA team a block away, I was willing to endure certain compromises to my neighborhood. Just so everybody knows, the Nets are down by 3.

(Laughter.)

MS. BACON: In exchange, I naively believed that there were local rules and regulations in place that I could count on to lessen construction burdens of the home court.

The lack of responsiveness to the immediate community impacted by construction, I can't blame on the basketball team. From 2007 to 2010, numerous complaints were filed about rodents located in the vicinity of demolition.

At the time, our block association kept a 311 log, which we believe demonstrates that the location of the problems traveled with the work being done. As well as placing 311 calls, concerns about rodent abatement and an inability to questions answered were raised directly with then president of the ESDC, Avi Schick and vice -- FCR's
vice president, MaryAnne Gilmartin. No response was given to requests for mutually agreed to follow-up meetings. So there was no follow-up.

In 2009, press coverage helped NYDOH take notice and offer assistance. When the focus of complaints shifted to the children's play area in Dean playground, as well as residential buildings on either side of the project footprint, CP8 helped out with the problems remaining.

In May of 2011, the terror began. The surge in the rat population was huge. Commonly referred to by my neighbors as the rat tsunami. Residents feared the sidewalks after dark. Incident reports were filed on the Atlantic Yards website and the entire area between Sixth and Carlton and Bergen and Dean.

Forest Taylor of ESD responded, there is no way to determine if the increased rodent population is being caused by construction at the arena. We pointed out the fact that while FCRC and ESD may only be responsible for their property, cars parked on our block belonging to workers at the site are not being moved for alternate side street cleaning.
On several occasions cars, most with out-of-state plates, were left parked with construction near the dash on the entire block between the hours of 11:30 and 1:00. The street remained lined with garbage, which in turn brought more rats and somehow, no parking tickets.

In the end of June 2011, representatives from the City Departments of Health and Sanitation finally showed up to meet with the Block Association. Leticia James was also present and said she'd ask Governor Cuomo to declare a state of emergency to ensure changes.

About 70 area residents showed up. FCRC was invited but didn't come. The representative from ESDC who came reported not having received any complaints. She conceded that it took time for her to call 311 and retrieve the complaints.

Some of my neighbors have lived on the block for over 40 years and said it was the worst they had ever seen. Some saw rats as big as cats eating right through plastic bags and some had the insulation of their cars eaten. One officer from the 78th said that it was so bad, the rats
were eating their way into their building -- I'm almost done.

Eventually, cans with lids were sponsored by FCRC for local residents and the problem subsided.

THE HEARING OFFICER: Please finish up.

MS. BACON: I am.

IN less than four years and hundreds of hours in private community making ourselves be heard in order to get the smallest outreach from the developer and their partners. Responding is how one builds good will not by denying responsibility for the problem.

Thank you.

(Applause.)

THE HEARING OFFICER: Thank you, Ms. Bacon.

The next speaker is Daniel Contreras.

MR. CONTRERAS: Good evening.

VOICES: Good evening.

MR. CONTRERAS: Thank you for the opportunity to speak here.
My name is Daniel Contreras. And I'm the New York City political organizer for SEIU32BJ.

On behalf of 70,000 SIU Local 32 BJ members that live and work in New York City, I'm here to express our support to Atlantic Yards development project. Atlantic Yards will create thousands of union jobs in both the building service and construction industries.

Job development ensures that middle class families are able to pay their bills. Moreover, many of these jobs go to the local residents.

As we know, there's a housing crisis in the city and it's only going to get worse over the next 20 and 30 years. We need to push for more residential development, both affordable and market rate, so that residents can continue to live and work in this community.

Now that the DSEIS is complete, 32BJ encourages an expedited review and approval so that the project and its benefits can be built and provided to the community.

Thank you very much.
Have a good evening.

(Applause.)

THE HEARING OFFICER: Thank you, Mr. Contreras.

The next speaker is Anuera Heda.

A VOICE: She had to leave.

THE HEARING OFFICER: Okay.

Will the next five speakers please take seats at the front.

Chris Ender;
Lenore Loskou;
Lennox Britton;
Keith Sublevel; and,
Evangeline Porter.

The first speaker is Chris Ender.

(No response.)

THE HEARING OFFICER: Is Chris Ender here?

(No response.)

THE HEARING OFFICER: Lenore Loskou.

MS. LOSKAM: My name is Lenore Loskam. And I've been a Brooklynite for 30 years but my family history with Brooklyn goes back a lot
further than that.

My great-great grandfather came to Brooklyn from Germany to be an apprentice to a jeweler. My great uncles had been mentioned in the Brooklyn Eagle in the 1800s and early 1900s, one for riding one of those bicycles with the great big front wheel. My uncle was a Brooklyn wheel man. And another great uncle was a police officer who had gotten recognition in the newspaper.

My grandparents lived in Fort Greene. My father was born there. My grandfather walked to work at A&S, where he sold furniture throughout the early parts of the depression. And when I bought my own home in Brooklyn, my father helped me and was thrilled that I was going to be raising my daughter here.

And all of them appreciated and conveyed that Brooklyn was a place of economic opportunity for everyone; a place for anyone to raise a family and a place for people around the world to come and find a home, develop a career and raise their families.

When the project -- the Atlantic Yards Project was presented, it was presented as a
benefit to the taxpayers of New York. It's a
public project. We're paying for this. Atlantic
Yards was to provide jobs, hoops and housing, not
just because the developer was generous but because
they were getting up to a billion dollars in
taxpayer support. They were getting tax breaks, tax
subsidies. The money came out of our pockets.
That's why we get to ask for better oversight over
the project.

(Applause.)

MS. LOSKAM: New Yorkers' other
contributions, besides money, included override to
those pesky local laws about land use, zoning,
environmental laws and regulations that New York
City residents preferred.

New Yorkers also had to allow New
York State to use the power of Eminent Domain to
take private property from private people to give
it to somebody because he could make more profit on
it than those private owners could.

In exchange for all of what we
gave up, we were supposed to get jobs, housing and
hoops. We got hoops. Now the team is owned by
Prokhorov more than Ratner. His latest public
statement is -- in response to what's going on in the Ukraine and America's sanctions, "he'll take the team to Russia."

Now the housing part is going to be owned by the Chinese government. What accountability are they going to have to us for all of our taxpayer dollars?

Jobs, oh, jobs? You didn't get anywhere near as many jobs as you should have. You didn't get near as many good union jobs as you should have. You got more part-time.

Empire State Development is the only thing that stands between us, the Russians, the Chinese in making this somewhat fair for New Yorkers.

Please do your job.

(Applause.)

THE HEARING OFFICER: Thank you, Ms. Loskam.

The next speaker is Lennox Britton.

MR. BRITTON: Good evening all.

VOICES: Good evening.

MR. BRITTON: Thanks for the
opportunity to speak here tonight.

My name is Lennox Britton. And I'm the president and CEO of the New York State Association of Minority Contractors. And it's a non-profit organization established in 1989, long before the Atlantic Yards Project.

We have a membership of over 250 minority and women contractors. And we are located in the Brooklyn Navy Yard for over 20 years and a proud signatory of the CBA agreement.

We strongly support the continuation of Atlantic Yards for these reasons.

Since work has begun on Atlantic Yards, the project has brought much needed jobs to Brooklyn.

The developer, Bruce Ratner and FCRC, as we working closer to my organization and other groups to ensure that minority and women contractors are being awarded contracts onsite and this will continue throughout the project.

There's no doubt about it. Atlantic Yards will keep local workers employed for many years. There will be more jobs for the community. They'll be continuing construction work
and retail on the ground floor of the residential buildings.

Let me give you a bit here. There are two main reasons why small contractors try hard to get access to contract opportunities for their business. And I'll tell why:

1. The contracts are often oversized and outside the values outside the range of what small contractors can handle; and,

2. Obtaining funds to finance the early stages of the projects is a lot of problem.

This is where FCR project comes in here.

Forest City Ratner Companies and Bruce Ratner, has created systems whereby small contractors can bid on their contracts. FCRC has also collaborated with my organization to provide technical assistance to help small contractors meet the requirements set by the banks and other lenders.

Atlantic Yards, no doubt about it, because the other chapters that's represented in my organization, there are 40 of them in the United States of America.
The Atlantic Yards Project is a model that others can follow it and they're all asking me about it -- about Forest City Ratner. And they encourage a work to assist small contractors in building relationship with projects like Atlantic Yards and developers, Forest City Ratner.

We all want the project to be built as quickly as possible so we can enjoy the benefits. But such benefits can't be realized if there continues to be litigation delaying this project.

Now that a Draft SEIS is complete, we urge an expedited review and approvals so that the project can be built and provide all the benefits to the community.

Please do not hold up the project too long.

(Applause.)

THE HEARING OFFICER: Thank you, Mr. Britton.

The next speaker is Keith Stubblefield.

MR. STUBBLEFIELD: Good evening,
everyone.

Thanks for allowing me to come speak here tonight.

The Nets are up by four now.

(Laughter.)

MR. STUBBLEFIELD: My name is Keith Stubblefield. I'm here representing BAM this evening. I'm also a Park Slope resident.

But representing BAM, I'm going to be very brief and to the point here. BAM has been in Fort Greene in this local neighborhood since 1908, for more than a century. And we totally support the Atlantic Yards Project.

The Barclays Center has been undoubtedly a major catalyst for economic and cultural development in downtown Brooklyn. It's helped solidify Brooklyn's status as an international center for arts and commerce.

Marquee events like the rock and roll induction -- Rock and Roll Hall of Fame induction ceremony, which just happened, I think, last month and last year's VMA awards, marquee events that would normally have happened, or previously have happened, in Manhattan are now...
happening right here in Brooklyn bringing along all
the economic activity that comes with it.

So I think we haven't really heard
from any of the cultural partners here tonight so I
think we bring a particular point of view here.

We eagerly await the construction
of the residential units with 6,400 more people
just in this development alone. There are countless
other towers, actually, under construction right
now even closer to BAM than this project will be.

We see each and every single one
of those people as patrons of BAM, donors to BAM.
As the institutional funding continues to dry up
for organizations like BAM, we more and more turn
to individuals to help us further what we're doing;
bring all the international work and all the great
stuff that we're doing here in Brooklyn and keeping
that up.

We're increasing our cinema
capacity in 2017 in anticipation of these new
residents.

And so, in closing, I just want to
reiterate that BAM enthusiastically supports the
continuation of this project without delay.
Thank you very much.

(Applause.)

(Audience participation.)

THE HEARING OFFICER: Thank you, Mr. Stubblefield.

The next speakers please take seats up front are:

Evangeline Porter;

Tim Young;

Benoni Suthi Wong;

Laura Keith; and,

Akiva Ofstein.

A VOICE: Laura left.

THE HEARING OFFICER: Is Evangeline Porter here?

Go right ahead.

MS. PORTER: Good evening, world.

VOICES: Good evening.

MS. PORTER: And this is our world.

My name is Evangeline Porter.

And I'm listening to all of the pros and cons and it has been very, very interesting. But you know something, change is
good. Even this building that we're in now used to be a theater. And we're sitting here in a college setting and we're doing a marvelous job of listening to who don't like it and who likes it and who should like it and why.

I'm not interested in all of this -- this Empire State Development. I'm not up on that. I'm a John Q. Public. I've been in this Brooklyn for over 60 years and I've been president of a community association 27 years, trying to get it where when they come to Barclay and they want to take a visit down Franklin Avenue, it will be different from the way it was 15 years ago. And believe me, it is different. It is now mecca for a lot of people.

I have a -- I believe in what the community is doing and I believe in what Forest City Ratner is doing because he has supported our community in a lot of ways. And a lot of you don't realize it and a lot of us don't realize what went on with Forest City Ratner in court back in Fulton Court. Nothing will be successful without change.

Kids are paying $150 for sneakers today when I paid $15, if that. But that's change.
So we have to look at this as a big change in the community that helps, especially our young people. Keeping young people off the streets today is a hard job.

Well, Forest City Ratner with Barclays Center has given the children an opportunity to get off the streets and wear the Nets hats and have something that they can relate to like we related to Ebbets Field.

Please, give them a break. Give them a chance. Rome was not built in a day. And we need Forest City Ratner to be built in its proper way.

And if you want to be on the committee, pull yourself up out of bed one day and go down, get in line and get on the committee and see what they're dong. Okay?

(Applause.)

THE HEARING OFFICER: Thank you, Ms. Porter.

The next speaker is Tim Young.

(No response.)

THE HEARING OFFICER: Is Tim Young here?
THE HEARING OFFICER: Is Benoni Suthiwong here?

(No response.)

THE HEARING OFFICER: Is Laura Keith here?

A VOICE: She's not here.

THE HEARING OFFICER: Akiva Ofstein?

MS. KOTEEN: I'm here.

THE HEARING OFFICER: You're not going to speak?

MS. KOTEEN: No. That's not my name but I'm saying --

A VOICE: She got confused.

MS. KOTEEN: Yeah.

(Laughter.)

MS. KOTEEN: Do you have --

THE HEARING OFFICER: Excuse me. I can't hear you.

What --

MS. KOTEEN: Do you have Lucy Koteen in that pile? Because I got here early and you never called my name.
THE HEARING OFFICER: I don't --
I'll have to look through the pile.
The next five speakers please come up are:
Wayne Bailey;
Lucy Koteen;
(Audience participation.)
THE HEARING OFFICER: And Diane Jacobowitz;
Elizabeth Martin; and,
Ryan Grew.
Actually, you were in the back and it was a slight of hand.
MS. KOTEEN: I told you. I knew it would work.
A VOICE: There's a lot of slight of hands going on here.
MS. KOTEEN: Yeah.
THE HEARING OFFICER: Mr. Bailey.
MR. BAILEY: Good evening, everybody.
VOICES: Good evening.
MR. BAILEY: I've got a list here of stuff to go through but I'm really only wanting
to lazer in one thing tonight.

And that one thing is, is that
where are the paid construction monitors that are
supposed to monitor the neighborhood around the
arena and around the rail yard?

I find it funny that if they were
around, we had over 1,000, well over 1,000 impacts
filed by the Atlantic Yards Watch. How could those
people keep going over and over and over and over
again and not ever be cured? So either they were
there and they didn't care or then they weren't
there. And that's even worse.

So to Forest City Ratner's credit,
I will say that after the arena was built and the
majority of the construction of the rail yard was
done, they stepped up and they did do the
monitoring. They were 100 percent better. But the
problem is, is that we need that for all days not
just for that one bit of time.

Thank you and good night.

(Applause.)

THE HEARING OFFICER: Thank you,
Mr. Bailey.

The next speaker is Lucy Koteen.
MS. KOTEEN: Hi. My name's Lucy Koteen. But for tonight I'm going to be Lucy Koteen.

(Speaking Chinese.)

I thought you should hear some of the language of the builders coming to Brooklyn.

As a representative from the People's Republic, I want to thank New York government for sharing their generous subsidies, worth billions of dollars, with the people of China.

We look forward to sharing the space in a prime real estate neighborhood with our old communist comrades now represented by the supreme capitalist Oligarch, Mikhail Prokhorov. We will work together in this new world in ways we could never work in the old countries.

And now that we learn that Mr. Ratner is selling the 20 percent share of the Nets that he still owns, we are very excited to learn who our new capitalist partner will be in this venture.

We want to recognize the shared values of our great countries:
Using Eminent Domain to turn over the homes and businesses of working people to give them to private profit to the politically powerful.

Building large projects with no government oversight, despite many promises for government oversight.

Contributing massive subsidies from the people's taxes to enable wealthy men to become much more wealthy.

Ignoring public protests, although we do wonder, where were the tanks?

(Laughter.)

MS. KOTEEN: Encouraging unlimited promises of public benefits knowing they were never going to be delivered.

Using many public officials who promote the false message of the developer while holding one hand out at the same time for rewards.

So much in common.

In this new venture we look forward to initiating cost saving steps, like bringing many excellent laborers over from our country to speed up construction that now creeps along like snails heading for the escargot pot.
We are so proud to help out our developer friends and in government they own -- that they own in America from their big American failure. We wish success to all of us.

And thank you.

(Speaking Chinese.)

MS. KOTEEN: I'm finished.

But I did just want to make a comment to my friend, Ken Adams, over there. Ken, it's not so much that you're the failure but you failed this community. As the head of the ESDC, you have the ability to appoint some kind of group that can monitor the construction. That is your job. You could help the people here. They've all told you the problem and I think that it's time for you to see what you can do to help.

Don't take your marching orders from the developer or from the Mayor. You are the head of the ESDC, please do your job.

Thank you.

(Applause.)

(Audience participation.)

THE HEARING OFFICER: Thank you, Ms. Koteen.
The next speaker is Diane Jacobowitz.

A VOICE: She left.

THE HEARING OFFICER: In that case, the next speaker is Elizabeth Martin.

(No response.)

THE HEARING OFFICER: How about Ryan Grew?

MR. GREW: Good evening. My name is Ryan Grew. I'm the service manager for the Metro Tech Business Improvement District.

As the service manager for Metro Tech Business Improvement District, I'm here tonight to express the BID's strong support for a prompt review of the Atlantic Yards Supplemental Environmental Impact Statement.

We believe the Atlantic Yards Project has, and will continue to provide, positive economic benefit to our community.

The completed phases of the project have already proven to be a major attraction for visitors and tourists in downtown Brooklyn.
The completion of the Barclays Center in 2012 saw a growth in the tourism industry in downtown Brooklyn, which has positively impacted the hotel industry and business community in and around the Metro Tech BID.

It's likely the completion of Phase 2, the addition of 6,400 residential units, will have an equally beneficial impact on the area. In order to take full advantage of the economic activity that this next phase of development will bring, it is imperative that the project advance without delay.

We ask that the Empire State Development Corporation review and approve the SEIS as quickly as possible.

Thank you for the opportunity to speak tonight and to express Metro Tech's BID support for this.

(Applause.)

THE HEARING OFFICER: Thank you, Mr. Grew.

Will the following speakers take seats up front.

Shabazz Stuart;
Katie Lyon;
Michael D.D. White;
Sharon Daughtry;
Regina Cahill;
Bertha Lewis; and,
Steve Ettinger.

Is Shabazz Stuart here?
You're up.

MR. STUART: Hi. My name is Shabazz Stuart.

I was born in 1989 in Lefkowitz Gardens and I've called Brooklyn home ever since.

But today I come to speak to you on behalf of the Fulton Mall Improvement Association. We are, as some of you know, a strip of establishments and commercial retail stores in downtown Brooklyn. We are, actually, the third busiest retail shopping district in New York City; 110,000 shoppers and pedestrians a day come through the district.

I'd like to say a couple of things about the Atlantic Yards Project.

First and foremost, since the Barclays Center was completed in September of 2012,
we've actually noticed a huge and tremendous boost in commerce within the MFIA service district. In fact, no less than seven major retail chains have opened their doors along the mall. This has been a tremendous boost to the local area and it's brought in hundreds of jobs and it's brought in tons of pedestrians to the mall.

Secondly, I'd like to point out that Phase 2 will bring 6,400 units of housing, 2,250 of those will be affordable. We believe that this will bring increased revitalization to the mall. We believe that this will be a tremendous boom, a second additional benefit to the mall.

And I'm here to encourage Mr. Adams, I'm here to implore you, Mr. Adams, to give this review a prompt and quick approval.

Thank you.

(Applause.)

THE HEARING OFFICER: Thank you, Mr. Stuart.

Katie Lyon.

MS. LYON: Hi. I'm Katie Lyon, the manager of the Court-Livingston Schermerhorn Business Improvement District, which is a couple of
blocks away from the Atlantic Yards site.

I also happen to be a resident of Crown Heights.

On behalf of the stakeholders of our district, we ask ESD to proceed as quickly as possible with the review and approval of the SEIS for the Atlantic Yards Project.

Just as my colleagues before me have stated, the completed phases of the project have been a boom to the business community in downtown Brooklyn. We feel that any delays in completing the remaining phases are not beneficial to the quality of life, as well as the business community in the area.

Additionally, I think we all can agree that there's a significant and immediate need for affordable housing in the area. And the next phase promises to bring about 2,500 affordable units to the area. We'd like to see that happen as quickly as possible. So we ask that you review and approve the SEIS as soon as possible.

Thank you.

(Applause.)

THE HEARING OFFICER: Thank you,
Ms. Lyon.

The next speaker is Michael D.D. White.

MR. WHITE: Michael White, Noticing New York.

A VOICE: Speak into the mic.

MR. WHITE: Yeah, I'm sorry.

(Using props.)

MR. WHITE: I need my hands so I'm going to keep bending over here.

But here's my dog. Here's my pony -- so I know we've had a lot of dog and pony shows now.

(Laughter.)

MR. WHITE: Now dog -- it's a dachshund. You know if you're around ponies long enough, someone will say, get along little doggie.

So I did.

(Laughter.)

MR. WHITE: There's the long of it, the short of it and then the tall of it.

(Laughter.)

MR. WHITE: So that's a reminder that we've heard a lot of tall tales --
(Laughter.)

MR. WHITE: -- told by people and that the only reason we're here is because the court said, um -- that the tall tales we've heard were not believable and that the affidavits of the people who were telling them at the dog and pony shows and in court, were not credible.

Now, little tin hat on my pony, and we get a unicorn. Okay.

So this is about one, you're going to say that's a mythical creature that doesn't exist except in the mind of man. Well, that makes it very similar to the mega monopoly that only exists in the mind of the government and via Eminent Domain gave to Ratner, which means that my little unicorn, as opposed to pony, is not ridden by a dog, it's ridden by a fox because you can't negotiate with a monopoly. And so long as Mr. Ratner is riding this monopoly, we can't negotiate with him.

And that means that you can ask for oversight and accountability, which you're not going to get it. Because so long as the monopoly is presumed, it won't be given to you.
Now who's the fox selling out to?

The Chinese. Okay. Guess what that means? Now once upon a time you couldn't negotiate with the fox, now we can't negotiate with the Chinese government.

Now I understand that there are more subsidies that are going to be requested. Well, guess what? You can't negotiate. All that sweetener goes to the Chinese government if it's given.

Look, this is all about crony capitalism. We approve this deal and we let it go forward, we are strengthening the infrastructure of crony capitalism in the City and we are going to see more crony capitalism replicated elsewhere around this City. We're talking about selling off libraries, which you know I've been involved with. I'm talking about what happens to Litch(phonetic).

You got to stop it. You're gonna -- you've got to clip their wings.

Thanks much.

(Applause.)

THE HEARING OFFICER: Thank you, Mr. White.
Sharon Daughtry.

A VOICE: She left too.

THE HEARING OFFICER: Regina Cahill?

(No response.)

THE HEARING OFFICER: Bertha Lewis.

MS. LEWIS: My name is Bertha Lewis and I'm the president of the Black Institute. And I have been part of Atlantic Yards since the very beginning of the project because I believed in the project and know the positive impact it's had and will continue to have on our communities.

I remember Tish James, Velmanette Montgomery, all of City Council at a hearing in which we got together with them several years ago and said, we have a Mayor Bloomberg, we have a Governor Cuomo. You all elected officials need to get together and actually form a whole oversight committee. You have the power to do this because you have the power of the purse.

We were told, no thank you. We're going to sue.

When the first developments began
to come into downtown Brooklyn, Vornado, Related, we went to Community Boards and we went to the same elected officials and said, look, you can help and make all of those developments that get taxpayer dollars, make them the same thing that we're trying to make Atlantic Yards do. And they said, no thank you, we'll sue.

The major component of the project that we worked on was those 2,250 affordable apartments. How many of you have ever built an affordable unit that's in this room? Good. So you know what it takes. You also know how many times we've had to go to Albany and fight with the Governor. Go to City Hall and fight with the Mayor.

Fortunately, we have a new administration so I'm very, very happy to hear all of the local elected officials now, because of the EIS review, now are agreeing and want to be a part of an oversight committee, something that we asked for several years ago.

Also, I'm very happy to know that those folks, who have built affordable housing, know that, in fact, you have to follow New York
City building codes. If you think that it is funny to talk about the Chinese government and the Russian government in a mocking tone and not follow those building codes that they would have to get away with here, then you are one of the most ignorant people I have ever heard and you should be ashamed of --

VOICES: And you're a liar!

MS. LEWIS: You need -- because everyone is entitled to their own opinion but you're not entitled to your own facts.

(Audience participation.)

MS. LEWIS: -- stick to your facts.

A VOICE: You're a liar.

THE HEARING OFFICER: Ma'am, be quiet!

(Audience participation.)

THE HEARING OFFICER: Ma'am, they'll be no outbursts like that.

A VOICE: You had your chance to speak. Let her speak. I want to hear her speak.

THE HEARING OFFICER: Thank you, Ms. Lewis.
A VOICE:  We did -- we did not disturb you when you --

(Audience participation.)

THE HEARING OFFICER:  Miss --

A VOICE:  Everybody is entitled to give their opinion. She's entitled to give her opinion.

We didn't interrupt you when you were speaking.

(Audience participation.)

THE HEARING OFFICER:  Time out!

(Audience participation.)

THE HEARING OFFICER:  Miss --

A VOICE:  It was fine because it was pro her. You can't have it both ways.

(Audience participation.)

THE HEARING OFFICER:  The next outburst, you'll be leaving.

The next speaker, Mr. Ettinger.

MR. ETTINGER:  Thank you.

Hi. My name is Steve Ettinger.

I'm a 30-year resident here. I'm a proud contributor to the Quality of Life Committee, which I found very interesting and helpful. I'm on the
local Block Association. I'm a writer.

Mr. Adams, the Atlantic, the website, I presume you're familiar with it, I think is a model for some aspect of the oversight that we're seeking. I think it's terrible that we citizens have had to create that and work very hard at it.

I also found it sort of frustrating that when I've used the atlanticyardswatch, I found so much to bring to the attention to the powers that be and so little that could be done.

My own personal experience, I think it might be a model of -- well, let me back up. What is -- what would the oversight that we seek look like? And I think that might be one part of that model. I think that the over -- the entity has to have some teeth. It has to have a slightly adversarial feel with the parties involved, Forest City Ratner and the ESDC. By adversarial I mean kind of what you find when you hire a contractor yourself. It's -- it's, you work together but it's somewhat adversarial.

I would like to know, also, why
you've never considered any competitive alternatives. We need that creative tension that competitor alternatives could bring to the situation. I know there is contractual reasons why they are not there now. But I also know that you, and your colleagues, are creative, intelligent and can find some way to, perhaps, bring that element to the equation.

Thank you very much.

(Applause.)

THE HEARING OFFICER: Thank you, Mr. Ettinger.

Will the following speakers please take seats up front.

Sabine Aronowsky;
Michelle de la Uz;
Don Campbell;
Tyree Stanback;
Gale Bartholomew; and,
Joanne Simon; and,
John Buchbinder.

Sabine Aronowsky.

MS. ARONOSKY: Yeah.

THE HEARING OFFICER: Go right
MS. ARONOWSKY: Thank you.

Good evening.

My name is Sabine Aronowsky and I work at the Fifth Avenue Committee where we advocate for and, actually, build affordable housing.

I'm also a member of the Gowanus Canal Community Advisory Group and I'm born and raised in Brooklyn Community Board 6. And my parents have a small business in Gowanus and I'm now raising my daughter here.

For my work in MPA studies, as well as being a second generation Brooklyn Community Board 6 renter, I have extensive experience and knowledge of the community displacement pressures, environmental justice and land use issues in the area and I'm deeply concerned about the failed original promise to provide 2,250 units of affordable housing to our community by 2016.

Not only do I work with residents who would qualify for this affordable housing if it were available today, but I'm also one who seeks...
affordable options to remain in my life-long Community Board 6.

I also experienced a significant rent increase, in the hundreds of dollars this past year, and my landlord justified the jump based on a speculative valuation of market rate based on my proximity to Barclays.

Along with my personal displacement pressures, at the Fifth Avenue Committee, we continue to witness residents around the Barclays Center experience significant and increased displacement pressures since the sports arena was first announced in 2003 and subsequently completed in 2012.

Barclays Center not only sits geographically in the nexus of the Community Boards 2, 3, 6 and 8, but it’s also in an area where many long-time residents are being priced out and pushed out of their communities.

The first residential building at Atlantic Yards, years behind even the renegotiated 2009 schedule and less than half of the 181 affordable apartments, will be affordable to families earning an average Brooklyn income or
less. And only ten of those apartments are suitable for families.

The small fraction of family-size affordable units, coupled with decreasing affordability created by the ever-rising area median income upon which affordable units qualify -- upon which affordable unit qualifying income bands are based, means these impacted Community Board Districts, my family included, will see little to no public benefit for affordable housing realized. And these districts are in crisis.

The Fifth Avenue Committee, along with a growing coalition of residents, elected officials, civic associations, community-based organizations, all concerned about the future development of Atlantic Yards, joined together this past December to petition the State to deny approval of the sale of -- of the interest in the project to Greenland Holdings. There are no -- unless there are no -- unless there are new guarantees where affordable housing to be delivered when originally promised and appropriate oversight enacted to ensure commitments are kept.

To this date, we've received no
response.

In addition to the affordable housing crisis, we're also facing an infrastructure crisis. There needs to be accountability at Atlantic Yards to direct stormwater retention and sewer infrastructure measures with site specific designs for all buildings.

Over 500 million gallons of combined sewer overflow is discharged into the Gowanus Canal and the ESDC need to reveal their metrics and analysis when reporting on the frequency of combined sewer overflow discharges, especially as it relates to Phase 2.

Finally, what happened to the planned sewage holding tank that was supposed to be built at Atlantic Yards and how is the sewage from Barclays being managed when it sits in the most notorious sewer shed around that is already dumping millions of gallons of poo in the canal and overflowing into our community every time rains, like today?

(Applause.)

THE HEARING OFFICER: Thank you, Ms. Aronowsky.
The next speaker is Michelle de la Uz.

MS. DE LA UZ: De la Uz.

THE HEARING OFFICER: De la Uz.

MS. DE LA UZ: Thank you.

Hi. Michelle De La Uz. I'm the executive director of the Fifth Avenue Committee. And I'm not going to talk about poo.

(Laughter.)

MS. DE LA UZ: So the Fifth Avenue Committee is a 36-year old, non-profit, comprehensive community development corporation whose mission is to advance economic and social justice. One of the ways that we do that is we build and manage affordable housing and the other is that we train and place people in living wage jobs. We also prevent hundreds of evictions every year.

In our 36-year history, we've -- well, actually, just in our workforce development side, we've trained and placed over 10,000 low income New Yorkers in living wage jobs.

We're also a founding member of Brooklyn Speaks and one of the plaintiffs that
successfully sued the developer in the State to conduct this Supplemental Environmental Impact Statement for Phase 2 of the project.

Brooklyn Speaks is a coalition group that has been advocating for transparency and accountability in Atlantic Yards for more than eight years.

For the purposes of today's hearing, I'm going to limit my testimony to the impact of socioeconomic conditions in the area since the DSEIS specifically indicates that the impact of the delay as the result of the 25-year extended build out scenario that FCRC proposed and ESDC approved, will not be studied.

As everyone knows, -- excuse me, I'm getting over a cold. Over 1,900 of the 2,250 units of affordable housing, by far the biggest public benefit in many people's eyes, is in Phase 2 of the project. While ESDC and FCRC have made public statements that the housing will be accelerated, they have not committed to a specific time table to actually build out all of the housing.

The agreement which dictates how
much time they have to build the housing, including the affordable housing, continues to maintain that they have until 2035 or later to complete Phase 2 of the project.

ESDC's allowing that much needed affordable housing to be delayed more than 20 years has a dramatic impact on local residents. In particular, African American residents who otherwise would be eligible for the affordable housing lotteries of the affordable housing provided on the originally contemplated time table and approved time table.

Gentrification displacement pressures in Community Boards 2, 3, 6 and 8 have increased to alarming rates recently partly due to the Atlantic Yards Project being approved and the arena being built.

The Draft SEIS acknowledges the increases in rents and sales prices being higher in the area immediately surrounding the project. And I'm going to quote from the DSEIS right now. And I'm going to do it quickly.

Dramatic increases in income, home values and rental rates have occurred in areas
within the three-quarter mile study area. And that's having an impact on the low and moderate income population potentially at risk of indirect displacement.

Despite that statement, the ESDC refuses to study how the combination of the increases in rents and the delay of providing the affordable housing impacts specifically racial and socioeconomic groups. That refusal, combined with ESDC's long-standing inability to hold the project publicly accountable, demonstrates a total disregard for the public's interest.

And I'm going to skip ahead and finalize, if you don't mind.

THE HEARING OFFICER: Yes.

Please finish.

MS. DE LA UZ: I know, I absolutely will.

And I just say that, you know, as I said, the Fifth Avenue Committee helps individuals that are facing eviction and they're facing eviction and displacement today. We cannot wait for the provision of affordable housing and we must ensure that the disparate impact that's
happening and has been happening for the last several years, is mitigated immediately.

Thank you.

(Applause.)

THE HEARING OFFICER: Thank you, Ms. De la Uz.

The next speaker is Don Campbell.

MR. CAMPBELL: Hey, there.

I can't claim to know all the ins and outs and the backs and forths. I'm glad to see that there's still so many people here.

I guess my biggest concern about the whole project from the very beginning has been the process, involvement, transparency and awareness. Because of the way the project unfolded, because of the management and the oversight, there were times when it was difficult for people who didn't have their lives arranged in such a way to come and spend so much time at a hearing like this to feel that there was real community involvement being -- being made.

And then you end up having these situations where there's this confrontational
everybody looked at that space and said, yes, let's do something. Let's do something great there.

My concern was that the way the project unfolded is that then we created a situation that was too big to fail. Too concentrated in one hand, therefore there were benefits to moving it forward, to as we've heard time and again from the union statement, let's step back and let the developer build.

I recognize the value in that but I also think that we've been in a situation where we've said, let's step back and let the developer build what they wanted to build, there would be no Barclays Center. The imposition of an arena was at Markowitz' concern. Not Ratner. He didn't come to build the arena. It was Markowitz who said, let's build the arena.

But then, also, the original design, the Miss Brooklyn building which finally was pulled back for something that's more fitting to the neighborhood.

Anyway, my concern is that a process that has put neighbor against neighbor, that has said people say, oh, let's stop building
it. No, when people were saying, let's build something. They could get houses that reflects Brooklyn, the Brooklyn that we know and love. I'm a newcomer, I've only been here for 36 years so I can't claim hundreds of years of roots. But I came because it was a diverse environment. And I came because it was community centered. You know, I love looking at a room and seeing people of all ages, races, creeds -- coming together.

And I hope that moving forward, the aim of the project is to best serve Brooklyn, not to best serve the developer. That's -- that's my great concern.

(Applause.)

THE HEARING OFFICER: Thank you, Mr. Campbell.

The next speaker is Tyree Stanback.

MR. STANBACK: Good evening. My name is Tyree and I'm amazed at the number of people this evening that came up here and talked about public housing or just ignored NYCHA when many of them only have one or no
relationship with public housing, of which I am a public housing resident.

I represent the leadership of public housing. But I'm not here to speak this evening as a resident leader. I'm here this evening to speak as a resident of Brooklyn and a resident of public housing.

I support the project but, and it's a huge but, there needs to be oversight across the board, not only with the project, the developer, the DSEIS. Also, these people who were saying that they hadn't gotten benefit or the construction unions, they are not -- I'm a real person. I really live in this area and so do some of the other people that spoke tonight.

We're not opposed to the project. But we want to make sure that there's some real benefit to the community.

Yes, public housing residents have had a significant outcome or benefit from the Community Benefit Agreement. We've attended many, many, many shows, a third of their employees are from public housing. However, moving into the next phase, I want to make sure that they are absolutely
accountable. That -- not just tell me that, oh, yeah, you're going to give me ten jobs and you give me ten jobs that last from Monday to Friday and on Saturday they're fired.

I need to know that they're going to have ten substantial jobs and not just low level, low-paying jobs. We need to see manage -- middle management and senior management reflect the neighborhood. And what happened in Phase 1, there are a lot of low level jobs that were given to us but the middle management and the senior management does not reflect the neighborhood.

I have -- I'm very concerned about Russia and China. This is new to me. But as a person of color, I know that Russia and China are not very interested -- happy or want to deal with people that look like me.

So I have to ask, what is that going to do in Phase 2? Am I really going to be able to apply for affordable housing? And then I have to ask, in final, affordable for who? Because when you talk about affordable housing, if I make a million dollars income, yes, affordable for me. But when I make $50,000, $40,000, $30,000 a year,
what does the project mean to me?

Thank you.

(Applause.)

THE HEARING OFFICER: Thank you, Mr. Stanback.

The next speaker is Gale Bartholomew.

MS. BARTHOLOMEW: Good evening.

My name is Gale Bartholomew.

Thank you for giving me the opportunity to speak here today.

I am speaking on behalf of a -- I'm a Brooklyn resident for 20 years. And I am here to support the project.

I cannot express how grateful I've been for this project because I -- I was employed for over three years consistently, very good position, very good paying opportunity because of this project.

I want the project to continue, especially in the construction part because that will continue to give people like me employment in the industry as a woman -- to stress that because it really gave me a great opportunity.
And, also, I'm looking forward to the new housing projects that's coming up. Because here in Brooklyn a number of us have been -- we're looking to remain in Brooklyn, stay in Brooklyn. And affordable housing would definitely work for so many of us.

My church, which is just up in Vanderbilt up there, we talked about that all the time and I hear, you know, parents are saying the kids are coming out from college and they need affordable housing. I cannot stress how much we need the affordable housing here in Brooklyn.

I want to thank so many organizations who really worked hard and helped the community. And I'm a proud member of the Help Build Brooklyn, the Darmon Group, the churches, Darmon, also Forest City Ratner for providing training, which I was able to get in construction management and be able to uplift my lifestyle.

I cannot -- I ask ESDC to expedite this project.

And thank you, kindly, for your time.

(Applause.)
THE HEARING OFFICER: Thank you, Ms. Bartholomew.

Is Joanne Simon here.

MS. SIMON: Good evening.

My name is Joanne Simon. I'm the -- currently the Democratic district leader with the 52nd Assembly District. I'm also a resident of Boerum Hill and a former president of the Boerum Hill Association and have been involved with community issues for many years.

I was also, by the way, president of Boerum Hill Association, for anybody from Boerum Hill who was there. And it's not like the hot place it is today -- just so you know.

I want to say a couple of things to the remaining audience. First of all, this is not about the Nets and it's not about the Barclays Center.

It is about the Draft Environmental Impact Statement and whether it has been properly constructed to adequately evaluate the impacts of the 25-year likely delay in the construction of the affordable housing, which was the subject of so much public benefit at the
Atlantic Yards site. That's what this hearing is about.

Did the State do an adequate job in identifying and analyzing those impacts? Has it, in fact, analyzed the impacts? Has it, in fact, correctly evaluated the possibilities that exist or have they turned their back on looking at some of those possibilities?

In 2009, the ESDC approved a Modified General Project Plan without the required legal process. It did not evaluate the impacts at that time. That is the subject of the lawsuit because the fact is that the result of that Modified General Project Plan was to delay the project to at least 2025.

A VOICE: 2035.

MS. SIMON: 2035, excuse me.

You're right. Okay.

2035, with very little penalties for extending it even further.

The fact is that agreement was illegally entered into. That is what the courts found all the way up through the Appellate levels. And that is the basis upon which the ESDC is now
saying they cannot evaluate whether or not there should be multiple developers at this site.

The fact is, that agreement was illegal in the first place. And the -- part of the remedy we got is, that they have to go back and redo that. But they also have to evaluate the impacts. And that's what we're here for tonight.

The problem is that this will delay the provision of the affordable housing that everybody supported. What we want is that housing now. This DSEIS is only about Phase 2. Phase 1 hasn't happened yet. We have a shovel in the ground for the modular but we don't have any real building. And we're here to say, build it now.

You want construction jobs?

Great. Let's build it now. You want job training programs? Terrific. We're in support of all of that. Build it now.

Build Phase 1 now. Stop delaying it. The only delays in Phase 1 are the result of the developer delaying it and ESDC agreeing with that.

So, number one, build Phase 1 and,

number two, build Phase 2 but do it sooner than
later. Do it now.

Thank you.

(Applause.)

THE HEARING OFFICER: Thank you, Ms. Simon.

The next speaker is John Buchbinder.

MR. BUCHBINDER: Good evening. My name is John Buchbinder. I've been a resident of Brooklyn since 1977 --

VOICES: Louder.

A VOICE: Take it out. Take the mic out.

MR. BUCHBINDER: Good evening. My name is John Buchbinder. I've been a resident of Brooklyn since 1977. And have lived at 535 Dean Street, the Newswalk Building, since 2002.

I appreciate being able to express my concerns around the ongoing construction in my neighborhood.

Although I live on the Dean Street side of the building and don't often see the construction, I'm often impacted by the noise,
dust, vibrations, night work, lack of street
parking and street closure.

I'm a general contractor who has
been working in brownstone Brooklyn for nearly 30
years and I'm quite familiar with New York City
rules regarding noise, dust, vibrations and night
work, which are quite strict and explicit for a
business like mine.

But because this project is
largely not subject to New York City rules
regarding these environmental impacts, people who
live within the impacted areas have little
effective means of redress.

I often work from my home in
Newswalk, which is a massively constructed,
reinforced concrete industrial building from the
1920s. During the recent placement of piles, I
regularly felt the entire building shaking.

Perhaps you recall the earthquake of 2011, which
was centered in Virginia and was clearly felt here
in New York City.

During the last several years we
have had to, on a nearly daily basis, endure
vibrations that were of a similar magnitude. Of
course, one can get used to nearly anything. But why should we have to get used to it? Is there no possible way to mitigate these effects?

When the project was first proposed, the build out was to take ten years. Now the build out is to take 25 years, which is more than an entire generation of construction. Are the residents of the impacted area being asked to simply put up with all the disruption, noise, dust, vibrations, street closures, rats and night work in the name of what exactly?

Where are the 2,200 low-income units that were promised? Where are the 10,000 good paying jobs that were promised to the community when the project was being sold?

In order to reestablish faith in the process, what this community needs and deserves is an independent board with directors appointed in consultation with our local officials to guarantee that our concerns are heard and redress made. And an early build out of the 2,200 low-income units that were promised and were certainly a significant selling point when the project was first presented.

These are measures that need to be
implemented now before the next phase of construction begins.

Thank you.

(Applause.)

THE HEARING OFFICER: Thank you, Mr. Buchbinder.

Will the following speakers please come to the front.

Councilwoman Cumbo;
Jessica Walker;
Eric Reschre;
Taniya Gunasekava;
Cynthia McKnight;
Daniel Goldstein.

The first speaker is Councilwoman Cumbo.

COUNCILWOMAN CUMBO: Good evening, everyone.

VOICES: Good evening.

COUNCILWOMAN CUMBO: Good evening.

It is certainly an honor to be here this evening with each of you, particularly at this late hour. I'm very impressed with all of you.
that have come earlier today and stayed later on in the evening.

As you know, this is a really very complex subject. I've had an opportunity to meet with the majority of the people in this room on a one-on-one basis because as your new councilmember, a little less than four months on the job, my goal has really been to sit and to talk and to learn about all of the complexities of this issue from all sides.

And what I really want to do at this time is to really listen to you, which is why I have been here. I didn't want to jump in front of the line and speak before everyone and simply break out afterwards. I really wanted to hear what you all had to say.

It's one of those things where I have opportunities often to listen to our now Public Advocate, Leticia James and to talk at length about this project, what she wished she should have done or could have done or what she would have done differently or what she would do if she were in my position now. And so it's one of those things where for me, it's so important that
moving forward at this particular time, in this administration, for me I really want to get this right moving forward.

I really want to move forward in a spirit that gets this project to a place where we can come to an agreement on what's going to be best for this community.

So on so many levels, I feel that all of the discussions that were had here, my hope is that we are not just going through the motions, that this is not just a hearing for the sake of a hearing, to hear the community for the sake of hearing the community, to say we heard from the community.

I really hope when we hear about people who this project means so much to and when we hear about this project is disrupting lives on so many levels, that we really hear each other and that we really come out with a renewed spirit and with a different understanding and, perhaps, a different perspective on this project.

So for me, I'm taking all of this in. I'm desperately trying to understand what position I want to take moving forward. And I want
to make sure that it incorporates everything that I heard in this room from every one. And so this is not a political position, this is really just a position to get it right and I really want to work with each and every one of you on all perspectives, on all sides.

I want to sit and continue to speak with more people in this room moving forward. So I do hope that people come away from this, renewed with a different spirit, a different understanding and a different perspective and just understanding each other a bit more.

And I just want to close, there was something that was brought up and I'm going to conclude my remarks. We do have to be in the new landscape that we're in with so much diversity and so many different cultural representations in our district. We do have to continue to be mindful of each others' cultural differences and perspectives and be mindful of how we talk about each others' cultures or each others' traditions or our countries of origin. Because this is a very delicate matter and I understand the complexities of it in this way.
But at the end of the day, what I find exciting about this, is that we all agree that we want the affordable housing and we want the affordable housing delivered as quickly and as expeditiously as possible. We want to do it as responsibly as possible.

And we want to be sure that all of the issues that were brought up here, are rectified and as additional subsidies are going to be needed for this project and as our Mayor and the administration that we get to speak to at length, this talking about his housing program, and the new housing plan and this project is a great part of that, we want to make sure that we move forward together in a collective spirit but understanding that the issues that were brought up here, it's going to be my job to make sure that those issues are brought to the table in an effort to negotiate moving forward.

So I thank you all for coming out this evening.

Thank you for your time, your energy and I thank you for sharing your sentiments this evening.
(Applause.)

THE HEARING OFFICER: Thank you, Councilwoman Cumbo.

The next speaker is Jessica Walker.

MS. WALKER: Good evening.

My name is Jessica Walker. I'm with the Partnership for New York City. The Partnership represents the City's business leadership and its largest private sector employers.

We work together with government, labor and the non-profit sector to promote economic growth and job creation throughout the five boroughs. The partnership today reaffirms our long standing support for the development of Atlantic Yards, which is already providing significant benefits for Brooklyn and the City, generating new jobs, increased economic activity and significantly improved utilization of a long derelict transit rich site.

Since it opened in 2012, the Barclays Center has become an important anchor for Brooklyn's emerging leadership in the City's
entertainment and sports industries; generating
2,000 new jobs and an estimated $14 million in tax
revenues for the City in its first year.

The arena has been a catalyst for
the renaissance of downtown Brooklyn, now one of
the most fast -- now one of the fastest growing
commercial districts in the City.

Much of the site preparation work
for the entire project has been completed.
Construction of the first residential building on
the arena block is underway and a new subway
entrance and temporary LIRR rail yard are already
operational.

Good things are happening. But
even more significant public benefits will be
realized in the second phase of Atlantic Yards.
This project has been delayed too long by
litigation and regulatory process.

We urge an expedited review and
approval of the Draft SEIS and the proposed
amendment to this project plan to permit the prompt
realization of new housing, eight acres of publicly
accessible open space and other elements included
in Phase 2 of one of the more transformative
development projects taking place anywhere in the five boroughs.

Thank you.

(Applause.)

THE HEARING OFFICER: Thank you, Ms. Walker.

The next speaker is Eric Reschre.

MR. RESCHRE: Hi.

Thanks for letting me speak tonight.

My name's Eric Reschre, co-founder of Develop Don't Destroy Brooklyn.

I live on Dean Street, basically right next to the project area. And, actually, I overlook the arena.

My neighbors and I have become de facto oversight of this project and the operation of the arena. We get up early. We take pictures. We allow access to our apartments. We call 311. We call 911. We log information to websites. We monitor traffic and parking.

And guess what? This is not our job? This is the job of the ESDC and it should be a job for an independent oversight body.
I'd like to comment on four areas of the environment where I live.

Noise.

This is well publicized. The bass from the games permeates the room of my nine-year-old son, my living room, everything about where I live.

I've had FCR, the DEP and other officials through my apartment, in my apartment many times for hours, taking readings on the noise level. Why is this my job? Why can't someone else do this? Why can't they do it of their own -- of their own volition? It's incredibly intrusive.

If I'm there, I can't make a peep because it throws off the monitoring. If not, someone else needs to monitor it.

There's no accountability for FCR, arena staff or the ESDC to make changes to this. And noise was not even considered as part of the first SEIS and it's been excluded from this one. What else has been overlooked?

Construction impacts.

The construction impacts on my life, family is nearly unbearable. When pilings
were driven to support the -- to support the
building of the new rail yard, the all-night work
was done with high intensity lamps pointed
haphazardly, loud and dusty machinery and created a
haze over the neighborhood. The pounding was
incessant and reverberated everywhere.

Finally, FCR used a better machine
to drill on the holes on the south side, only after
repeated complaints from the ad hoc oversight team,
our team. Why is this our job?

Recent exploratory excavation at
Sixth Avenue and Atlantic was exactly the same.
Lights flooding our apartment all night. The
drilling, installing had huge impacts. How is this
allowed?

Arena coordination.

At one of the hearings, Jane
Marshall promised that the arena would be run with
recognition of the location of its location in a
residential community. In particular, deliveries
would be coordinated to allow trucks to be loaded
into the freight elevators, dropped off into the
arena unpacked and then removed so that there
wouldn't be truck queuing. Nothing's been farther
from the truth.

After an event, it's chaos. The trucks on Dean Street are haphazardly parked much of the night. Food delivery trucks parking on Sixth Avenue are oblivious to the narrow two-way street. And the parking pad has become dangerous to pedestrians as they cross the area, creating a magnet for the people after the -- after the events.

You know, I don't understand, Jane, you live in the neighborhood. I've seen you in the neighborhood block many times. I don't know how you let this be.

Parking, the influx of parkers and cabs, deliveries and private people at night is alarming. It's not our job.

ESDC has not done their job.

Forest City Ratner and other entities have shown themselves incapable of being trusted. We need independent oversight and accountability.

(Applause.)

THE HEARING OFFICER: Thank you, Mr. Reschre.

Taniya Gunasekava.
A VOICE: She left.

THE HEARING OFFICER: Okay.

Cynthia McKnight.

MS. MC KNIGHT: Good evening, everyone.

My name is Cynthia McKnight and I am the local president for AMGE Local 913 for the U.S. Department of Housing and Urban Development.

I grew up in East New York and lived in houses that many of you referred to as a projects. And I've lived in Clinton Hill for the past 20 years.

I'm here today as a parent of a child who attends PS 11 in Clinton Hills. It is a local public school. We're -- we're not a charter school and I'm also on the board of the PTA's executive board.

And if Barclay and Ratner hadn't allowed PS 11 to give tickets and support our low income and homeless families -- even though we're in a very diverse and affluent neighborhood, we do accept all students, including low income and a lot of our families are homeless.

It also allows us to reward a lot
of our children because we do have doctors and we  
have a lot of professionals, we do have a lot of  
high need families where with everything going on  
in their family, attendance is not an issue. So we  
use special programs, tickets to reward our  
children for coming to school, which we are very  
thankful for.

Also, we have an undefeated  
basketball team. But the main reason I'm here is  
because of the job opportunities. Two of my very  
close friends who are parents at PS 11 they were  
very -- they were unemployed for a lot of years.  
And thanks to Barclay, they have good paying jobs  
where they're able to provide for their families.

Also, some of the younger children  
who have older siblings, brothers and sisters and  
nephews and uncles, they're working at Barclay as  
well.

Now for a lot of us here, they're  
just entry level jobs. They're security. They're  
customer service. However, I remember where I came  
from and going through college I needed jobs like  
that to make it.

And it's because I work for the
U.S. Department of Housing and Urban Development, a lot of the families come to me and -- Laurie Cumbo can attest to it because when I can't help them, I refer to a lot of our local councilmembers and Laurie has been very instrumental in helping our low income families.

And for those reasons, I do have to support the approval of this. However, as a union president, accountability is very important and I think we can all work together.

And I know, Ms. Lewis, she may not remember me but when I was a young person at HUD, she fought fiercely for people in public housing.

(Applause.)

MS. MC KNIGHT: And I know the energy that she's bringing, that she would do the same thing here.

So thank you.

(Applause.)

THE HEARING OFFICER: Thank you, Ms. McKnight.

The next speaker is Daniel Goldstein.

MR. GOLDSTEIN: Thank you for
this hearing.

Just, there's one thing going on tonight, the Nets are putting up more bricks tonight than Ratner has in the past four years.

(Laughter.)

MR. GOLDSTEIN: That means they're playing and they're losing by about 25 points.

(Applause.)

MR. GOLDSTEIN: And I'm glad -- I'm glad the arena's a success. I mean, I don't think there's anyone in this room who didn't think that the arena would be full of people, buying tickets to see big concerts and see games and all of that. That's no surprise.

But it doesn't house a single person. Not a single person's been housed by Atlantic Yards. And I don't -- Joanne brought it up. This is -- we're not talking about Phase 2. The SEIS is about Phase 2.

Phase 1 is supposed to be three residential towers and a 50 some-odd story commercial tower. Not five stories out of the 32-story modular building. And that's all we have.

So let's focus on Phase 1 and why
is there a delay in Phase 1? It has nothing to do with litigation. There is no litigation going on. It's because ESDC has allowed the developer to do this. And why is this hearing happening tonight? And why do you think that this has delayed the project? It hasn't.

ESDC has had almost three years to -- to develop the Draft SEIS and hold this hearing. Three years they've taken to do it. So your blame is misplaced.

And, Bertha, you want to call people ignorant? You're not ignorant. I know that. You are smart and that's why I do not understand why you're not standing out there loudly. your group doesn't exist anymore, the one that signed the agreement with Ratner. The CBA that doesn't have compliance, independent compliance monitor after all this time.

Why are you not out there screaming at them? Maybe you are in the back room, I don't know. But you should be as angry as everyone else about the delay of this housing, which has nothing to do with the community that opposed the project.
There is no opposition to the project anymore. There is no support of the project anymore. There is a desire to see the project built.

And I'm sorry. I'm really sorry.

But I get the feeling that we're not working with honest brokers here in the ESDC and Forest City Ratner.

If we think accountability and oversight is going to make a damn change; it isn't. And when the Chinese government is running the project, we're going to have less accountability. I don't know who's going to push them around.

The reason we're here tonight is because ESDC and Forest City Ratner lied to a court, to a judge. They lied. You want to call it misled, call it misled. They lied. They didn't provide the key documents that were necessary, which is why we have this hearing tonight.

The community who opposed the project didn't do that. They lied. So we're not dealing with honest brokers.

There's no independent compliance
monitor to oversee the CBA ten years into this thing. Where is it? Where is it?

The last thing is, very quickly, this project was supposed to remove blight. That was the purpose of this project, the fundamental purpose to remove alleged blight that did not exist. And in this Draft SEIS the evidence is there that it never existed. That the ESDC hid information, kept information out that that area was on the upswing, which is the opposite of blight.

In this Draft SEIS it says, according to brokers in the area, the residential market was improving in the neighborhood surrounding the project site --

THE HEARING OFFICER: Could you please conclude.

MR. GOLDSTEIN: -- surrounding the project site at the time it was announced. The community, the neighborhood was on an upswing but when it mattered, when there was a blight study done in 2005, ESDC did not say that. Now they want to say that.

These are not honest brokers. And
I'm sorry, they're not going to become honest brokers over night.

Thank you.

(Applause.)

(Audience participation.)

THE HEARING OFFICER: Thank you, Mr. Goldstein.

Will the following speakers please step up.

Charlene Evans;
Sandy Balboza;
Candice Carpenter;
Gloria Guaterra;
Dr. Seia Davis;
Ismia Spiliotis; and,
Kate Werker.

Are you Charlene Evans?

MS. EVANS: I'm going to shout yay for myself.

I'm Charlene Evans.

(Singing Alleluia.)

A VOICE: Amen.

MS. EVANS: So I'm -- all racial commentary, all judgment commentary aside, I am so,
you know, I was sitting and I was listening and I said, boy, so much selective amnesia in this room. And I remember years ago when it first started. I mean, just -- I was there and I was in a community where people came out and started asking, I thought, wow, if this is what it is said, it is going to be, we really need to be working together to figure out how this is going to be beneficial to the community.

I hear a lot of conversations here about elected officials should be here. The elected officials should be doing this. You all forgot that one day we were at St. Paul and Bruce Ratner, Jim Stuckey, the whole team of Forest City, sitting in City Hall even though there was not a call for the ULURP process, they sat before the City Council that was in that -- in office during that time. And they were told, this is what you have to do. You have to do a Community Benefit Agreement. You have to make sure that you engage the community.

And when they started calling the community in, we had two sides that formed. Rather than trying to figure out how we work together, we began to fight each other and that was the biggest
mistake that we ever made.

I'm sitting in this room and I'm still hearing the same thing. We're attacking one another and we're not attacking the process. And I am so tired I want to go home. I wanted to -- I got ready to leave and I said, I can't leave.

One of the things that I'm really pleased about is that the fact that I sat at that table and I fought -- they don't like when I'm at the table. I may not come screaming outside but I wish Forest City would raise their hand.

Do I get on your nerves?

(Audience participation.)

MS. EVANS: Do you understand?

Do the other groups get on their nerves? Yes, we do.

A VOICE: Yes.

MS. EVANS: And we fight every inch of the way saying that you must do what you said you were going to do. So don't judge or try to say that we have not done anything. But please just don't do it. I'm not judging you.

You have the right to speak out.
But don't attack, become judgmental, accusatory to the wrong people.

I'm sorry. Other just people are here. I just got to say something.

The children of our community, as well as the adults, have been able to benefit from this. They have gotten jobs. We have taken the children -- and let me tell you something about those opposers, when I had community passes and I give that out, I put out e-mail blasts. I put out Facebook, text messages about the community benefit -- the community passes opportunity and people who opposed the project, come to my office and pick up community passes.

THE HEARING OFFICER: Please -- please, conclude.

MS. EVANS: They also -- I'm thinking, Barclays right now we have a new program that we just started. We asked the Barclays Center and that community to be good neighbors. Invest in this community. And now we have a program where we have 18-year-olds to 25-year olds in a Tech for the Future Program and then they're going to be going to intern at the Barclays Center in the IT unit.
We had --

THE HEARING OFFICER: Please conclude. Your time is up.

MS. EVANS: We had constantly -- constantly pushed for benefits. Let's stand together and stop being divided.

(Applause.)

THE HEARING OFFICER: Thank you Ms. Evans.

MS. EVANS: Thank you.

THE HEARING OFFICER: The next speaker is Sandy Balboza.

A VOICE: She's not here.

THE HEARING OFFICER: She's not here.

Candice Carpenter.

MS. CARPENTER: Yeah, I'm going to -- yeah.

My name is Candice Carpenter. I am the head of the legal team for Develop Don't Destroy Brooklyn.

I agree with -- with Joanne Simon said about the process and that the purpose of this process is to note the negative impacts. But it is
also the purpose of the process, as she suggested, that ESDC is required to consider alternatives. And alternative developers is an important way that this project could completely change.

We understand the project has to go forward. We understand that there is property that has been taken by Eminent Domain. We realize that they have razed three-quarters of the neighborhood but this does not mean that it has to be a single developer. And the alternative should have, but was not studied.

So Mr. Adams, I'm going to tell you now, the alternatives need to be studied before this Final Environmental Impact Statement comes out or ESDC is going to have a problem. You cannot say that because you have a contract with Ratner, as Joanne suggested, that you, therefore, can't possibly consider an alternative developer when the basis of that contract was -- was an illegal SEIS.

Also, if my 20-year old daughter could look at this contract and tell you how many different ways Forest City Ratner has breached it. So it would be very simple for you to get out of this contract if you chose to.
So to say you're not going to consider alternatives because you have a contract is, basically, trying to find the easy way out.

You also mentioned in your -- in the SEIS -- the Draft SEIS that because Forest City Ratner owns so much land that in this project it would be impossible to give it to another developer. Well, I have an idea for you. Eminent Domain.

(Laughter.)

MS. CARPENTER: Take it back.

(Audience participation.)

(Applause.)

MS. CARPENTER: Okay.

There's no reason -- and as Daniel pointed out, if you get down to the crux of it at this point of time, you cannot honestly say there's a reason for the rest of this project.

This project was to eliminate blight. By your own SEIS, blight has been eliminated if it ever existed. Therefore, together with the second phase of this project, particularly in the manner you are looking to go through it, is -- is absurd in several different respects.
If I were to paint this building that we're sitting in, I would not hire a single man to do that. I would hire a team. I would hire many men to paint this building. I wouldn't block the building off and say, we're painting. We only have one man to do it so it will take 25 years.

I would hire many painters. I would hire many developers. And they could build side-by-side with their separate funding streams, with their separate sources of financing, securities and that way the project would get built in time. It would make sense for the neighborhood. It would give the neighborhood the benefits that they deserved and that they've been promised for, at this point, over ten years.

Thank you.

(Applause.)

(Audience participation.)

THE HEARING OFFICER: Thank you, Ms. Carpenter.
The next speaker is Gloria Guaterra.

MS. MATERRA: Materra.

Sorry, sir.
THE STENOGRAPHER: That's okay.

MS. MATERRA: My name is Gloria Materra. I'm a Park Slope resident, a life-long Brooklynite who, thanks to Robert Moses, my grandparents lost their home by Eminent Domain when they build the Prospect Useless Expressway.

I'm also a chair, county chair of the Green Party of Brooklyn. And, unfortunately, there's not enough time tonight for us to have a moment of silence for the people who would have been here and had been here at previous hearings but have since lost their jobs, lost their homes, lost their businesses and are not here any longer. So just remember them.

I have also, like my friend Michael, brought props. The dog -- the pony -- ESDC there. Greenland -- the dinosaur.

This fell off but it's broke off another dinosaur. The bureaucrats, Mr. Donkey and the Republicans, Mr. Elephant.

Now they won't be saying anything because in general they like to remain silent. So I'll be doing all the testimony but they're here with me.
So some of you remember in 2005 I ran for Borough President in the Green Party line against the cheerleader, Marty Markowitz, who fooled us into thinking that he was going to do something wonderful for Brooklyn by bringing the Atlantic Yards here.

But also, I was the self-proclaimed Ms. Greener Brooklyn when we went to events and just like many people here, I rally, I lobby, I march, I litigated, I protested. I did every possible thing. But what happened? Eight years later, it didn't have that big of an effect. But fortunately we did, through some lawsuits with some very important organizations, community groups, the Develop Don't Destroy and others, we were able to show proof that Forest City Ratner and ESDC lied.

So that's why we get to be here tonight; the final sham hearing put together by the appointee of the Governor of the one percent. So if anybody thinks that oversight or anything else is going to be happening, I wish you the best but I'm not so sure.

And so I have decided that after
all this time, it's really about change. I think
we heard about that before. So today --

(Laughter.)

MS. MATERRA: -- I've given up my
title as Ms. Greener Brooklyn and I have decided to
become Ms. Greenland Brooklyn.

And I think it's time for all my
friends and neighbors here to do the same thing.
Forget about the oversight illusions. Forget about
affordable housing. And I know that frightens you
but trust in me. Sit back. Let go. Let go of
your outrage. Close your eyes. Forget about your
present concerns because in 25, 35 years, just
close your eyes and think about the tall -- the
gleam of the tall buildings, the shadows passed
over our neighborhood, the smell of pollution and
the loud sucking sound of our taxpayer dollars
going out of this country.

I'm sorry. I know I'm out of time
but I will finish up.

But if you find yourself in
trouble, don't look for me because I'll be drinking
champagne with Russian Oligards or eating Chinese
delicacies with the Greenland group or maybe
watching a game courtside at the Barclays Center.

But just tap your heels three
times and say, I've lost my home. My rents too
high. I have no green space. I have no good
paying union job.

The problem is, no one will be
looking and no one will be listening.

Thank you.

(Applause.)

THE HEARING OFFICER: Thank you,

Ms. Materra.

Dr. Askia Davis.

(No response.)

THE HEARING OFFICER: Ismina
Spiliotis.

A VOICE: Ismina.

MS. SPILIOTIS: I know -- I really
don't like to come out.

Good evening.

Thank you.

I'm Ismina Spiliotis. I'm the
executive director of the Mutual Housing
Association, a non-profit housing and community
organization.
I live by ACORN and part of the CBA and a long supporter of the Atlantic Yards Project.

I would like -- I don't know which order to go in but I wanted to actually speak to a couple of facts before I dive into the -- the recommendation for the DSEIS to move as quickly as possible.

Since 2008, so between 2008 and 2012, there have been 4,395 apartments built in the zip codes of 11201, 11217 and 11215. Of those, 4,395 units, it was 61 buildings, 61 different developers and six percent affordability. Six percent affordability.

And that would be affordability up to 165 percent of median, which would be $838,000 a year. And for affordability for the people who wanted to know about 30,000 or 40,000 - 31 apartments. Thirty-one apartments out of 4,395.

So while we are fighting and looking to hang all of our needs, desires, noise mitigation, truck mitigation, et cetera on Atlantic Yards, everyone else, all of the other private developers are busy building and giving away our
neighborhood.

There has been an absolute glint --
glint in the demographics of downtown Brooklyn
during this time. We're talking about a 23 percent
loss in the African American population. We're
talking about a 20 percent loss in the Latino
population. We're talking about an equal 23
percent rise in the Caucasian population. Okay.

So I really am sitting here for
hours tonight and I'd like to focus on the facts.
Do I think B2 had enough two-bedroom apartments?
No. And I can testify to that in court and trust
me, Forest City knows exactly how I feel. And the
Mayor of New York knows exactly how I feel.

And this tower and the next tower
and the one after that and the one after that going
to have more two bedrooms and three bedrooms?
Absolutely. Does the current tower have
affordability? Yes. I do not know why you cannot
understand that there are apartments for people
making $25,000 a year, $40,000 a year, $67,000,
$100,000 a year and $126,000 a year. That is what
is in B2. And it will actually be better under the
new Mayor.
And I am glad that we didn't build more under the old Mayor because I have hope under the new Mayor that we are going to do better. But we're only going to do better if we stop suing, come together and actually really push the developer with the City in partnership to get the right affordability, the right unit fit, noise mitigation, traffic mitigation.

All of that's -- I agree, transparent -- all of that is good. But we are losing our neighborhood while we fight each other.

(Applause.)

(Audience participation.)

THE HEARING OFFICER: Please finish up.

MS. SPILIOTIS: I am.

(Laughter.)

THE HEARING OFFICER: The next speaker is Kate Wercher.

(No response.)

THE HEARING OFFICER: No Kate Werker.

Will the following speakers please step up.
Shelly Hagen;
Diana Foster;
Bruce Greenspom;
Raul Rothblatt; and
Aiysha Laing.

The first speaker is Shelly Hagen.

MS. HAGEN: Good evening, everyone.

My name is Shelly Hagen.

A VOICE: Good evening.

MS. HAGEN: Miley Cyrus does Bruce Ratner. Sure, Barclays draws huge crowds but Barclays is more than popular. It's edgy. Barclays, not the uber avant garde Brooklyn Academy of Music, introduced the world to twerking.

I wasn't the only one who had never heard of this move before the now historic night when Miley Cyrus demonstrated it on Robin Thicke to a screaming sold-out arena. By the next day everyone knew what twerking is. Many people were shocked. Some called it porn.

Twerking at Atlantic Yards? That's Bruce. What has he been doing but twerking everything in sight, including George Pataki,
Andrew Cuomo, Michael Bloomberg, Marty Markowitz, Bill Di Blasio, Ken Adams, the carpenters union, the brick layers union, the plumbers union, the electricians union, Reverend Godfrey, Bertha Lewis, most of the City Council, most of the State Legislature, all of EDC, all the courts, including all of you here tonight from ESDC, Ratner has twerked the entire agency.

We know you like it because if not, you wouldn't have diddled and fudged and stonewalled for him all these years, would you? If you hadn't liked being twerked by Ratner, you wouldn't have abetted his lying and swindling. Might have held him to his promises. Might of censured him for breaking them. But you didn't because you liked it.

Ratner knows what to do and just how to do it; right, ESDC?

(Applause.)

THE HEARING OFFICER: Thank you, Ms. Hagen.

Diana Foster.

A VOICE: She went home.

THE HEARING OFFICER: Bruce
Greenspom.

(No response.)

THE HEARING OFFICER: Raul Rothblatt.

MR. ROTHBLATT: Good evening, everyone. My name is Raul Rothblatt.

And I guess I'm mostly here representing my Block Association. Because we are one of these groups that has been very involved in our community. We are the people who have been really been doing the -- the daily work of making our community a little bit better and -- and we have opposed this project from the beginning.

And I realize because I feel like I have to speak for my neighbors to -- to say that.

I do want to enter a couple of things that, I think, never were mentioned in any of the environmental studies.

First is that there is a "group" (phonetic) in our communities that used to live in the footprints of the Atlantic Yards, which is an Afro-Caribbean amazing group, culture.

And, also, I'm not sure if people mentioned, what's her name, Luis Bachelor
(phonetic) who had her apartment also, which was destroyed there so it's something that's never been left in there.

There's another part of the environment and that is everybody in this room or as we say in here, we have a tremendous community of people who have been doing this. And who here is from the ESDC? Do we have people? Who's --

So you guys are also part of ESDC -- of this community. And there's one thing that we have failed -- another thing that was failed to mention tonight, it's a public authority. And I like to joke that Bridgegate created more affordable housing than Atlantic Yards. But there's other similarities. There is lack of accountability. This was a project done for a favored developer. It's done by personal -- a personal relationship. And I think you guys can do better.

I think the ESDC is supposed to be running this thing. They could be making decisions and making real leadership. You're supposed to be holding the developer at arms length. A long time ago, we mentioned in one of the hearings, the
original hearings and I don't think you guys have done that. And I really urge that your job is not to represent Forest City Ratner, it's to stand up to them at times and -- and listen to the community.

I'd also like to just again to enter into the record, you know, I went to a lot of public -- a lot of forums for the City Council hearing in the last fall. There were five candidates who represented this neighborhood and every single one of them spoke out critically of this project. Every single one of them said that. You know there are people who support the project. I'm surprised there are not 15,000 people here speaking in support. Because weren't there supposed to be 15,000 jobs? Why aren't all those people here yelling to defend for their jobs? It hasn't happened.

We have been throwing money at the developer and we haven't been asking, what are we getting in return.

Okay. Jobs have been created. There have been some great benefits. How -- how many jobs are being created for -- for dollar of
investment? How would this job -- how would this project compare to throwing money out of a helicopter? Would it create more jobs? Would it create more housing? I don't really don't know because it's been taking quite a long time to do this.

And if you've thrown it out of the helicopter, we probably would have had more units of affordable housing.

Thank you very much.

(Applause.)

THE HEARING OFFICER: Thank you, Mr. Rothblatt.

Is Ayisha Laing here?

(No response.)

THE HEARING OFFICER: Will the next speakers please step forward and have seats.

Joyce Rodgers;

Marlene Sander;

Audrey Doyle;

Patrick Gordon, Jr.; and,

Renee Oratowski.

A VOICE: Can you just tell us where we're at in the pile?
THE HEARING OFFICER: The end.

A VOICE: Because we're trying to stay so we want to know. You said that's the end.

THE HEARING OFFICER: Is Joyce Rodgers here?

(No response.)

THE HEARING OFFICER: Is Marlene Sander here?

(No response.)

THE HEARING OFFICER: Audrey Doyle?

(No response.)

THE HEARING OFFICER: Patrick Gordon?

(No response.)

THE HEARING OFFICER: And you must be Renee Orotowski?

MS. OROTOWSKI: Yes.

(Applause.)

MS. OROTOWSKI: I really appreciate everybody staying to the end.

A lot of people here have been asking for ESD to move ahead quickly and end this process. I have a solution for that.
My name is Renee Orotowski. Either way, I'm a 22-year resident of Prospect Heights.

So it's very clear from this evening that whether you're a stalwart supporter of Forest City Ratner's or you are asking for greater accountability for Atlantic Yards, we all agree that the project should move sooner rather than later, to realize the benefits.

Actually, it appears that this is what Forest City Ratner wants too because in the last few weeks they've made several announcements, one of which was that they expected that with the help of Greenland Holdings, they could begin building three buildings within the year.

So here's my solution. We know that State Court has determined that the decision to modify the General Project Plan from a 10-year to a 25-year build out was illegal. In light of that, why doesn't Forest City Ratner simply drop its pursuit of the 25-year build out, revert back to the 10-year build out, which is still, technically, in effect and agree to new terms with real remedies for non-performance to get the job
done.

Good night.

(Appplause.)

THE HEARING OFFICER:  Thank you, Ms. Orotowski.

Is there anyone else here who has signed up who didn't get a chance to speak?

(No response.)

THE HEARING OFFICER:  Since no one has answered positive that question, the time is now 10:07.

The hearing has been held open since 5:30 p.m. to allow for public comment on the project, the DSEIS and the proposed amendment.

Let the record reflect that the hearing is now closed.

Thank you and good night.

(At 10:07 p.m., the proceedings were concluded.)

*    *    *    *    *

ROY ALLEN & ASSOCIATES, INC., 212-840-1167
409 Lafayette Street, 2nd Floor, New York, New York 10003
626 RXR Plaza, West Tower, 6th Floor, Uniondale, New York 11556
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STATE OF NEW YORK )
SS.
COUNTY OF NEW YORK )

I, MARC RUSSO, a Shorthand (Stenotype) Reporter and Notary Public within and for the State of New York, do hereby certify that the foregoing pages 1 through 246, taken at the time and place aforesaid, is a true and correct transcription of my shorthand notes.

IN WITNESS WHEREOF, I have hereunto set my name this 6th day of April, 2014.

MARC RUSSO
May 11, 2014

To Whom It May Concern:

As residents at 497 Dean St. we want you to know that we live in the building anticipated to be most impacted by construction of Atlantic Yards Project. It is a fact stated in the DSEIS.

For years already we have heard construction noise not only in front but also on the back and sides of the building and request that you work with our landlord so we can get new windows that will block some of the noise. You say that this could go on for 20 years. That means a lot of the kids in the building will grow up, try to sleep and do homework with all of this noise. Sometimes the noise has gone on day and night, including just weeks ago with work on Atlantic Avenue. We also want to make sure the air quality stays healthy for our kids.

There are a lot of families in this building who have been here for generations and have taken care of the block so that it is clean and safe for the kids. Please respect our families and the quiet we like to have at night to sleep.

Sincerely,

Audrey Smith

Eric Barrero

Maurice Smith

Brad White, Sr.

Signed
TESTIMONY FROM THE ASSOCIATION FOR A BETTER NEW YORK
BEFORE A PUBLIC HEARING OF THE EMPIRE STATE DEVELOPMENT
CORPORATION REGARDING THE DRAFT SUPPLEMENTAL
ENVIRONMENT IMPACT STUDY FOR THE ATLANTIC YARDS LAND USE
IMPROVEMENT AND CIVIC PROJECT

April 30, 2014

The Association for a Better New York, an organization that promotes the effective cooperation of public and private sectors to improve life for all New Yorkers, urges the swift approval of the Atlantic Yards’ draft supplemental environmental impact study (DSEIS).

The Atlantic Yards development in Downtown Brooklyn has already proven to be a major catalyst for economic development because of the Barclays Center. All New Yorkers want this development to be completed and to succeed, as it will continue to attract workers, residents and visitors to Brooklyn, and to New York City more broadly. We believe that completing the mixed-use development site at Atlantic Yards will do this by bringing further economic benefits. For example, with over 6,400 residential units set to open in the future, the local businesses already in place will enjoy a new level of prosperity.

However, as long as there are obstacles in the way, all of the potential benefits the project can bring to Downtown Brooklyn will continue to be pushed back until the DSEIS is approved. We strongly urge an expedited review and approval of the completed DSEIS so that the project can be built and its benefits can be provided to the community. It is very important that we do not put any more restraints on this project, and that we take a step back and let the developer do what they do best: build.

We are grateful for the vision and commitment that the Forest City Ratner Companies has brought to this plan and for their sensitivity to the needs of the local community. We believe the completion of the Atlantic Yards development represents an opportunity to build on the momentum that has brought so much vibrancy to the community living in Downtown Brooklyn, and so many opportunities for New Yorkers outside of this area to visit. Completing this project will make Downtown Brooklyn a world class destination that serves the area’s diverse populations, as well as the city at large.

Thank you for considering this testimony.

###
1). It is time for the project to be overseen by a dedicated public development corporation or subsidiary with a board that includes directors appointed in conjunction with local elected officials. [http://www.brooklynspeaks.net/sites/default/files/governance.pdf]

Our call for accountability is shared by most of the local civic organizations and elected officials surrounding the project. Atlantic Yards is the only large State project where decisions are made by a board of political appointees with no local members. Use this opportunity to tell Governor Cuomo and the State how you feel about giving Forest City Ratner and possibly a developer owned by the Chinese government exclusive right to control the Atlantic Yard footprint for 25 years with no accountability to the public. Make your voice heard for accountability, transparency and community input!

2). It is long past time for motivated and impartial construction monitoring.

We are not NIMBYs. FCRC’s contractors have too often failed to comply with NYC laws and the environmental commitments the State has made us. The DSEIS says the project sponsor is “generally in compliance” and yet over the years we have documented instance after instance of non-compliance related to noise, nighttime work, air quality, trucks, construction worker parking, sanitation, rodents, etc. This is important whether there is a delay or not, but significant adverse impacts like noise originally anticipated to last 10 years may now last 25. We live now and will continue to live adjacent to a giant construction project.

3). Immediate opportunities for improvements.

- Although FCRC is required to provide noise attenuation for our windows, they have never defined what level noise the windows need to stop! We want them to work with us on a noise attenuation level that works, and commit to that level for all exposed windows, not just those that face the street.
- Make pedestrians comfortable by improving connections between neighborhoods instead of reducing them. Create neck downs. Shovel snow.
- FCRC has cut at least 85 street trees and planted 12. Large swaths of the project are without shade trees. Stop delaying our progress for construction deadlines that are never met.
- Minimize nighttime work. Make public a detailed log of actual nighttime work.
- Deliver open space earlier and put it where the demand that is generated for it is located. Consider extending Dean Playground into the HPD parking lot.
- Construction takes away parking spaces. We now compete with arena employees and patrons. Assist us in getting residential parking permits.
Ms. Sabine Aronowsky  
41 St. Mark’s Place, #3  
Brooklyn, NY 11217

Good Evening,

My name is Sabine Aronowsky, I work at the Fifth Avenue Committee, I’m also a member of the Gowanus Canal Community Advisory Group, and I’m born and raised in the Brooklyn Community Board 6 district. My parents have a small business in Gowanus, and I am now raising my daughter here. From my work and MPA studies, as well as being a 2nd generation Brooklyn CB6 renter, I have extensive experience and knowledge of the community displacement pressures, environmental justice issues and zoning battles in the area and I am very concerned about the original project promise to provide 2,250 units of affordable housing to our community by 2016. Not only do I work with residents, who would qualify for this affordable housing if it were available today, but I’m also one who seeks affordable options to remain in my life long community board 6. I also experienced a significant rent increase in the hundreds of $ this past year and my landlord justified the jump based on his speculative valuation of market rate from my proximity to Barclays!

Along with my family, at the Fifth Avenue Committee we continue to witness residents around the Barclays Center experience significant and increased displacement pressures since the sports arena was first announced in 2003 and subsequently completed in 2012. Barclays Center not only sits geographically in the nexus of Community Boards 2, 3, 6, & 8, but is also in an area where many long-time residents are being priced out and pushed out of their communities. The first residential building at Atlantic Yards is years behind even the renegotiated 2009 schedule, and less than half of its 181 “affordable” apartments will be affordable to families earning an average Brooklyn income or less, with only 10 of those apartments being suitable for families. The small fraction of family sized affordable units coupled with the decreasing affordability created by the ever-rising Area Median Income (AMI), upon which affordable unit qualifying income bands are based, means these impacted community board districts (My family included) will see little to no public benefit for affordable housing realized, while these districts are in crisis.

Additionally, decades long delays means the people who most need the affordable housing now, will likely have been displaced by the time it’s built. Meanwhile longtime residents face increasing displacement pressures and evictions as landlords challenge rental protections, speculate, and opt not to renew leases in favor of extreme rent increases as “market rate” becomes unaffordable to most.

Now, before any promised affordable housing has been delivered, FCRC wants to take its money out of Atlantic Yards, by selling its interest in the project to Greenland Holdings, a
developer owned by the government of China. **FAC**, along with a growing coalition of residents, elected officials, civic associations, community-based organizations, faith-based and advocacy groups, all concerned about the future of development at the Atlantic Yards site, joined together this past December to petition the State to deny approval of the sale unless there are new guarantees for affordable housing to be delivered when originally promised and appropriate oversight enacted to ensure commitments are kept.

**In addition to the Affordable Housing Crisis we are also facing an Infrastructure crisis. There needs to be accountability at AY to direct storm water retention and sewer infrastructure measures with site-specific designs for all buildings.**

The EPA’s most recent studies from 2011 estimate 500 million gallons a year of Combined Sewer Overflows (CSO) discharges are now entering the Gowanus Canal, an increase of over 100 million more gallons compared with 2009. The problem will only be further exacerbated by the rapid over development in the area from non-FCRC projects, along with Phase 2, and I believe it’s important for the ESD to provide some detailed accountability on planned “sustainability” measures.

The ESD needs to reveal their metrics on analysis which purport that the frequency of Combined Sewer Overflows (CSO) discharges from the “Gowanus Pumping Station to the Gowanus Canal would not significantly increase and the volume would decrease.” I would also like to know the baselines used to determine sewer system infrastructure capacities and how this relates with projected increases in population density brought about by Phase 2 buildings, along with the myriad of other rezoned, large scale residential and commercial buildings in the nearby vicinity.

**Finally, what happened to the planned sewage holding tank that was supposed to be built at Atlantic Yards and how sewage from Barclay is being managed when it sits in the most notorious sewer shed around that is already dumping millions of gallons of poo in the community every time it rains like today.**

This is truly a deal that stinks for my community every step of the way!

Sabine Aronowsky  
South Brooklyn Accountable Development Initiative  
Fifth Avenue Committee  
621 Degraw Street  
Brooklyn NY 11217  
(718) 237-2017, ext. 117  
saronowsky@fifthave.org
May 12, 2014
Attention: Derek Lynch
Empire State Development
633 Third Avenue
New York, New York 10017

To Whom It May Concern.

I'm Jennifer Bacon from the Dean St. Block Association. I've lived on Dean St. between 6th & Carlton for 9 years.

Having a championship-bound NBA team a block away, I was willing to endure certain compromises in my neighborhood. In exchange I naively believed that there were local rules and regulations in place that I could count on to lessen the construction burdens of the home court. The lack of responsiveness to the immediate community impacted by construction, I can't blame on a basketball team.

From 2007 through 2010 numerous complaints were filed about rodents located in the vicinity of demolition. At the time our block association kept a 311 log which we believe demonstrates that the location of the problems traveled with the work being done. As well as placing 311 calls, concerns about rodent abatement and an inability to get questions answered were raised directly with then ESDC President Avi Schick and FCRC Vice President Marianne Gilmartin. No response was given to requests for the mutually agreed to follow up meeting, so there was no follow up.

In 2009 press coverage helps NYC DOH take notice and offer assistance. When the focus of complaints shifted to the children’s play area in Dean Playground as well as the residential buildings on either side of the Project footprint boundary, CB8 helped out but problems remained.

In May of 2011 the terror began. The surge in the rat population was huge, commonly referred to by neighbors as the rat tsunami. Residents feared the sidewalks after dark. Incident reports were filed on the Atlantic Yards Watch website for the entire area between 6th & Carlton and Bergen & Dean.

Forrest Taylor of ESDC responded “There is no way to determine if the increased rodent population is being caused by construction of the arena.”

We pointed out the fact that while FCRC and ESDC may only be responsible for their property, cars parked on our block belonging to workers at the site were not being moved for alternate side street cleaning. On several occasions the cars, most with out-of-state license plates, were left parked with construction gear on the dash on the entire block between the hours of 11:30 - 1pm, the street remained lined with garbage, which in turn brought more rats and somehow no parking tickets.

In the end of June 2011, Representatives of the city Departments of Health and Sanitation, finally show up to meet with the Block Association. Letitia James was also present and said she'd ask Governor Cuomo to declare a "state of emergency" to ensure changes. About 70 area residents showed up. FCRC was invited but no one came. The representative from ESDC who came reported not having received any complaints. She conceded that it took time for her to call 311 and retrieve the complaints.

Some of my neighbors who have lived on the block for over 40 years said that it was worst they had ever seen. Some observed rats as big as cats eating right through the plastic bags, some had the insulation in their cars eaten. One officer from the 78th told me that it was so bad the rats were eating their way into their building.
Eventually cans with lids were sponsored by FCRC for local residents and the problem subsided. It took no less than four years and hundreds of hours on the part of the community, making ourselves be heard, in order to get the smallest outreach from the developer and their partners.

Responding is how one builds good will, not by denying responsibility for the problem.

Sincerely,

Jennifer Bacon
560 Dean St.
Brooklyn, NY 11217
Hi, I'm Jennifer Bacon from the Dean St. Block Association. I've lived on Dean St. between 6th & Carlton for 9 years.

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Responding is how one builds good will, not by denying responsibility for the problem.
Construction Impacts from Atlantic Yards Project

When will the community get true “Independent Compliance Monitoring” oversight that is mandatory to ensure that ALL the promised benefits from the project are delivered, INCLUDING lessening of the known recurring at times 24/7 construction impacts to residents? The ESD and FCRC and others asks, “Let’s work together!” The residents have and it is time that the community benefits from the project too! You don’t have residents next to or near the project showing up at hearings, meetings or other events protesting to ‘stop’ the project!

The cornerstone to use Eminent Domain was “blight” (Public study July 2006) of the LIRR Vanderbilt Rail Yards! Now with the FCRC announcement of more delays of the platforming and asking for 15 months' delay in the required completion of a permanent rail yard, residents will still have a blighted condition for 15~25 or more years “that is characterized as blighted conditions that are unlikely to be removed without public action.”

NO residents that live near or next to the footprint of the Atlantic Yards Project are asking for additional delays, we are asking for an accelerated construction schedule with minimal construction impacts; the early rallying cry from FCRC and their allies was “BUILD IT NOW!!” Ok what conditions prevent construction NOW? The market couldn’t be better!

The specific issue that I am addressing tonight is; where were the “paid construction monitor(s)” during the construction of the arena and reconfiguration of the rail yards? Why didn’t the monitors step up? If the monitors were around they would have observed the impacts and took action to remedy or even worse they weren’t around enough! Why was it possible for the community to document well over 1,000 incidents and the monitors didn’t find anything, because if they did then why didn’t the impacts stop? Why did the community need to create the Atlantic Yards Watch web site to document well over 1,000 incidents and report the recurring daily construction impacts? The community does NOT get paid to monitor nor report nor follow up to ensure that the impact is not recurring the very next day! Isolated incidents they are not! The community commissioned the Sandstone Environmental Report because residents should not have to continually document and prove the inactions of the State, City, developer and the “paid construction monitors!” Now residents ask themselves, “Why should residents have to plan to continue to be the “unpaid construction monitors” for 15~25 or more years?

To FCRC’s credit AFTER the arena was completed they complied in spirit and deed with work in the rail yards (that residents did appreciate and we let FCRC and the ESD know) but only at the behest of action by residents! FCRC should not have to be cajoled into being a good neighbor; FCRC should step up and embrace an “Independent Compliance Monitor!!” so residents do not have to be documenting and reporting on impacts that affect their quality of life!

I have included 13 pages of impacts that have occurred. Now with the announcement of “conventional” construction method for the next two buildings the community can now expect “all” the extreme impacts that residents thought would be mitigated by the modular construction in the manufacturing Navy Yard will now return to the neighborhood.

It is a known fact that there is required after hours and weekend work, but it is always at the expense of residents! For two weeks at 6th Ave and Atlantic Ave there was “night time work” that started at 10pm until 6am with the constant ‘beeping’ from construction vehicles, blaring lights and digging/banging noise that keeps residents up all night long! IT IS NEVER ENDING!!! Remember we also have an arena that has co-opted its 24/7 operations into the neighborhood!

The community wants a dedicated public development corporation or subsidiary with a board that includes directors appointed in conjunction with local elected officials and impartial, motivated construction monitoring with enforcement power!

N Wayne BAILEY - 2014-04-30 SEIS Public Hearing - LI University 75 DeKalb Avenue, Room HS107
VARIOUS EXAMPLES of ATLANTIC YARDS IMPACTS

High Pressure Sodium Lighting

Vanderbilt LIRR rail yards work has 24 hour a day high pressure sodium lights (as much light as a baseball stadium a mere 30’~50’ from residents windows most with small children) for months on end, the following article from the AMA reports, http://www.myhealthnewsdaily.com/2750-light-night-health.html "Lighting up the night is essential to a 24/7 society, but it may have unintended consequences for human health, doctors say. This week, the American Medical Association adopted a policy recognizing that exposure to excessive light at night, including lights from computer screens and other electronic media, can disrupt sleep, particularly in children and teens; years BEFORE the Atlantic Yards/Barclays Arena construction Vanderbilt rail yards was an active rail yard that NEVER needed this amount of light; the new specified amount of lighting is now required for construction operations and not emergencies. If wasn’t needed before the Barclays Arena, why all of a sudden is it needed now? It is because of the rail yard construction for development, it is disingenuous to say otherwise.

http://www.atlanticyardswatch.net/node/433
5 minute interval stark difference with lights on vs. off

Enough light to read @ 9pm
Air conditioning – drifting dust and noise

The madding noise from the mandated vehicle safety warning ‘beeping’ from every piece of construction equipment or commercial vehicles; this noise enters our homes thru-the-wall air conditioners (even though a previous remedy was to install double pane windows). A mitigating factor that was availed to residents was air conditioners because it is impossible to open your windows during construction; over one and a half years ago FCRC stopped providing AC units to residents. An unintended consequence using the through the wall style AC units defeated having double pained windows installed, one solution is to have a company like CitiQuiet or Cityproof City Windows to install a removal sound proof barrier door. The dust should be minimized by watering/misting during excavation, pile drilling and wheel washing before entering public streets.

2011-04-06 Atlantic Yards Construction Spewing Dust in the Air

https://www.youtube.com/watch?v=LwqPZwmYgHl

https://www.youtube.com/watch?v=Uv6z1xkc6rg

https://www.youtube.com/watch?v=a34dxDv4NZ8

2011-04-12 Dust Atlantic Yards – 6 days later

https://www.youtube.com/watch?v=VaBN1p9J3ww

2011-04-18 retrofitted drill still spewing massive dust Atlantic Yards – 6 days later

https://www.youtube.com/watch?v=JN2P3FfbtXQ

2011-09-28 Barclays Arena dump trucks illegally idling @ 6th Ave & Pacific St

https://www.youtube.com/watch?v=WFr0AgRcv8

http://www.atlanticyardswatch.net/node/415

http://www.atlanticyardswatch.net/node/628 Barclays dump trucks create dust bowl

Air quality violations
Noise

Construction workers make little to no effort to decrease the noise anytime. They could use a ‘chain saw’ when possible instead of a type ‘rescue saw’ like a Husqvarna K760.

http://www.atlanticyardswatch.net/node/737 2012-06-16 Barclays LIRR worker shouts 'I don't give a f--k about making noise @ 2am of 120db – he says I be here 55 more hours

10pm~6am Jackhammering - extended all night

http://www.atlanticyardswatch.net/node/288 September 9, 2011 - 1:47am

http://www.atlanticyardswatch.net/node/313 September 24, 2011 - 1:55am

http://www.atlanticyardswatch.net/node/452 2011-12-17 Examples of Barclays Arena rail yards daily incessant & relentless deafening noise & exhaust from generators

Interrupted traffic flow from arena operations and construction causes excessive horn honking for residents who live near the Barclays Arena and construction zone, this is particularly bad post-event on Pacific Street/6th Ave due to the frequent delays at the Pacific Street/6th Avenue intersection and exiting cars from the 700 Pacific Street's parking garage.
**Vibrations**

Several homes on Carlton Ave reported severe damage from vibrations.

2012-05-29 resident states, "Ceiling fell down when work started near 500 block of Carlton Ave" no one will help me!!

[http://www.atlanticyardswatch.net/node/691](http://www.atlanticyardswatch.net/node/691)

[http://www.atlanticyardswatch.net/node/586](http://www.atlanticyardswatch.net/node/586)

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**Illegally Idling**

The constant deluge of chaotic arrivals of construction delivery/dump trucks; 95% use the SE corner of Pacific St & 6th Ave instead of official FCR staging area and illegally idle for hours on end; The most serious instances that affect the adjoining residents health is the illegally idling of the construction trucks from as early as 4am to 6am that illegally idle for hours, beeping, blasting music, yelling, ALL next to the Newswalk a 171 unit family residential building on Pacific St between 6th Ave and Carlton Ave. One remedy available to the ESD should have used is to require FCRC to ban using the offending trucking contractor or vendors, it is well documented that the same trucking companies were never were banned and FCRC continues to use these truckers for B2 construction today.

[http://www.atlanticyardswatch.net/node/312](http://www.atlanticyardswatch.net/node/312)

2011-09-28 Barclays Arena dump trucks illegally idling @ 6th Ave & Pacific St

[https://www.youtube.com/watch?v=WFmQoAgRcy8](https://www.youtube.com/watch?v=WFmQoAgRcy8)
Hazardous material, garbage & vermin

Discarded urine bottles or urinating in public, discarded food attracts rats, dumping of tires, dumping of various types of vehicle batteries, increases significantly with construction activity.

http://www.atlanticyardswatch.net/node/496
http://www.atlanticyardswatch.net/node/849
http://www.atlanticyardswatch.net/node/804
http://www.atlanticyardswatch.net/node/439
http://www.atlanticyardswatch.net/node/186
http://www.atlanticyardswatch.net/node/117
http://www.atlanticyardswatch.net/node/116
http://www.atlanticyardswatch.net/node/443
http://www.atlanticyardswatch.net/node/69
Construction workers parking and blocking sidewalks

Construction delivery workers or construction vendor’s cars parking 3 deep shows disregard for pedestrian safety by blocking the sidewalk access for residents including child-minders with baby prams and the elderly at times forcing them into dangerous traffic lanes.

http://www.atlanticyardswatch.net/node/799

How much more unsafe can it get for the community when a Barclays arena vendor drives & parks their 18 wheel tractor trailer on public sidewalk & then says, “I’ve been here all f-ing day I wait here & I can’t move? The security guard told me to park here! I have a right to park here!” really? Pictures show a family coming dangerously close and was unaware that the truck was going to move.

2011-03-28 Worst yet parking from Atlantic Yards workers 6th Ave & Pacific Street

https://www.youtube.com/watch?v=matiB9mX0s

http://www.atlanticyardswatch.net/node/386
Driving on the sidewalks
Interloping construction workers significantly increases with construction activity

An unintended consequence is interloping construction workers in the Dean St. children's playground when NO ADULT without a child is allowed; understandability child-minders and mothers are extremely reluctant to enter the playground and why should they have to find another far away playground to use? Interloping construction workers are usually smoking that also violates the NYC law prohibiting smoking on city property which is especially egregious in a children's playground. Construction workers using the children's playground as meeting space, lunch or breaks over runs residents and child minders; even today with renewed complaints from local residents construction workers continue to use the playground.

http://www.atlanticyardswatch.net/node/798
http://www.atlanticyardswatch.net/node/721
http://www.atlanticyardswatch.net/node/725
http://www.atlanticyardswatch.net/node/795
http://www.atlanticyardswatch.net/node/796
http://www.atlanticyardswatch.net/node/797
http://www.atlanticyardswatch.net/node/717
http://www.atlanticyardswatch.net/node/247
http://www.atlanticyardswatch.net/node/207

Construction Workers Smoking in Playground
Streetscape changes takes it toll

Removal of over 30 trees for construction with no firm commitment of re-planting schedule.

http://www.atlanticyardswatch.net/node/1190

All types of traffic lights including stop and street lights knocked down

http://www.atlanticyardswatch.net/node/184

Tearing down and changing of traffic signs to enable illegal parking by construction workers

http://www.atlanticyardswatch.net/node/476
http://www.atlanticyardswatch.net/node/589
http://www.atlanticyardswatch.net/node/444

18 wheel tractor trailer, heavy construction equipment, and other delivery vehicles on residential streets not truck routes

Daily arrival of diesel powered trucks and equipment using non-approved truck routes or not using routes identified and agreed to in the first EIS by the ESD and FCRC; both always reply, “isolated incidents, sorry we can’t do anything about it.”

2012-08-14 Barclays arena 18 wheel tractor trailer drives & parks on sidewalk says “I've been here all f-ing day & I can't move!

http://www.atlanticyardswatch.net/node/799
http://www.atlanticyardswatch.net/node/963
http://www.atlanticyardswatch.net/node/706
Not staging in official staging area

2010-04-27 Pacific St - Atlantic Yards construction vehicles blocking traffic for 2+ hours

https://www.youtube.com/watch?v=6Rp36DbTjmK

http://www.atlanticyardswatch.net/node/706

http://www.atlanticyardswatch.net/node/322

http://www.atlanticyardswatch.net/node/309
May 12, 2014
COMMENTS ON THE DSEIS FOR PHASE II OF
THE ATLANTIC YARDS DEVELOPMENT PROJECT
BY SANDY BALBOZA ATLANTIC AVENUE BETTERMENT ASSOCIATION

The arrogance of the Atlantic Yards Project continues on with the December 2013 announcement that Forest City Enterprise, Inc (FCE) and the Chinese government controlled Greenland Group Co. had signed an agreement for a joint venture to develop portions of Phase I of the project and all of Phase II of the Atlantic Yards Project. Greenland would acquire a 70% ownership interest in Atlantic Yards.

This 22 acre urban renewal site will be the largest and densest private development in Brooklyn. Lacking any meaningful community participation, this developer driven plan supported by government officials has so far received $300 million in direct subsidies.

Under the Empire State Development Corporation (ESDC) there was no ULURP review process. Under ESDC properties belonging to many individual owners were transferred to a single, noncompetitively selected, developer through the abusive use of eminent domain.

Now hundreds of millions of dollars in taxpayer funds will go to benefit not the neighborhoods affected by this development but an entity of the Chinese government wholly lacking any knowledge of or obligation to the communities affected by this development.

ESDC must oppose any regulatory approvals allowing control of this project by a foreign government. We need a Development Plan for the Atlantic Yards which takes into account the needs of the community and involves a public planning process which minimizes adverse impacts on the community and its infrastructure and does not require public subsidies for a project whose chief beneficiary is the developer.
Kenneth Adams, Chief Executive Officer
Empire State Development Corporation
633 Third Avenue
New York, NY 10017

Re: Draft SEIS, Atlantic Yards

Dear CEO Kenneth Adams and members of the Empire State Development Corporation,

I thank you for giving me the opportunity to testify at tonight’s Public Hearing on the Draft Supplemental Environmental Impact Statement ("SEIS"), the Proposed Amendment to the Modified General Project Plan under SEQRA and the UDC Act pertaining to the Atlantic Yards Land Use Improvement and Civic Project. I apologize that I could not attend tonight’s hearing in person since I will be traveling back from Albany while the hearing is taking place.

As the NY State Assembly member for the 44th District, representing sections of Park Slope, Flatbush, Kensington, Midwood and Windsor Terrace, I have seen the Atlantic Yards Project through its many stages of progression. From the earliest stages in planning, to meetings with local community boards and concerned citizens, the lawsuits, the ground breaking of the project, the opening of the Barclay Center and now the construction of B2. I have worked alongside many of the elected officials on the City, State and Federal levels to protect the public’s interest.

Myself and several local elected officials have been working collectively on a number of aspects and we share several common concerns. The first continues to be how the delay in the schedule for constructing the affordable housing from 10 years to 25 years will have a deeply negative impact on our community. In 2010, the economic recession was cited as the reason ESD and Forest City Ratner renegotiated the construction timeframe and delayed the build out of the affordable housing from 10 years to 25. However, today Brooklyn is experiencing an economic and development boom. Gentrification is rampant and our low to middle income residents are struggling to remain in their homes. No matter what happens, ESD and Forest City Ratner need to accelerate the construction of the affordable housing component of this Project. Delaying the build out of the vast majority of the affordable housing to 2035 is unacceptable. The goal for completing the project must be 10-years.
The Draft SEIS issued studies the affects associated only with the 25-year time frame. While we understand the necessity to look at 25 years, as a practical matter the impacts of gentrification make it imperative that the affordable housing be completed in a 10-year time frame.

Besides the delay in the affordable housing, there are also serious concerns that the current income qualifications for the affordable units do not properly reflect the community’s needs. They are outdated and insufficient given the population currently living in the communities surrounding Atlantic Yards.

Moreover, there is a need for a greater proportion of 2 and 3-bedroom units in the plans for the residential housing. The affordable housing units currently being constructed in B2 are primarily studio and one-bedroom units, which do not properly reflect the number of families who will depend on the availability of the affordable units. In the housing Memorandum of Understanding Forest City Ratner signed with ACORN, Forest City Ratner promised 50% of the affordable units would be 2- and 3-bedsrooms suitable for families.\(^1\) However, only 35 of the affordable units in B2 are 2-bedrooms (19%), and only 10 of those are targeted at families making at or below average income for the neighborhood.\(^2\) This proportion must be modified in order to properly reflect the community’s needs.

Due to these concerns and others, the coalition of elected officials met with ESD CEO Kenneth Adams on September 16, 2013 and held a press conference on November 15, 2013 to update the public on our efforts. On January 24, 2014, we met with Forest City Ratner CEO Mary Anne Gilmartin, where we voiced these concerns and asked questions about Forest City Ratners joint venture with Greenland Holdings Company.

I remain committed in obtaining a firm commitment from ESD and Forest City Ratner to accelerate the timeline for completing the build out of affordable housing at the Atlantic Yards Project back to the original 10-year schedule. I also plan on working with my fellow State Representatives in Albany to pass governance legislation that would create a subsidiary corporation for the purpose of the further planning, design, and oversight of the Atlantic Yards land use improvement and civic project.

Finally, I would like to end by requesting that ESD extend the public review period for the DSEIS by an additional 60 days, thereby providing the public with more time to review the extensive materials released for comment.

Once again, I appreciate the opportunity to testify before you this evening.

Sincerely,

[Signature]

Assemblymember Jim Brennan

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\(^1\) ACORN/Atlantic Yards Memorandum of Understanding.

\(^2\) Financing and Commitment Agreement, between NYC Housing Development Corp., and FCRC, dated December 7, 2012.
PUBLIC HEARING ON ATLANTIC YARDS SEIS
LIU, 75 DeKalb Ave. Room HS 107
April 30th, 2014

Testimony By: Lennox O. Britton, President & CEO, NYSAMC

My name is Lennox Britton and I am here representing The New York State Chapter of the National Association of Minority Contractors (NYSAMC), a non-profit corporation established in 1989. We have a membership of over 250 minority and women contracting firms based in the State of New York. We are located in the Brooklyn Navy Yard for over 20 years and we are a signatory to the historic Community Benefits Agreement.

We strongly support the continuation of Atlantic Yards for these reasons:

• Since work has begun on Atlantic Yards the project has brought much needed jobs to Brooklyn.

• The project has already created thousands of union construction jobs, helping many middle class families pay their bills.

• The developer has been working closely with NYSAMC and other groups to ensure that Minority and Woman contractors are being awarded contracts on site and this will continue throughout the project.

• Atlantic Yards will help keep local workers employed for many years. There will be more jobs for the community with the continuing construction work, and retail on the ground floor of the residential buildings.
• The two main reasons why small contractors find it hard to get to gain access to contract opportunities and grow their business are:-
  1. Contracts are often oversized at values outside the top range of what small contractors can handle
  2. Obtaining funds to finance the early stage of work on projects.

• Forest City Ratner Companies, the developer, has created systems whereby small contractors can bid and win contracts.

• The developer has also collaborated with NYSAMC to provide technical assistance to help small contractors meet the requirements set by banks and other lenders.

• Atlantic Yards is a model that others can follow and we encourage and work to assist small contractors in building relationships with projects like Atlantic Yards and developers like Forest City Ratner.

• We all want the project to be built as quickly as possible so that we can enjoy the benefits. But such benefits cannot be realized if there continues to be litigation delaying the project.

• Now that the Draft SEIS is complete, we urge an expedited review and approval so that the project can be built, and provide all the benefits to the community.

• Please do not hold up this project any longer.
Atlantic Yards Public Hearing
Wednesday, April 30th

The Brooklyn Navy Yard Employment Center is a program of the Brooklyn Navy Yard Development Corporation, the non-profit organization that manages the 300-acre industrial park on behalf of the City of New York. The yard is home to over 330 businesses, employing almost 7,000 people.

The Brooklyn Navy Yard Development Corporation has operated the on-site Employment Center for over 15 years with a strong focus on placing workers with any of its 330 tenants and we are proud of having placed more than 2,000 local residents in quality jobs since 1999. The Brooklyn Navy Yard Employment Center identifies, pre-screens and matches qualified job seekers in a variety of positions with businesses both inside and outside the Yard.

Since June of 2013, the Brooklyn Navy Yard Employment Center has been working closely with FCS Modular to help recruit, screen and train candidates for positions to support in the construction of building B2 out of their space at the Brooklyn Navy Yard.

The Employment Center has placed 60 individuals to date with FCS Modular, and has worked with them to determine if candidates could be hired immediately or if they required further training.

Along with our on-site training partner, Brooklyn Workforce Innovations enrolled 38 candidates into training – helping them receive their OSHA 10/30 certifications while also providing workshops in job readiness preparation and math and measurement. 32 of these candidates received an OSHA 10 or 30 credential and 22 of these candidates were then hired by FCS Modular. The remaining 10 trainees are now able to use their new OSHA certifications to successfully pursue job opportunities with other companies.

Of those placed, the full-time positions range from Helper to Senior Tech and Office Administrator, resulting in an average wage of $23.88/hour in addition to benefits. 28% of those are hired are veterans and 6% are women.

The Employment Center worked closely with many local community based organizations to source for these positions, placing emphasis on this borough, with Brooklyn residents making up 76% of those who received training and 50% of those placed.

As construction continues, we expect the number of hires and trainees with FCS Modular to increase overall, connecting more local residents to quality job opportunities at the Brooklyn Navy Yard.
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1. Background

1.1 BrooklynSpeaks

BrooklynSpeaks is an initiative of civic associations, community-based organizations, and advocacy groups concerned about the future of development at the Atlantic Yards site. Since the approval of the Atlantic Yards plan by the State of New York in December of 2006, the BrooklynSpeaks sponsors have advocated for transparency by State and City government with respect to project governance, as well as for the involvement of the public in the decision-making process. We have also drawn attention to adverse environmental impacts of the plan that remain to be fully and properly addressed.

The sponsors continue to work to create a dialog among residents, Community Boards, elected officials and State and City agencies around responsible development at the Atlantic Yards site that meets Brooklyn's needs and addresses the concerns of surrounding neighborhoods, while maintaining accountability to the taxpayers of the City and the State.

BrooklynSpeaks is a collaborative initiative of the following sponsors:

- The Atlantic Avenue Local Development Corporation
- The Boerum Hill Association
- The Brooklyn Heights Association
- The Congress for New Urbanism (New York Chapter)
- The Fifth Avenue Committee
- The Park Slope Civic Council
- The Pratt Area Community Council
- The Prospect Heights Neighborhood Development Council
- Tri State Transportation Campaign

1.2 The 2009 MGPP and the SEIS

The Empire State Development Corporation's approval of Atlantic Yards' 2009 Modified General Project Plan (MGPP) had the effect of extending the project's build-out from ten years to twenty-five years, while adding no mechanism for effective project oversight. Faced with more than double the duration of construction impacts being borne by our communities, as well as deferral of the vast majority of public benefits for a generation, a group of BrooklynSpeaks sponsors filed suit against the ESDC and Forest City Ratner Companies (FCRC) in November of 2009.

The Sponsors' petition was filed on November 19, 2009, prior to FCRC's master closing with the ESDC and purchasers of the arena bonds, which took place on December 29, 2009. The Master Development Agreement (MDA) was not immediately released to the public. and it had still not been released by the date of oral arguments in the matter, January 19, 2010. At the hearing on that date, counsel for the ESDC implied that remedies for completion of the full Atlantic Yards project were minimal, and only applied after 25 years. The BrooklynSpeaks petitioners were not allowed to submit the MDA to the court. Consequently, on March 10, 2010, the court found for the ESDC and FCRC.

The BrooklynSpeaks petitioners filed a motion to renew their claim based on the evidence in the MDA. Had the court ruled against ESDC, FCRC’s access to escrowed $500 million in bond financing would have been in jeopardy. The escrow period expired in May 2010. The court heard the reargument in June 2010. On November 9, 2010, the court ruled that the master development agreement called in to question ESDC’s “rational basis” in approving the 2009 MGPP, and ordered ESDC to submit findings justifying its use of...
10-year build-out for its environmental analysis. On December 16, 2010, ESDC submitted findings to the court that, among other things, claimed the timelines negotiated in the master development agreement had no bearing on its expectation for the actual project schedule, but that, in any event, the surrounding communities would not suffer additional adverse impacts by more than doubling the construction duration to 25 years.

On January 18, 2011, almost one year after the first hearing in the suit, the petitioners filed a supplemental petition challenging the findings in the ESDC's response. Together with their supplemental petition and with its reply to ESDC's answer, the BrooklynSpeaks sponsors also submitted affidavits from experts in urban planning and sustainable development that countered ESDC's contention that the community would suffer no additional impacts from extended construction, and supported BrooklynSpeaks' call for a supplemental environmental impact statement (SEIS). On July 13, 2011, the court found that the ESDC's approval of the 2009 MGPP based upon the 2006 environmental impact statement lacked a rational basis, was arbitrary and capricious, and therefore illegal under New York State environmental law. Justice Marcy Friedman ordered the ESDC to prepare a SEIS, and to reconsider the MGPP in light of the findings in the SEIS.

On September 9, 2011, FCRC filed a notice of its intent to appeal the July 13 decision ordering a supplemental environmental impact statement. ESDC followed suit on September 12. The two notices stayed the order to conduct an SEIS pending appeal. The Appellate Division heard oral arguments in the appeal on February 14, 2012. On April 12, the Appellate Division issued a unanimous decision upholding the lower court's ruling that ordered ESDC to prepare a SEIS and revisit the 2009 MGPP.

On May 14, 2012, ESDC and FCRC filed notices with the New York State Court of Appeals requesting leave to appeal the Appellate Division decision. The motion by ESDC and FCRC was denied by the Court of Appeals on June 26, 2012. With no further appeals possible, the decision of the lower court ordering a SEIS and revisiting of the 2009 MGPP became final.

On December 19, 2012—nearly six months following the exhaustion of its appeals, seventeen months after the lower court ruling ordering an SEIS, and more than three years after it had illegally approved the 2009 MGPP without proper environmental review—the ESDC issued a “Draft Scope of Work for a Supplemental Environmental Impact Statement for the Atlantic Yards Arena and Redevelopment Project.” The agency set March 14, 2013 as the deadline for public comments. The comments submitted by the BrooklynSpeaks sponsors are available at http://brooklynspeaks.net/sites/default/files/scoping_response_1-00.pdf.

On February 7, 2014, nearly eleven months after it had received public comments on the Draft Scope, ESDC released “Final Scope of Work for a Supplemental Environmental Impact Statement for the Atlantic Yards Arena and Redevelopment Project.” At public meetings during the intervening months, ESDC staff members stated that the delay in producing the Final Scope was due to the complexity of the SEIS and the detail of comments received. However, the Final Scope was followed shortly by the release of the Draft Supplemental Environmental Impact Statement (DSEIS) itself on March 28, 2014, the length of which (more than 1,200 pages) indicated it had been under development for many months before the Final Scope was published. The quick succession of the release of the Final Scope and DSEIS may be in part explained by the pending sale by Forest City Ratner Companies of 70% of its interest in the remainder of the Atlantic Yards project to Shanghai-based Greenland Holdings, a developer owned by the government of China.

ESDC set a deadline of May 12, 2014 for receipt of comments, giving the public and its elected representatives a significantly shorter interval to review and respond to the DSEIS than ESDC provided for the Draft Scope, or even for the project’s 2006 DEIS. The BrooklynSpeaks sponsors requested an extension of 60 days to respond to the 1,200-page DSEIS, but ESDC denied the request.

This document contains the response of the BrooklynSpeaks sponsors to the DSEIS. It is of necessity shorter than the response we would have preferred to submit had we been allowed sufficient time to review the DSEIS and its exhibits.

### 1.3 Contributing authors and editors

The following people wrote and edited this response:
• Michelle de la Uz
• Daphne Eviatar
• Peter Krashes
• Danae Oratowski
• Roz Parr
• Lauri Schindler
• Jo Anne Simon
• Gib Veeoni
2. Summary

It would be disingenuous to begin by saying we are pleased to have the opportunity to comment on the Atlantic Yards Draft Supplemental Environmental Impact Statement. We consider it an outrage that ESDC has produced this document nearly five years after it was required. If properly prepared at the time of the 2009 Modified Project Plan, it would have led to an informed discussion about the merits of the MGPP among policy makers, elected officials, community members and the board of the ESDC. ESDC waited eighteen months after the New York State Supreme Court ordered it to produce an SEIS before even releasing a draft scope of work for review. After submitting detailed comments on the draft scope a year ago, we were deeply disappointed to find in February of this year that ESDC dismissed our request that it reconcile the 15-year project delay to which it agreed in 2009 with the project’s goals of eliminating blight and providing what the 2006 FEIS accurately described as “much needed affordable housing.”

We were even more troubled to discover on March 28 that ESDC would allow only 45 days for public comments on the DSEIS—a period far shorter than it had allotted for comments on either the draft scope of work or the 2006 DEIS. Given the agency’s extended delay in complying with a court order to do what it was otherwise required to do under New York State law, ESDC’s refusal to grant our request for additional time to prepare a response demonstrates again the agency’s contempt for public participation in the Atlantic Yards process, contempt it has consistently displayed since the time it declared itself lead agency in September of 2006.

While not as long as would have been appropriate for a report of this size, our review has nevertheless made clear that ESDC has not taken the opportunity to meaningfully consider strategies that would directly address the 15-year project delay that necessitated this SEIS. Instead, in an effort to cement both Forest City Ratner’s position as sole developer and decision-maker at Atlantic Yards, as well as the firm’s right to wait up to 2035 or longer to make good on its commitments to provide affordable housing, the DSEIS attempts to recast Atlantic Yards as something nearly unrecognizable from the project that was described in previous documents leading up to its prior approvals.

The Atlantic Yards of the 2006 FEIS was a project required to “transform a blighted area” with a population in need of affordable housing into a “vibrant mixed-use community.” In contrast, the DSEIS largely paints the area surrounding Atlantic Yards as one teeming with development and experiencing rapid gentrification, despite the fact that not one unit of housing has been delivered at Atlantic Yards. It informs us that income in the area is up 56% between 1999 and 2010, from $45,231 to $70,513. Rent is up 72%, from $765 to $1,316. Not only that, but the DSEIS acknowledges these trends are not just the product of the completed Barclays Center arena, but were established long before it was even approved and are consistent with the pattern of gentrification throughout brownstone Brooklyn. The DSEIS describes in detail the building boom sweeping nearby neighborhoods, and approvingly observes increasing retail rents as evidence of economic strength and increased investment. It tells us that since the 2006 FEIS, households near the project that were vulnerable to indirect displacement have since been pushed out. And the DSEIS notes that the community near Atlantic Yards has become significantly less diverse: African American population in the area ¼ mile around the project declined from 48% to 37% from 2000 to 2010, while the white population increased from 35% to 50%.

These factors, all of which in 2006 should have argued against a finding of blight, now highlight the urgency for Atlantic Yards to deliver on its commitments for affordable housing in the shorter 10-year term originally promised. However, using the pretzel logic of a government bureaucracy serving the interests of an influential developer, the DSEIS instead argues that the strength of the Brooklyn real estate market and

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1 Atlantic Yards Final Environmental Impact Statement; New York State Empire State Development Corporation (“ESDC”), November 2006.
2 Ibid.
4 Ibid. pp. 3C-17 – 3C-18 et al.
5 Ibid. p. 4A-32.
6 Ibid. p. 3C-2.
7 Ibid. p. 4A-30.
8 Ibid. p.4A-14.
its attendant gentrification of neighborhoods surrounding the Atlantic Yards site form a rationale for
discounting the impact of the project’s promised housing. Because the areas near the project footprint were
already experiencing gentrification, the DSEIS implies that delaying the completion of Atlantic Yards
won’t make things any worse than they already are. At the same time, the DSEIS makes the inconsistent
and presently false assertion that neighborhoods further from the project, like Bedford-Stuyvesant and
Crown Heights, neighborhoods which are now on the front lines of gentrification, will continue to
experience stable rents simply because they have been the subjects of rezonings with a voluntary
inclusionary housing component9, with neither empirical data nor testimony from real estate professionals
to back up this claim. Finally, the DSEIS brazenly suggests that its forecast of an excess of new housing
units built by other developers over the forecast from the 2006 FEIS is a sort of a dividend that will
mitigate the delay of the completion of Atlantic Yards’ housing in reducing pressure on rents.10

We requested that the SEIS consider how the project site would have developed if Atlantic Yards had never
been approved in order to better understand the impact of delayed development on a site the State formally
committed to a single developer for at least 25 years. ESDC refused this request. In all of its analyses of
future development without the project, the DSEIS instead takes the unsubstantiated position that nothing
will be built within the project footprint, even though it acknowledges a crush of development activity is
happening all around the site that began before the project was approved. Fixing on such an unlikely
scenario disregards a pattern of rezoning throughout Brooklyn and New York City to increase available
density that was well-established during the Bloomberg administration and appears set to continue under
the City’s new Mayor. (In fact, the first project—Domino—negotiated by the new administration includes
affordable housing with lower income targets and larger apartment sizes than have thus far been proposed
for Atlantic Yards.) The DSEIS of course does not acknowledge that many successful residential
developments had already been completed within the footprint prior to Atlantic Yards’ approval, nor does it
assess what impact upon the neighborhood those developments would have had if they had not been
demolished to assemble land for Atlantic Yards. The gap between where we are today versus what could
have happened at Atlantic Yards if ESDC had not allowed Forest City to hold the site hostage is the
measure of Atlantic Yards’ drag on economic and neighborhood development in northwest Brooklyn, but
we will never know its true weight. Not only has not one unit of housing been delivered in Phase 1 of the
project (which was to have been completed by now), Atlantic Yards has caused displacement by razing
homes and businesses which have not yet been replaced. The developer has continuously delayed building
the promised affordable housing which was to make up most of the site. Nor do increased rents charged to
new businesses after viable long-term businesses were pushed out represent increased economic activity.
They represent increased rents. Longevity of any such businesses remain to be seen, and have not been
analyzed in this DSEIS.

The DSEIS does offer a multitude of analyses to argue that the impacts on the local community will be
either insignificant or limited to Atlantic Yards’ immediate neighbors. But reassurances about Forest City’s
compliance with the project’s environmental agreements are belied not just by the general nature of the
statements made in the DSEIS, but also by inconsistencies within the statements themselves. We hear that
“the majority” of trucks were required to use internal staging areas to avoid queuing on public streets11,
even though 49% of trucks could be out of compliance for

9 Ibid. p. 4A-44.
10 Ibid. p. 4A-43.
11 Ibid. p. 3A-5.
12 Ibid p 3A-5
13 Ibid. p. 3A-6.
during construction\textsuperscript{14}. And last we hear confirmation that Forest City, ESDC, and ESDC’s environmental consultant waited until Barclays Center was complete and the arena was open to discuss how to improve compliance with agreed-upon air quality protocols\textsuperscript{15}; too late, unfortunately, for the residents who had to live through the effects of its construction. Little in the DSEIS gives them reason to expect the future will be different from the past in any way other than the length of time they will be subjected to similar impacts from an extended build out at Atlantic Yards.

ESDC’s true priorities are revealed in the DSEIS’ evaluation of the opportunity to return the completion of Atlantic Yards to its originally-approved 10-year schedule through engaging multiple developers at the site. The DSEIS’ four case studies of development projects intended to demonstrate that extended development will not harm a neighborhood show the opposite. The one example of a single-source development cited by the DSEIS has stalled, resulting in delayed retail demand on First Avenue due to development sites remaining vacant.\textsuperscript{16} Nevertheless, the DSEIS’ discussion of a multi-developer approach at Atlantic Yards is utterly dismissive, instead placing a premium on Forest City’s “extensive contractual and property rights in the Phase II site”\textsuperscript{17}. The rights in question, however, exist solely due to ESDC’s “illegal approval of the 2009 MGPP, upon which the various Atlantic Yards development agreements were predicated, and thus cannot be given controlling weight.” The DSEIS further explains that “FCRC affiliates also have spent hundreds of millions of dollars in performing their obligations under these contracts, and have used many of those agreements as security for financing the Project,”\textsuperscript{18} without noting that Forest City did so in years not only during which the legality of the 2009 MGPP was being challenged in court, but also during years in which the public awaited ESDC’s production of the court-ordered DSEIS itself after the challenge proved successful. The DSEIS doesn’t explain why contractual rights gained and expenses incurred based on ESDC’s illegal approval of the 2009 MGPP should limit the public’s right to the same scope of review that would have been possible prior to that approval.

Further, the arguments put forward in the DSEIS to justify its dismissal of a multi-developer alternative at Atlantic Yards are superficial and lack any of the depth of analysis that characterizes the rest of the document’s content. Their elliptical nature is typified by the following statement: “Since the FCRC affiliates have given no indication that either they or their secured lenders would be willing to give up their existing rights, issues arising in connection with a switch by ESD and MTA to a multi-developer alternative would take years to resolve, prolonging the construction period.”\textsuperscript{19} We are left to guess as to whether ESDC actually broached the subject with Forest City, or if its having “given no indication” allowed ESDC to assume no such negotiation was possible. We are told “a multi-developer alternative would take years to resolve, prolonging the construction period,” but no attempt is made to quantify such prolonged construction, let alone compare it to the minimum fifteen year delay to which ESDC agreed in 2009. ESDC has extensive experience bidding development projects, but the DSEIS whines that managing such a process at Atlantic Yards would be “complex and time-consuming;”\textsuperscript{20} again, no attempt is made to quantify the impact of such a process, even though ESDC must surely have dozens of case studies upon which to draw. The DSEIS continues with unsupported conjecture when it shrugs, “it is not clear that multiple developers would have an interest in the opportunity presented” at Atlantic Yards\textsuperscript{21}. We wonder why it isn’t clear to ESDC. The other sections of the DSEIS indicate that the agency surveyed real estate professionals and developers with knowledge of the study area about residential and retail demand and found both to be strong. But there is no mention of the agency having even an informal discussion about the potential for expanding the development teams active at Atlantic Yards, let alone circulating an RFI to gauge interest.

The DSEIS asks us accept without analysis that shared elements at Atlantic Yards, like the rail yard platform, parking facilities, and open space are inconsistent with a multi-developer approach. But such a proposition seems inconsistent with the experience at Battery Park City and Riverside South presented in

\textsuperscript{14}See http://atlanticyardswatch.net/node/110.
\textsuperscript{15}DSEIS, p. 3A-7
\textsuperscript{16}Ibid. 3A-61.
\textsuperscript{17}Ibid. 6-39.
\textsuperscript{18}Ibid. 6-40.
\textsuperscript{19}Ibid. 6-40.
\textsuperscript{20}Ibid. 6-41.
\textsuperscript{21}Ibid. 6-41
the DSEIS’ case studies, or the example of the Hudson Yards project in Manhattan, or for that matter, many other large projects, including those overseen by ESDC. The DSEIS makes no attempt to describe how multiple developers solve problems related to shared services at other successful projects, let alone explain why similar solutions wouldn’t apply at Atlantic Yards.

Having brushed aside a multi-developer alternative with unsupported and questionable rhetoric, the DSEIS bends to embrace the proposed joint venture between Forest City Ratner and Greenland Holdings Group: “In the event that the joint venture transaction with the Greenland Group affiliate were to close, it is likely that it would inject substantial additional capital into Phase II, and thereby be more effective in accomplishing an accelerated development schedule than pursuit of a multiple developer alternative.” The logical leaps here are many, and they start with the acknowledgement that the deal in question not only hasn’t closed, but wasn’t on the horizon when ESDC released its draft scope of work, let alone when the agency was ordered by the court to produce a DSEIS. Is it “likely” Greenland would bring “substantial” capital to the project? Perhaps, but it’s equally likely the joint venture could be deadlocked by a capital crunch affecting either of the partners. No attempt is made to compare the resiliency of the proposed joint venture’s ability to complete the project with an alternative involving multiple independent developers, so there is no basis for us to agree it is more likely to result in an “accelerated” development timeline.

The complete lack of analysis behind the DSEIS’ determination that a multiple-developer approach won’t work at Atlantic Yards therefore brings us no closer to understanding the opportunity to avoid the impacts of 25 years of construction by restoring the original completion schedule of 10 years. Forest City could easily make the question moot by simply agreeing to amend the project agreements to reflect the 10-year build out. It should go without saying that doing so would also make an SEIS unnecessary. Unfortunately, the fact remains that Forest City has instead chosen to spend millions of dollars on the SEIS in order to preserve its right, based upon ESDC’s illegal approval of the 2009 MGPP, to wait until 2035 to complete Atlantic Yards.

One is thus reminded of the words of the 20th century economist and reformer Leland Olds, who once characterized government’s function as “handling certain administrative details for an immensely powerful ruling class.” Yes, after five years ESDC has finally produced the SEIS that should have accompanied the 2009 MGPP; whether its effort will be seen as complying with the court’s order is yet to be determined. But to get to this point, ESDC has largely abandoned the blight characterization of the Atlantic Yards area that was so critical to the project’s original approval with its massive public subsidies. It has tried to recast the project as just one in a string of developments gentrifying Brooklyn, and given up any sense of urgency about the need for its promised affordable housing, at a time when historic efforts are being made by the current administration to do just that. It has attempted to paper over its own failure to limit the impacts of construction on Atlantic Yards’ neighbors. It has forgotten about how it has built other large projects in the past, with multiple developers and dedicated and representative project oversight.

Perhaps ESDC hopes the community has forgotten the past, too. But we haven’t.

22 Ibid. 6-43
3. Analysis framework

In our comments on the draft scope of work for the DSEIS, we took issue with the proposal that a completed Phase I should be assessed as a background condition. There is no contractual requirement that Phase I be completed before Phase II, and in fact the project sponsors have recently announced their intention to begin construction on the Phase II site before the completion of Phase I. The DSEIS nevertheless assumes Phase I will be completed before Phase II, and as such fails to assess or analyze the effect of overlapping construction between the two phases.

No quantitative analysis of modular construction is provided in the DSEIS, even though at this point the sponsors presumably have enough experience with modular to predict its likely impacts to the nearby community.

The assumption that “none of the benefits related to Phase II would be achieved in the Future Without Phase II” is not supported. The benefits in question are for the most part affordable housing and open space. They are possible due to the opportunity for market rate development on a project site which has already been cleared and is in a desirable, gentrifying neighborhood of Brooklyn. It is unreasonable to assume that no development would occur if the current developer was unable to complete Phase II, or that development by another entity would not include affordable housing and open space. Rather, based upon the market analysis presented in the DSEIS, it appears more likely that there would be demand for the site if the current developer left the project. That likelihood is borne out by the fact that the site contained several recent market rate developments prior to project approval that were later acquired by Forest City Ratner and demolished to make way for Atlantic Yards. As stated on page 4A-42, “These trends indicate that demand is high, and will continue to increase in the future with development of Phase II under the Extended Build-Out Scenario or in the Future Without Phase II.” If demand is high and getting higher, the DSEIS should explain why it is reasonable to assume there will be no development on the Phase II site without this particular project. Conversely, with the understanding that the land comprising Phase II would be very likely to be developed in a future without Atlantic Yards, the delay of the Atlantic Yards project becomes more impactful. The DSEIS should, as we requested in our comments last year, study what would have been likely to be developed on the site based upon what we know now about the Brooklyn real estate market, and consider the land use and socioeconomic consequences of Forest City Ratner effectively warehousing the site.

The DSEIS states that the NYCL Prospect Heights Historic District was designated in 2006, but in fact it was designated in 2009.
4. Prolonged and increased blight

One of the primary purposes of the Atlantic Yards project, according to the EDPL Findings\(^{23}\), was the removal of blight: “The principal public use, benefit, and purpose of the Project is to eliminate the blighted conditions on the Project Site and the blighting influence of the below grade Yard.”

According to Section 10(c) of the New York State Urban Development Corporation Act, “blight” is “a substandard or insanitary area” which “tends to impair or arrest the sound growth and development of the municipality.” Because ESDC’s primary justification for the project was the removal of this condition, the SEIS should have studied the impacts of delaying its achievement by 15 years or more. It should also have assessed a full range of alternatives that lessen the risk the project will take 15 years longer to build than originally anticipated. In fact, the impact of the project so far has been to expand the blighted area by destroying well-maintained, in some cases historic, buildings in the project’s footprint and by increasing the cost of development in some areas. Some sidewalks are in a worse state than before, there are fewer street trees, and the view of much of the project site is undeveloped lots and poorly maintained fencing.

When the ESDC approved the 2009 MGPP, it attempted to conceal the delay of the project’s completion, which was later memorialized in the Master Development Agreement (MDA). The State Supreme Court in July 2011, however, found that one effect of the 2009 MGPP was to delay significantly completion of the Atlantic Yards project, and ordered the ESDC to complete the SEIS. The Appellate Division unanimously affirmed that decision, agreeing that approval of the project based on a 10-year building plan “lacked a rational basis and is arbitrary and capricious” given that the plan has been extended to allow construction to be prolonged for an additional 15 years.

In light of the court’s order, the ESDC was required to consider all impacts of the project’s delay, including the impact of long-delayed and expanded blight, and the fact that its stated goals would not be achieved until at least 15 years after the original date specified.

One of the critical impacts of the delay of the project’s completion is that any blighted conditions that existed before would be substantially prolonged, and in fact expanded, as the project proceeds at a snail’s pace. The DSEIS completely fails to address this in any meaningful way.

In her decision of July 13, 2011, Justice Marcy Friedman explained that the ESDC’s Technical Analysis prepared by its environmental consultant failed to support its conclusory findings that prolonged development would not result in substantial additional environmental concern. She explained that “under established standards for environmental impact analysis, the duration of construction activities is a factor that is required to be taken into account in assessing the impacts on both environmental conditions such as traffic, noise, and air quality, which are amenable to quantitative analysis, and conditions such as neighborhood character, open space, and socioeconomic conditions, which are largely subject to qualitative analysis.”

Yet the new DSEIS makes the same sort of conclusory and unsupported findings as the old one, dismissing completely the obvious concern about extended and increased blight by making the faulty assumption that existing blight would have remained for 25 years without the project, despite the rapid and escalating pace of economic and real estate development in the area.

Moreover, because the project began by demolishing whole blocks of a thriving neighborhood which included well-preserved and in some cases recently remodeled residential and commercial buildings and thriving businesses, the impact of the project has been to add to the blighted conditions of the neighborhood rather than to remediate them. The SEIS therefore cannot possibly be considered complete until it has analyzed the impact of the additional blight created by the project, as well as the substantial delay in remediating the blighted conditions that were originally promised.

Another significant factor that should have been considered is the current economic condition of the surrounding neighborhoods, and the extremely fast pace of development in the area. Had the ESDC not approved this project – i.e., the Future Without Phase II – the result would not have been no development,

\(^{23}\)“Determinations and Findings by the New York State Urban Development Corporation d/b/a Empire State Development Corporation Pursuant to EDPL Section 204 with Respect to the Atlantic Yards Land Use Improvement and Civic Project,” Empire State Development Corporation, December 2006.
as the DSEIS presumes, but likely far faster development, by multiple developers, of the surrounding area. The result of the ESDC’s approval of the project has been to make the entire 22-acre site off limits to developers, thereby ensuring its continued – and expanded – blighted condition for more than a decade into the future. This does a great disservice both to residents and businesses already existing in the area, and has deprived other developers, new and expanding businesses, and thousands of potential residents of the opportunities and benefits that development by multiple different developers would have brought.

4.1 The rail yards

A main source of the blight alleged in the original project plan was the Vanderbilt rail yards. According to the 2006 Blight Study, the rail yard “has long been a blighting influence in the immediate area,” that creates a “physical and visual barrier that separates the neighborhoods of Boerum Hill, Fort Greene, Prospect Heights, and Park Slope.”

The Blight Study states: “One of the principal reasons why the project site has remained in a state of physical disrepair and relative economic inactivity while surrounding blocks have experienced significant revitalization is the presence of the open below-grade Vanderbilt Yard and the high cost of covering and building over the yard.” The study found: “The gap in the urban landscape that is created by the below-grade rail yard creates an environment that discourages street-level activity, and the inadequate street lighting surrounding the rail yard, in combination with vacant lots and deteriorating structures on the blocks south of the yard, creates a sense of isolation that spans across the project site.”

The Blight Study also found that the undeveloped rail yards could encourage crime in the neighborhood: “The lack of adequate lighting, presence of deteriorating built structures and vacant lots, and lack of street-level activity creates a sense of isolation that may encourage illegal activity,” and “The lack of pedestrian activity and relative isolation and desolate feeling on the project site, particularly on Pacific Street south of the rail yard, creates an environment that is conducive to activities such as automobile theft and drug sales.”

According to Atlantic Yards’ Master Development Agreement (MDA), construction is not even required to begin to cover the rail yard until 2025. At the time of this writing, FCRC can still forfeit its letter of credit and not proceed with the building of the permanent rail yard or the platform over the rail yard. If they choose to proceed, the rail yard need not be covered until 2035. In the meantime, blight has increased in the area because ESDC used the threat of eminent domain to help FCRC purchase the buildings that existed along the west side of Vanderbilt Avenue between Atlantic and Pacific Streets. FCRC then razed those buildings and excavated the area to allow for relocation of the rail yards for purposes of its project. Now, that area as well as the rest of blocks 1121, 1120, and potentially a remaining part of block 1119 need an expensive platform before development can begin. This leaves open the possibility that this area, which was not blighted before, will now remain blighted and a negative impact on surrounding neighborhoods for decades to come.

The delay in FCRC taking control over the MTA property has also resulted in no one being in charge of many of the sidewalks lining that property, particularly on Atlantic Avenue and on Pacific Street. The result is the area is frequently strewn with trash and no one shovels the sidewalks.

Also, because FCRC has delayed construction of the permanent rail yard, the operations offices, construction staging, and employee parking for the rail yard have been moved to block 1129. These uses compete for space with potential project improvements, including promised temporary green space. In addition, extended construction of the rail yard itself has degraded pedestrian facilities by eliminating and/or reducing sidewalks for an unanticipated period, and cutting street trees, most especially on Pacific Street between 6th Avenue and Carlton Avenue.

The DSEIS ignores all of these aspects of the project, which expand and prolong the very blight that the project was allegedly designed to address.

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24 2009 Master Development Agreement, section 8.5.
4.2 Likely alternative development

The project presumes that without this project, there would be no development of the area at all, and therefore a 15-year delay is still an improvement. This theory is not substantiated by any quantitative research, and in fact conflicts with the qualitative and quantitative research presented in chapter 3A of the DSEIS (among other chapters).

Current conditions in the Prospect Heights and Fort Greene neighborhoods immediately surrounding the rail yards, and the thriving cultural district around the Brooklyn Academy of Music (BAM), suggest that there would be a huge incentive for developers to find ways to cover the rail yard and develop this 9-acre parcel for both residential and business uses. As the DSEIS notes: “The Yard itself contains approximately 9 acres (including the land under the 6th and Carlton Avenue Bridges) of potential prime real estate in the borough of Brooklyn in close proximity to a major transportation hub and along a major arterial.” Indeed, the median price of real estate in Prospect Heights has risen more than 400% between 2000 and 2014.

Had other developers been given the opportunity to bid on the project and receive the support the state has provided to FCRC, there can be no doubt that development of this parcel would be well underway. For ESDC to assume that without Phase II of the project there would have been nothing in this location defies the reality of the thriving real estate market in this part of Brooklyn.

The SEIS should have specifically considered what would be the impact to the “immediate area” surrounding the rail yards should they remain “a blighting influence” for an additional 15 years. That analysis should have included the impacts on land use, socioeconomic conditions, open space, cultural resources, urban design, and neighborhood character. It also should have proposed appropriate mitigations to address the substantial delay in expected project benefits.

The SEIS also should have studied the effect of prolonging the blight conditions around the rail yards on crime rates in the area. The FEIS indicated that the neighborhoods of Boerum Hill, Fort Greene, Prospect Heights and Park Slope were all negatively affected by the “physical and visual barrier” of the rail yards. How does prolonging this condition for 15 years affect land use, socioeconomic conditions, open space, cultural resources, urban design, and neighborhood character in each of these neighborhoods? The SEIS should also have proposed appropriate mitigations to address the substantial delay in the expected project benefits.

4.3 Block 1129

The 2006 Blight Study did not find that all buildings on block 1129 exhibited blight, and that only three were vacant. The buildings demolished on block 1129 following approval of the Atlantic Yards project included residential buildings housing working families, light manufacturing buildings housing artists and related creative sector businesses, and the historic Ward Bakery building. Given the definition of “blight” used in the 2006 Blight Study, the SEIS should have analyzed the impact of the demolition of buildings on block 1129 and their replacement with a surface parking lot, which extended the blight that ESDC identified prior to the project’s approval in 2006. The SEIS also should have assessed the impacts over 15 additional years of construction in terms of land use, socioeconomic conditions, open space, cultural resources, urban design, and neighborhood character, and propose necessary mitigations in lieu of the expected project benefit of eliminating blight.

4.4 Open space

The Blight Study specifically says that the Atlantic Yards project would address blight by adding “at least 7 acres of publicly accessible open space” as mitigation for blight in the project area. The ESDC now ignores that the open space promised will be delayed for up to 15 years or more. This is an extremely important and significant impact on the environment and on the surrounding communities.

As Justice Friedman explained in her July 2011 decision, quoting the CEQR Technical Manual: “[a] construction impacts analysis for open space should be conducted . . . if access to the open space would be impeded for an extended period during construction activities.” She further noted that, according to the

ESDC’s Technical Analysis, “the provision of eight acres of publicly accessible open space is a ‘key component of the Project’” as it will “connect the neighborhoods to the north and south of Atlantic Avenue, for the first time in a century. The court went on to criticize the Technical Analysis for making faulty assumptions about the negligible impact of the prolonged construction period, performing a “perfunctory analysis” of the impacts of extended delay, and for failing to examine the years of potential delays before commencement of the Phase II buildings, and thereby creation of the open space designed to accompany them.

Pursuant to the court’s order, the SEIS should have specifically addressed the impact of the substantial delay on open space, taking into account the delays of commencement of the Phase II buildings. It should also have considered that multiple developer projects could have added open space to the area much more quickly.

4.5 Preexisting project permits and agreements

Demolition and site preparation at Atlantic Yards began shortly after the project’s approval in December 2006. In some cases, City agencies issued permits to the project sponsors for related work. In 2008, for example, the New York City Department of Parks issued a permit for the removal of 86 street trees around the project perimeter. The permit was conditioned on monetary restitution, as well as a commitment by Forest City Ratner to replace the trees, presumably by the time the Atlantic Yards project is completed. The delayed construction of the project means that much or all of the site perimeter will be empty of trees for an additional 15 years. This only adds to the visual blight created by the Atlantic Yards project, and extends the very blight it was designed to remediate.

The SEIS should have identified this permit, and all other city permits, granted to the project sponsors prior to the 2009 MGPP, and analyzed whether and to what extent the 15-year delay in construction, coupled with these permits, would result in increasing blight in the project area. It also should have documented the impact of that extended blight.

4.6 Commercial retail property vacancies

As Justice Friedman noted in her July 2011 decision, citing the SEQR Technical Manual: “if the proposed project would entail construction of a long duration that could affect the access to and therefore viability of a number of businesses, and the failure of those businesses has the potential to affect neighborhood character, a preliminary assessment for construction impacts on socioeconomic conditions should be conducted.”

As noted elsewhere in this document, the advent of the arena appears to have driven up commercial rents on Flatbush Avenue. This in turn has led to the displacement of businesses, and as noted in the DSEIS, to an increase in retail vacancies. The DSEIS assumes the vacancies will be cured as a function of time, but it’s not clear as of this date that the arena on its own has the ability to promote economic development for large numbers of local merchants, particularly since Barclays Center has been designed to internalize and capture demand by patrons for food and drink.

The DSEIS should have considered more seriously and in more detail the impact the prolonged construction would have on surrounding businesses, and the impact of vacant storefronts on neighborhood character. Because removal of blight was such a central goal of the project, it should also have proposed mitigations to address the resulting blight.

4.7 Comparable extended development in urban areas

The SEIS should have studied comparable projects involving prolonged development by a single developer extended over the course of two decades, to identify impacts likely to be suffered by communities surrounding the Atlantic Yards site. The case studies used as comparisons by the DSEIS are not in fact comparable developments, and therefore fail to provide meaningful basis for assessing the likely impacts of this project.
For example, the DSEIS examines the Riverside South project in Manhattan as a case study. However, that project, which was carried forward by multiple developers, was completed within less than 20 years of its start date. Because multiple developers built on the site, there was a relatively consistent level of development, rather than the incremental development with starts and stops expected to occur at Atlantic Yards due to the entire site being granted exclusively to one developer.

Significantly, Riverside South is more than three and a half times the size of the Atlantic Yards project, yet it was completed within 20 years, while the Atlantic Yards project may take up to 25 years. Moreover, one long border of Riverside South is the Hudson River; unlike Atlantic Yards, the project was therefore not located in the middle of a residential neighborhood on all sides. The impact on residents of 20 years of construction was therefore likely much less than it will in the Atlantic Yards project.

Likewise, Battery Park City, at 92 acres, is much larger than Atlantic Yards, and like Riverside South, borders the Hudson River. There was very little residential use in the area prior to construction, so the impact of construction on existing neighborhoods and residents was obviously much less than in the situation of Atlantic Yards, where residential neighborhoods surround the project. Indeed, Battery Park City was built on landfill, so there really wasn’t much of anything there at all before it began. And once again, multiple developers were engaged so that the project consistently moved forward.

The Metrotech project, developed by FCRC in combination with Polytechnic University, is also not comparable because its development took about 13 years, much less than is contemplated for Atlantic Yards. Also, unlike Atlantic Yards, there was little residential use of that site, which might legitimately be considered to have been blighted. That is not the case with the Atlantic Yards site, as explained previously.

First Avenue Properties, like Atlantic Yards, relied on a single developer. Unlike Atlantic Yards, however, the properties sold to the developer were former power generation plants and related facilities, not residential properties and retail businesses surrounded by residential neighborhoods.

The DSEIS acknowledges that this single developer ran into difficulty with the project and construction was suspended. Much of that site remains undeveloped and underutilized, and, based on the DSEIS description, appears to have caused significant blight in the area. Indeed, the DSEIS acknowledges a resulting negative impact on business in the surrounding area based upon an extended development schedule. The DSEIS specifically cites the “limited” retail landscape along First Avenue near the development sites and a “continued trend of low foot traffic” that “resulted in limited demand for retail and restaurants on First Avenue.” To the extent that this project is comparable, it highlights the possibility of a very bad outcome for the Atlantic Yards project and its surrounding communities. The DSEIS should have noted that, and considered the alternative of a multiple developer scenario that would have drastically reduced the risk of comparable problems.

**4.8 Best case future without the project**

In making the above assessments, the SEIS should also have considered for comparison, in each case, a reasonable best case scenario of development that likely would have occurred had the ESDC and the Atlantic Yards project not transferred control of the site to Forest City Ratner and instead allowed organic development that was already beginning at the site to continue.
5. Environmental controls and oversight

No matter on what schedule the project is developed going forward, the adjacent community will have been exposed to construction impacts for far longer than is anticipated in either the FEIS or the DSEIS. Some residential buildings in the vicinity of the project’s second phase are described in the DSEIS as exposed to up to seventeen years of more construction impacts, and these same buildings have already been exposed to eight. The FEIS obviously anticipated no more than ten in any circumstance.

Extended adverse significant impacts are described in the DSEIS for the community near the site, but the DSEIS minimizes them by defining the area of impacts as narrow geographically, and the degree of impacts as mitigated through environmental commitments. The DSEIS acknowledges some construction-related activity has not complied with environmental commitments and that construction oversight has been flawed. It does not state non-compliance has been minimized to the extent that is possible.

Our comments on the draft scope of the SEIS asked ESDC to take into account the actual experience of construction as it assesses the future impact of an extended project build out. Some residents living near the project are in the ninth year of living with adverse impacts from construction, and have documented non-compliance not only with the MEC, but also with New York City and State laws throughout that period. This is nearly the length of time originally anticipated for project construction.

As part of our comments on the draft scope for the SEIS, BrooklynSpeaks included “Evaluation of Construction Air Quality and Noise Commitments and Mitigations, Atlantic Yards, Brooklyn, NY,” prepared by Sandstone Environmental Associates for the Prospect Heights Neighborhood Development Council in June 2012. It was provided to the State and the developer at the time of its release. It contains examples of non-compliance drawn from the hundreds of examples on Atlantic Yards Watch, (a community-based initiative and website to protect the health and livability of neighborhoods impacted by Atlantic Yards and the Barclays Center), and recommends improvements it asks the State to put in place. 311 numbers accompany many of the complaints. It is safe to assume many more 311 complaints were filed that have not been posted on Atlantic Yards Watch.

The report prepared by Sandstone was based on quarterly reports provided by Empire State Development Corporation, some of which (it was discovered after the report’s release) had been edited prior to being provided to Sandstone26, incident reports submitted by nearly 100 separate community members to the website Atlantic Yards Watch, and a construction log kept by the Dean Street Block Association that predates the website. Nearly 1,000 construction-related incident reports were filed on Atlantic Yards Watch in the period between its founding in mid-2011 and the opening of Barclays Center in September 2012. Documentation of non-compliance with the MEC has continued since.

Our comments on the scope asked for the SEIS to include an impartial, transparent analysis of the root cause of so many violations of agreed-upon environmental commitments, and for it to present a credible plan to ensure full compliance during future phases of construction. We asked for the analysts to study the oversight mechanisms defined in various project agreements to find why they were not followed or sufficient. Perhaps in response, the DSEIS delineates the structure of oversight including the Onsite Environmental Monitor (OEM), the State’s own Environmental Monitor (HDR), and the various plans that are required by the MEC and/or State and City regulations.

Either the DSEIS does not give a hard look at these oversight mechanisms, or it glosses over problems identified in its analysis by not disclosing them to the public. It is telling in this context that as the DSEIS describes, ESDC and the project sponsor sat down to improve compliance with the MEC only after the hard deadline of opening Barclays Center and the Carlton Avenue Bridge had passed, supporting the notion “higher ups” in the State tolerated non-compliance as a means of helping the developer meet its own deadline.

The DSEIS describes the oversight structure (including MEC components like the Construction Protection Plan and the Construction Air Quality Measures mitigation plan) as a means of describing how compliance

is monitored and enforced. It also details “Program Improvements,” some of them apparently in response to recommendations made in the Sandstone report. However, the “Program Improvements” do not remove the dependence of the State on the project sponsor for information about conditions on the project site. The following problems with construction oversight should also be taken into consideration in the environmental analysis of the SEIS because they support the notion ESDC has at times chosen not to enforce FCRC’s compliance with the MEC:

There have been many gaps in staffing and plans. For extended periods key elements of the oversight detailed in the MEC, and ESDC’s 2007 oversight regime for Atlantic Yards, have not been in place. This includes the Ombudsman, FCRC’s Community Liaison, and the OEM. At the start of the project, the State does not appear to have had its own Environmental Monitor. ESDC does not have an office on site. The project cannot be monitored from 633 3rd Avenue.

Construction oversight is more complex than the FEIS anticipated. The MTA has retained control of a large portion of the site while construction has unfolded on it. City agencies do not have oversight over MTA/LIRR-owned property. As a State Public Authority, the MTA overrides local law and provides its own (negligible) oversight. City Agencies describe the MTA as slow to respond.

ESDC relies too heavily on FCRC to report on compliance with environmental commitments. ESDC’s Environmental Monitor HDR is reliant on the developer and contractors for information. HDR makes regular, apparently scheduled visits to review paperwork prepared by FCRC’s OEM, but does little monitoring on its own. Verification of the community’s claims is largely in the hands of the developer and contractors doing the work. ESDC’s Community Liaison has little direct contact with those doing construction work and have difficulty verifying community claims with the resources they have been provided. Apparently ESDC did not make arrangements to receive from 311 community complaints about arena construction when it began. ESDC later stated publicly it received no complaints. The “two-week look-aheads” prepared by FCRC and distributed by ESDC often omit significant construction activity. Those construction events that are described sometimes also appear to be the ones consultants are present to monitor. Although FCRC was required to hire an “Independent Compliance Monitor” within six months of signing the CBA, it still has not done so. The ICM would provide an independent account of the number of construction workers on site as well as compliance with environmental commitments. Without the ICM, FCRC’s claims remain unchallenged.

FCRC’s Community Liaison has not been responsive or effective. The DSEIS sugarcoats this problem. When told FCRC’s Community Liaison was only on site one day a week, an ESDC official stated FCRC was “in violation” of the MEC which requires a Community Liaison on site. FCRC said it would correct the situation, but didn’t. Instead, ESDC backed down and stated the developer was in compliance with the MEC. FCRC’s Community Liaison during construction has functionally been an answering machine and an email address for much of the project’s construction period and FCRC has been unable to establish trust with much of the community.

The DSEIS presents no explanation for why oversight mechanisms defined in various project agreements were not followed or sufficient. Even well intentioned contractors focused on compliance with environmental regulations make mistakes. At other times contractors are opportunistic. It is the community that bears the risk when the State creates an environment enabling non-compliance. Experience has shown it is not enough for the DSEIS to delineate mitigations and an “Improved Program” if ESDC continues to rely nearly exclusively on the project sponsor for verification and information.

The Program Improvements described in the DSEIS tweak existing oversight and monitoring mechanisms under the same oversight structure that failed to hold the developer accountable in the past. The DSEIS must acknowledge this failing, and compare environmental compliance with other projects that are overseen by dedicated subsidiaries whose boards include outside directors appointed in conjunction with local elected officials, ensuring that community concerns are represented in project policy and decision-making.

5.1 Air quality

The primary means of ascertaining compliance with the dust suppression measures is through daily spot inspections by FCRC’s On-site Environmental Monitor and the Site Superintendents.
Nearly 200 individual incident reports citing air quality impacts, many of them associated with construction, have been filed on Atlantic Yards Watch (http://www.atlanticyardswatch.net) since May 2011. Most incident reports are accompanied by video and/or photographic documentation the analysts preparing the DSEIS are asked to review. The community has documented problems related to air quality, and filed 311 complaints, extending back to early 2007 when asbestos abatement began in the Ward Bread Bakery properties.

On Atlantic Yards Watch, community members have cited irritated eyes, aggravated allergies and asthma as a result of poor air quality from construction.

While the DSEIS states HDR found the project sponsors were “generally in compliance with the air quality requirements set forth in the MEC,” they also found a wide range of areas in which there was non-compliance. HDR found room for improvement, or problems with nearly all categories for which the project’s OEM is responsible to monitor.

5.1.1 Compliance with CAQM

The MEC requires a Construction Air Quality Measures Compliance Plan, (CAQM), before “intensive” construction work at the site. However, the CAQM itself is dated April 2010, one year after the start of arena construction.

On page 3A-7, the DSEIS notes that in a review it was found the OEM and contractors did not always meet CAQM construction air quality requirements. “HDR noted that the CAQM Compliance Plan has provided the necessary strategies to meet the construction air quality requirements. However, HDR observed that a number of the provisions in the CAQM Compliance Plan were not adequately followed, including the submission of the project sponsors’ quarterly environmental monitoring reports in a timely manner, completion of the environmental monitor daily inspection form on a regular basis, and proper training related to the MEC air quality requirements to all contractors working on-site.” If during the course of construction HDR and the State were unable to make the OEM follow the CAQM Compliance Plan requirements, the SEIS should detail on what basis it is to be expected there will be improved supervision in the future.

The DSEIS also states on page 3A-7 that in October 2012, following the arena and Carlton Avenue Bridge openings, the Project Sponsors, ESD and HDR met “to identify strategies to better implement the requirements of the CAQM Compliance Plan.” Among the improvements were improved contractor training and “modification to some forms.” There were three follow up meetings to discuss these and other program improvements. In 2014 the CAQM Compliance Plan was updated “to reference the contractors and personnel working at the project site and to reflect current protocols and procedures.”

The DSEIS should disclose whether (and how) staffing related to air quality compliance changed in the 2014 updated CAQM compared to the plan that was in effect at the time of arena construction.

5.1.2 OEM

The Sandstone report refers to the Onsite Environmental Monitor as “the next line of defense in maintaining the MEC because the OEM is supposed to be on site every day meeting with contractors and observing the site conditions.”

The DSEIS states the OEM office “was developed” in compliance with the MEC: “The OEM program was developed in compliance with the MEC and consists of an OEM and two environmental engineers (MEs) who monitor, enforce, and document project compliance with the construction-related requirements set forth in the MEC. The MEs are on site during regular workday hours and perform routine site walkthroughs to observe and document compliance. These MEs work in close coordination with the OEM, who conducts on-site weekly meetings and also periodically performs compliance inspections. The level of on-site staffing adjusts as work activities change; any changes are discussed with ESD before implementation.” The DSEIS should confirm that the OEM and the MEs are assigned full-time to ensuring

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compliance with the MEC, or if they are not, describe their other duties and the hours per week those other duties require.

5.1.3 Effectiveness of oversight coordination

Sandstone writes, “Given the size of the Atlantic Yards project, the weekly meetings (of HDR and the OEM) were not sufficient to identify all of the issues that developed, especially with regards to fugitive dust. This may have prevented knowledge of MEC violations as well as action to mitigate them, particularly in cases where the OEM was also unaware of incidents.”

The numerous incident reports filed by the community are not necessarily in conflict with the determination of HDR cited in the DSEIS that the project sponsor was “generally in compliance” with air quality related MEC commitments. “Generally in compliance” is not a quantitative term. We do believe the OEM and HDR were not aware of many of the construction-related problems at the site. This is a problem that DSEIS should analyze, not ignore.

5.1.4 Environmental commitments insufficiently analyzed in the DSEIS

5.1.4.1 Electrical grid

The DSEIS states that HDR reports the construction site was connected to the electrical grid as early “as practicable.” According to HDR’s own reports, the contractor Hunt did not contact Con Edison until the second quarter of 2010, more than a year after the ground breaking of the arena, and Con Ed could not install power until following the summer peak demand period. The power grid was finally made available in 2011. The use of the electric grid is a key component of the Memorandum of Environmental Commitments and that commitment was not met for a significant part of a period of very intense construction.

Because contractors argued use of the grid would be inhibiting and impractical in some cases, the Sandstone report asks for the DSEIS to model impacts over a 25-year construction period to show the difference in concentrations resulting from all-diesel equipment and reductions in diesel equipment due to an electric grid. The DSEIS should have done so. The Sandstone report asks the developer commit not to start a construction phase that can benefit from the grid until it is in place; the DSEIS should disclose whether the developer has made such a commitment in an amendment to the MEC. If not, the SEIS should explain the reason it expects this problem will not recur in the future.

5.1.4.2 Diesel reduction technologies

Sandstone reports that in 2010 FCRC’s OEM identified five pieces of arena contractor Hunt’s equipment that did not meet the DPR requirements. The equipment was retrofitted. The report does not detail how long the problem existed. However Sandstone’s report is based on Quarterly Reports from HDR provided by the State that appear to have been edited to make the contractors appear as though they responded when the problem was identified.

Following the release of Sandstone’s report, the blog Atlantic Yards Report released an unedited version of one of the weekly reports Sandstone had relied on (in its edited version) that identified five pieces of equipment were not compliant. In the unedited May 20, 2010 draft released by AYR, the report states the documentation of the equipment had been “falsified by the contractor.” The falsification was only identified after an employee of Turner Construction named Chuck Baldwin was hired to fill a void in oversight identified by HDR.

Sandstone notes, “During the second quarter of 2010, HDR expressed concerns with lack of oversight. Chuck Baldwin of Turner Construction was hired to handle the position until mid-July and HDR noted an improvement in on-site compliance.” The DSEIS should explain why the state excised the information from the report, and cross-reference the original versions of the other HDR reports released by ESDC to see if they have been edited as well. The DSEIS should disclose any discrepancies, who executed the edits, and explain the reasons for the edits.

5.1.4.3 Trucks and idling

Until community members consistently documented problems, truck behavior at the site continued to be disruptive, and there was considerable idling. In September 2011, only hours before FCRC’s OEM publicly stated protocols for trucks had been “significantly improved” at the construction site, a community member documented a large number of violations of the protocols. This was one and a half years after the

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arena groundbreaking, and part of a long pattern of non-compliance with commitments detailed in the MEC. The DSEIS notes the OEM improved its vigilance, suggesting there was room for improvement. This is part of a pattern in which obvious, and sometimes major, problems identified by the community are responded to slowly.

Although HDR cites an estimate by the OEM that 98% of trucks followed proper routes, throughout the period of intense construction activity from the arena ground-breaking to the arena and Carlton Avenue Bridge’s opening, trucks traveled on illegal routes and often idled on streets near the site, and continue to do so. Because truck companies and the way they serve construction differ over time, during arena construction, ESDC was prone to identify the numerous violations of truck protocols as “isolated incidents” rather than as patterns. The DSEIS should recognize that for the experience of the community, especially those areas where truck violations repeat, the experience is a pattern. The DSEIS should then propose measures which would improve compliance with truck protocols across the scope of the project site.

Among the areas where construction has created repeated problems with residents near the project’s second phase footprint that we have identified are in order of frequency: Pacific Street between 6th and Carlton, Dean Street between Flatbush and 6th, Carlton Avenue between Bergen and Pacific, Dean Street between 6th and Vanderbilt, and Bergen Street between Vanderbilt and Flatbush. During construction periods in which Pacific Street between Vanderbilt and Carlton is being used for truck protocols other areas where trucks illegally wait are Vanderbilt between Pacific and Dean, and Atlantic Avenue between Carlton and Vanderbilt.

Through the summer of 2012 as the deadline for the opening of Barclays Center approached, pressure on contractors increased and truck violation enforcement disappeared. Government appeared to be collaborating with the developer to meet its deadline at the expense of compliance with the MEC and NYC law.29

Truck violations continue still in relation to the construction of B2, with the most recent documented idling being a concrete truck associated with B2 on April 5, 2014. The truck idled for approximately 45 minutes in a no standing zone 15 feet from residences.

A community member documented cement trucks in a no standing zone for a lengthy period on a day in May 2013 in which the two-week look-ahead had warned a major concrete pour was to occur at the site of building B2. The documentation was not posted to Atlantic Yards Watch and instead was forwarded by email a week or so following the event. When forwarded to the State and Developer, the State replied, “we did have consultants out there during the time you are talking about on the 17th of May. … We were aware of what the trucks were doing; they did follow the proper protocol… the trucks were not idling. They were only there when they were transferring, when one truck was coming in to work and another truck was moving.” Later, the Community Liaison for FCRC responded by email saying that they were aware of a problem on the 14th when there was a run through of the concrete pour, but that things had gone smoothly on the 17th. Because Atlantic Yards Watch has a webcam, it was able to verify that the problem was indeed on the 17th and that the trucks had stayed stationary for some time. This discrepancy was pointed out to the State and the developer. The developer responded by finally acknowledging the problem was on the 17th. The DSEIS should assess the opportunity to use remote cameras to monitor compliance with truck protocols in areas where construction is taking place.

5.1.4.4 Fugitive dust emissions

There are numerous documented incidents of fugitive dust events on Atlantic Yards Watch. As the Sandstone report notes, fugitive dust emissions were the result of multiple sources:

- Vehicles that exceed the 5 mph speed limit (especially on Pacific Street)
- Malfunctioning equipment for extended periods of time
- Lack of watering of unpaved surfaces
- Failure to cover or mist stockpiled materials

http://www.atlanticyardswatch.net/node/829
• Insufficient or absent dust suppression during demolition and construction
• Failure to cover, mist, or otherwise contain stockpiled soil
• Absent or inadequate spraying during loading of dry materials
• Uneven wheel washing wheel-washing stations absent at some exits

The DSEIS states that HDR found that the construction contractors generally complied with the dust control measures regarding site watering, truck wheel washing, the application of gravel at construction egress points and vehicle speeds on-site, as outlined in the MEC. The DSEIS notes HDR “did observe a number of instances of non-compliance that required attention,” but nowhere spells out the protocols of HDR, or whether their visit to the site was designed in a way to facilitate witnessing transient violations. The analysts do not put even the example cited in the DSEIS of a large pile of uncovered soil eventually covered by dust suppression agent in context. The pile was sprayed with a dust suppression agent, but only days before the pile was removed altogether, and months after it was created. No notice of violation was issued in relation to this incident.

On page 3A-6, the DSEIS reports that HDR found the Project Sponsor generally compliant with truck wheel washing at the site. This is not compatible with community observations on Atlantic Yards Watch, which found that of 11 identified points of truck egress during the 2010 to 2012 construction period, only a few had wheel washing stations. Only the arena block entrance at Pacific Street and 6th Avenue consistently had wheel washing throughout the period. That is also the only entrance described as a point of egress for construction on the arena block in the 2006 FEIS, although that limitation was never respected by the contractors or enforced by the OEM, HDR or the ESDC.

The DSEIS refers to the number of truck violations as substantially reduced once items detailed in the MEC like speed limit signs were finally put in place, but makes no mention that reports from the community, not the OEM or HDR, identified problems with trucks. In practice, it was the monitoring of the community, not the provisions in the MEC, which increased compliance because the community was documenting problems the OEM and HDR had not corrected. While the DSEIS states the compliance of trucks with truck protocols is improved, it does not state how long it took for an improvement to take place.

The DSEIS does state HDR observed a number of the provisions in the CAQM Compliance Plan were not adequately followed, including the submission of the project sponsors’ quarterly environmental monitoring reports in a timely manner, completion of the environmental monitor daily inspection form on a regular basis, and proper training related to the MEC air quality requirements to all contractors working on-site. It does not give a date for HDR’s observation, or the point corrective action was taken.

5.1.5 Air monitoring

5.1.5.1 Site coverage

The Sandstone report notes that HDR found deployment of air monitoring equipment provided insufficient coverage at times. The community recorded the placement and timing of air monitors for several weeks in 2012 during a period of intense construction. The monitors were not regularly placed on a daily basis, and no monitors were placed during extended hours work, some of which entailed earthmoving. Atlantic Yards Watch has numerous incident reports about fugitive dust events in which no air monitors were visible. The DSEIS should describe any changes in compliance procedures with respect to air quality monitoring that would indicate the issues noted by HDR will not recur in the future.

5.1.5.2 Extended hours work

Despite the extraordinary amount of extended hours work during the phase of construction that included the arena, the temporary rail yard and the Carlton Avenue Bridge, apparently little or no air monitoring took place during extended hours work, because the OEM was not present during extended hours work.

Although the community has asked for the actual work that takes place during extended hours to be logged, we have been told no such log has been kept. The community observed numerous instances of work during extended hours that entailed earthmoving and other actions that were not captured by air monitors. A large
two and a half story pile was created by Posillico in January and February 2012, with much of the work to create it executed at night.\textsuperscript{30} ( \\

The DSEIS cites an uncovered pile that remained uncovered for months, only to be sprayed days before it was removed. Air monitors were rarely positioned near the pile to capture fugitive dust. Windy nights were not captured at all.\textsuperscript{31} The community has continued to report fugitive dust conditions as recently as last month during out-of-hours work where no monitors are present\textsuperscript{32}. What solution does the DSEIS propose for capturing fugitive dust blown off the site when no OEM is present?

5.1.5.3 \textit{Recommendations made by Sandstone unstudied in DSEIS}

The Sandstone report recommends the following improvements in relation to air monitoring not included in the Project Improvements:

- Deploy monitors during extended hours work.
- Use more than three to five monitors where the work area is large or where activities are ongoing at multiple locations.
- Use a state-of-the-art monitoring system with built-in data loggers that send information wirelessly to a computer program that can evaluate the locations and wind data and identify which monitors are “upwind” or “downwind.”
- Install at least one permanent PM\textsubscript{2.5} monitor to ascertain 24-hour and annual concentrations of PM\textsubscript{2.5} in the vicinity of the work sites.
- Set the audible alarm to also ring the cell phone of an employee who will respond to the monitor.

The DSEIS should explain why these recommendations were not adopted.

5.2 \textit{Construction noise}

The DSEIS identifies a significant adverse impact from construction noise that project-wide may now last 2035 years instead of 2016. Individual residents may be exposed to many more years of adverse construction noise impacts than anticipated in the FEIS. Anecdotally, no matter whether it is for 3 or 23 years, no single adverse impact alters the quality of life of residents more than construction noise, particularly during extended hours work. More than 300 individual incident reports citing noise impacts, many of them associated with construction, have been filed on Atlantic Yards Watch. Some incident reports complain about sleepless nights and the need to take sleeping pills. The adverse effects of long-term exposure to noise include sleeplessness, hypertension, heart disease and impaired learning.

Simple disclosure of significant adverse impact in the FEIS and SEIS appears to excuse the project sponsor and State from any further responsibility to ameliorate the impact of construction noise. It is this lack of flexibility that has come to epitomize the sense the “higher-ups” who run the project are beyond accountability to the community their decisions affect. Many residents report they have the noise attenuation measures (double glazed windows and air conditioners) the MEC currently requires, and they are still kept up at night. Some homes have already been impacted by years of adverse construction noise impacts. Adverse noise impacts from construction are in the process of unfolding for a ninth year, without any project building except Barclays Center currently completed. To anticipate an additional 20 or more years of construction without improvements to noise mitigations is hard for some to fathom.

Even though the need for extended hours work was claimed by the FEIS to be infrequent, hard deadlines necessitated multiple shift and weekend work for much of the construction period extending from 2010 to 2012, some of it 24/7. The nature of the site—which includes an operating rail yard owned by a State Public Authority, an arena and two major thoroughfares—puts the community at high risk of extended hours

\textsuperscript{30} http://www.atlanticyardswatch.net/node/554,  
\textsuperscript{31} http://www.atlanticyardswatch.net/node/610,  
\textsuperscript{32} http://www.atlanticyardswatch.net/node/1619, http://www.atlanticyardswatch.net/node/1620.
work. In order to facilitate modular construction for B2, the project sponsor has announced that up to four deliveries will occur each night of the workweek, a circumstance entirely unanalyzed in the FEIS.

SEQRA requires ESDC to “certify that, consistent with social, economic, and other essential considerations, and considering the reasonable alternatives available, the action is one that avoids or minimizes adverse environmental impacts to the maximum extent practicable, and that adverse environmental impacts will be avoided or minimized to the maximum extent practicable by incorporating as conditions to the decision those mitigation measures identified as practicable.”

According to CEQR, the triggers for assessing a construction project in terms of its significant impacts are related in part to the character of the work itself, including the length of time it unfolds and the type of construction that is unfolding. A community exposed to a generation of construction noise or more, should be provided the most effective mitigations available, as well as a means to have their concerns addressed.

5.2.1 Cumulative extended significant adverse construction noise impacts

The DSEIS details ranges of exposure to construction noise from an additional three to seventeen years. 516-518 Carlton Avenue was near one of the first buildings demolished in early 2006 and was exposed to construction of one type or another (including construction staging) from 2006 to 2012. Taking into account the roughly six and a half years of construction noise already absorbed by residents in the building, and adding the additional seventeen years one second phase construction sequence entails, the residents of 516-518 Carlton will be exposed to construction noise for twenty-three and a half years. While there will be periods without impacts, the nature of the construction site has exposed the residents to construction noise impacts on a far more regular and enduring basis than the FEIS assumed.

5.2.2 Residential windows

Many residents have complained that they have double-glazed windows and still experience high interior noise levels. This is because a typical double-glazed window is not intended to mitigate extremely loud noise levels. Double-glazed windows are sold with a variety of OITC ratings, and the ones already in place or installed may not be sufficient to mitigate noise levels with L_{10} levels of 75 dBA or more.

The DSEIS should disclose the standard of window the project sponsor plans to install in its residential buildings at the site, which will presumably also be impacted by construction noise. For example, some residents of B3 may be exposed to from 6 to 8 years of construction. What is the OITC rating of the windows the developer is providing B3? The double-glazed windows proposed to mitigate exposure to construction noise experienced by the project’s neighbors should be rated not less than the OITC rating of B3. In circumstances in which it is more practicable than replacing windows, window manufacturers should be surveyed to determine if temporary inserts can be installed in affected windows.

When double glazed windows are opened to fit in an air conditioner the effectiveness of their noise attenuation is reduced. Air conditioners break down every few years. The SEIS does not spell out the responsibility of the project sponsor to repair and replace air conditioners, nor how new residents moving into impacted buildings will become aware of the required adverse noise mitigation. The SEIS should require distribution of a multilingual flyer to all impacted homes on a yearly basis describing the mitigations available and hold community meetings to inform residents of the mitigation measures for the construction period.

The current program for providing air conditioners entails the resident going to PC Richard to pick up the air conditioner on their own. This does not align with the MEC’s requirement that the project sponsor provide installation. The apparent intent of the provision in the MEC is to avoid inconveniencing those adversely impacted by the project. The new amended MEC should specify that the project sponsor will deliver the air conditioner to the home and install it.

Community members have noted that the air conditioner mitigation requires them to pay for the electricity to run a piece of machinery instead of opening the window as they could before project construction started. Instead of this burden lasting for several years, in some cases it may last a generation.

Buildings on the west side of 6th Avenue have rear windows that face the incomplete construction area called the “pad” and have a direct sightline to B3 (and in some cases B2) construction. Those rear windows should be available for the project sponsor’s window treatments. They were inadvertently
overlooked in the FEIS. Some rear windows of some buildings on Flatbush are exposed to arena block construction as well.

5.2.3 Extended hours work

According to the Sandstone report, “The 10-year construction schedule discussed in Chapter 17 of the FEIS implies that construction may last into the early evening up to three days per week approximately every other week. The frequency of evening and night work was not specified, leading the reader to believe it would not occur frequently or for extended periods of time. Chapter 17 did not identify periods when consecutive days of late night work would occur for weeks or months at a time. HDR’s quarterly reports from 2009 through June of 2011 did not address construction hours except to state that all material and equipment deliveries appeared to be conducted during allowable workday hours.”

The absence of detail in HDR’s quarterly reports about extended hours work may be because the OEM appears rarely if ever to have been on site for more than the morning to mid-afternoon shift. That was the case even though extended hours construction was the rule, not the exception for much of the period of the arena, temporary rail yard and Carlton Avenue Bridge construction. The adverse effects of the work that took place at night were not captured by the oversight of the OEM or HDR. The State must not have understood the work that was taking place caused impacts, for it not to have assured oversight was on site during extended hours work on a regular basis. With the advent of modular construction, the construction plans to the public entail up to 4 deliveries a night 5 nights a week.

The DSEIS details that the number of OEM staff will now be adjusted according to the level of construction activity, including any after-hour and/or weekend construction work, to ensure a proper level of monitoring coverage is maintained\(^{33}\). The degree of staffing, the employer, and the amount of time required to be on site is not explained. The Sandstone report recommends as a project improvement that the State’s Environmental Monitor and the OEM should visit the site during extended hours work one or more times per week using an unpredictable schedule. A log of extended hour work, including the time, type of work, etc., should be included in quarterly reports. The justification for the need for extended hours work should be documented, and the rationale should be part of the construction notices to the community. The DSEIS should detail specifically how much oversight is to be provided and who is providing it. The onsite environmental monitor should not be employed by and report only to the project sponsor or contractors.

The lack of oversight during nighttime work has shifted the onus of monitoring to the community who must follow up on their own. And for the community, getting concerns acted upon can be difficult, especially if the decision to respond lies with the project sponsor or the contractor. The following is one of numerous incident reports filed on Atlantic Yards Watch by a community resident repeatedly woken up at night by a carting company removing garbage from the construction site.

\[\text{“This is an ongoing problem, 4 or 5 nights a week between 3:30 and 5:00 a.m. generally a company called Action Environmental comes by to empty the dumpster with loud beeping, engines running, dumpsters clanking etc. Nearly every week night (if not all of them). \(34\)\]}

\[\text{“I've reported this incident to 311 on three separate occasions and have the confirmation numbers at home which I can enter another time, as I don't have them with me now.} \]

\[\text{“This morning I took pictures of the license plate on the truck and was confronted by the drivers in a semi-hostile fashion. While I don't actually blame the drivers, I blame the company and the Atlantic Yards Dev. Corp, and the system that is allowing this to occur.} \]

\[\text{“Repeated lack of sleep for me and my 6 month old is a health risk especially as its an ongoing occurrence with no foreseeable end in sight.”} ^{34} \]

The filer took multiple steps to solve the problem, from filing 311, to speaking directly to the carting company. Still, this apparently easy to resolve problem festered on and off for well over a year. At the time this resident was having these problems, the Community Liaison’s Office for the project was located directly across the street from his home, but rarely staffed.

\[\text{\^{\text{33} DSEIS, 3A-11.}}\]

\[\text{\^{\text{34} http://www.atlanticyardswatch.net/node/172.}}\]
The State should ensure there is a way for community concerns to be validated punctually. The new amended MEC should specify that within 24 hours of a community member’s nighttime noise complaint to either the ESDC or the project sponsor, the appropriate office will take the necessary steps to validate the community concern, and if valid take the maximum necessary steps practicable to mitigate the problem.

5.2.4 Utility Work

The study of the locations impacted by construction noise related to the project in the DSEIS only focuses on building construction. Work related to project infrastructure (roadways, water, electric, cable, sewage) has proven particularly impactful, and very often occurs at night. The utility work is associated with the project. The DSEIS’ analysis of construction noise should include this work. Further, much of the infrastructure work is not complete. The maps should be updated to take the infrastructure work into account so that noise mitigations are available to the residents impacted by it.

5.2.5 Modular Construction

The State allowed FCRC to begin the use of the modular construction method without publishing any environmental analysis of the new method. When he initially presented the plan to the public, FCRC VP Bob Sanna in 2011 stated there would be one early morning module delivery so that construction work could begin promptly, with the remaining deliveries occurring during regular work hours. Several weeks before the first module delivery, FCRC presented new plans to the public for deliveries that included up to four deliveries at night and four deliveries during the day.

FCRC has just announced that the construction schedule of B2 has again been delayed, and will now take an additional year to complete. Because of the length of time B2 is taking to construct, and the unanticipated use of nighttime deliveries as an integral and regular part of the construction plan, the maximum necessary steps to mitigate noise from module deliveries should be taken so that problems of residents affected by the noise are addressed.

5.2.6 Incomplete and changed arena block construction

BrooklynSpeaks’ comments on the scope of the SEIS detailed ways the arena block has been changed that increase the risk of adverse impacts to the community. They include a reduction in the below-grade capacity of the arena, the introduction of elevators for the loading dock, a “pad” adjacent to the arena, changes to the arena structure that have resulted in concert noise leaking from the arena, and the delinking of the construction of the arena from non-arena buildings on the block.

Some of these changes have produced adverse noise impacts for the community. Concert noise has leaked from the arena since its opening one and a half years ago, inconveniencing residents. The project sponsor has announced a plan to reduce noise by adding a green roof to the arena. The addition of the roof may help those residents on higher level floors impacted by the noise. The SEIS should identify a construction timeframe for this repair, and detail the construction plans which may be impactful.

The reduction of the capacity of the arena below grade, and the addition of loading dock elevators in 2009 have resulted in parking anticipated to be below grade in 2006, now being brought to grade on the arena block. Not only buses, but production trucks, campers, arena patrons, NBA staff, horses and generators have been located on the “pad” adjacent to the arena. The “pad” was created without any public notice even though parking at grade on the arena block was never disclosed in any environmental analysis. The sometimes noxious noise effects of the pad spill over to residents, including the back windows of residents on 6th Avenue. Its existence is an unanticipated construction-related impact and should be mitigated to the maximum extent practicable.

5.3 Vibrations

The DSEIS states, “there has been no recorded incident of a threshold exceedance caused by construction activity to date (emphasis added).” The DSEIS states there have been a number of exceedances, but those have been attributed to local sources, for example one incident in which vibration monitors showed an exceedance, but it was concluded the problem was associated with a nearby boiler. The placement of the monitors, maintenance and information provided by the monitors is all under the control of the project sponsor.
The experience of many property owners and tenants conflicts with the interpretation in the DSEIS. Property owners, and some tenants, have expressed concern about vibrations. The Sandstone report submitted with our comments on the scope of work for the SEIS refers to a number of them. For example, two residents in buildings near each other on Carlton Avenue with the NYCL historic district reported property damage within several weeks of each other at a time in which work generating vibrations was occurring nearby. The Department of Buildings was unable to place responsibility on any factor. The two incident reports associated with these incidences can be found on Atlantic Yards Watch at http://www.atlanticyardswatch.net/node/691 and http://www.atlanticyardswatch.net/node/708

In the case of these incidents, no exceedance was identified by the vibration monitors in place. DOB inspectors expressed dissatisfaction to a local resident with the amount of information provided to them by the project sponsor. The consequence is that assignment of responsibility for the cause of the problem largely rests with the project sponsor who, if culpable, would be required to pay for repairs. It is our understanding that the project sponsor has paid for the cost of some repairs, but it is apparently not willing to acknowledge responsibility. This apparently enables the project sponsor to control the assessment of the extent of the damage and the cost of the repair. The vibration monitors are placed by a contractor of the project sponsor, maintained by that contractor, and the results are provided only to the project sponsor. Based on information provided by NYC DOB at the time of these incidents, no reports of vibration monitoring had been received by NYC DOB for some time, and any reports provided were summaries. The DSEIS should recommend the MEC be amended so that

- the project sponsor is required to provide actual (rather than summary) vibration monitoring reports to NYC DOB, ESDC and HDR;
- documentation is provided property owners if they request it;
- a prompt response to a resident’s complaint of damage is provided and the damage is documented and correlated to the construction activities at that time;
- construction activities that may cause severe vibrations in nearby residences are identified and mitigation measures are implemented proactively to prevent damage; and
- night time activities that may cause vibration are banned as vibration are more disruptive when residents and their families are trying to sleep.

5.3.1 Gaps in oversight due to slow implementation

The DSEIS states vibration monitors were deployed in 2008, two years after demolition took place within 90 feet from some buildings in the historic district. The DSEIS should explain the reason for the delay in the installation of the monitors, together with its plan for avoiding such delays in the future.

5.3.2 Gaps in oversight due to delay in updating plans

The DSEIS states the 2006 Construction Protection Plan was updated to address the creation of the NYCL Prospect Heights Historic District that occurred in 2009. According to the DSEIS, the update was made through a letter dated May 5, 2013 from the NYS Office of Parks, Recreation and Historic Preservation. The DSEIS should confirm that for the four years between the change in the historic district and the update to the plans, the State and the project sponsor were implementing the project while the historic buildings not in the 2006 plans were un-monitored, and explain what steps will be taken to avoid future omissions.

The date of the letter from NYS OPRHP is consistent with the timing of other reviews of compliance with the MEC that apparently occurred starting after the arena and Carlton Avenue Bridge opening. It was the community that notified the State of the failure to update the plans through the Sandstone report, if not before. The State received the Sandstone report in July 2012. It is not the job of the community to inform the State of changes to the environment around the project site, but it is the job of the State to ensure the MEC commitments are implemented when they are needed. The new amended MEC should require the State review and update all plans as necessary during the course of development and certify that it has done so at least once a year.

If an SEIS had been conducted as required following ESDC’s adoption of the 2009 MGPP, the State would have identified the change in the historic district at that time. The delay in executing the SEIS by the State
and project sponsor extended the period of time they were putting the historic buildings not designated at the time of the 2006 plans at risk.

5.3.3 Area being monitored too small

The Sandstone report refers to a resident of Vanderbilt Avenue inside the historic district awakened by a crash that sounded like a bomb explosion. It shook the building and knocked down artwork from the walls. According to the State at the time, they received other complaints and told FCRC to stop using nighttime use of the hoe ram, which was causing the loud bang.

According to the DSEIS, the hoe ram produces a “perceptible vibration impact” for 135 feet, more than the 90-foot range used as the determining factor for range in the DSEIS. The hoe ram continues to be used on the site. Given its use, and a reasonable association between a complaint and the type of construction work taking place, the CPP should be expanded to a 135-foot boundary around the project site.

In addition, the 90-foot boundary appears to have been drawn illogically using the footprint boundary as the outside parameter of work, rather than the location of actual work associated with the project. Utility work associated with the project often has occurred in streets and sidewalks. For example, Verizon dug up and placed cable under the sidewalk on the east side of Vanderbilt Avenue, (some of it possibly blue stone) inside the historic district, on behalf of Barclays Center in September 2012 (see http://www.atlanticyardswatch.net/node/870). The same contractor dug up and placed cable under the sidewalk of the historic district on south side of Dean Street west of Carlton Avenue (see http://www.atlanticyardswatch.net/node/869). In addition, Vanderbilt Avenue itself has been trenched adjacent to the historic district in order to receive updated sewer and water lines for the project, as well as to turn off water before demolitions. The CPP should be updated so that the boundaries are drawn from the outside parameter of the work taking place in association (and/or for) the project. There is no rationale whatsoever for continuing to exclude the east side of Vanderbilt Avenue from the CPP.

5.3.4 Non-historic property protection

As a condition of an amended MEC, the project sponsor should take responsibility for monitoring all properties at risk of damage from construction. So far, the State has been unable to make contractors comply with the MEC in terms of the use of equipment. For this reason, additional resources should be committed to monitoring vibrations, with an impartial and motivated on-site monitor having unedited and unencumbered access to the results.

5.4 Additional comments

The Construction Overview chapter notes that ESDC and FCRC have implemented “many” of the mitigations in the MEC. The DSEIS should list which measures described in the MEC have not been implemented, explain why they have not, and describe any negative consequences resulting from the omission.

Page 3A-3 states, “The level of on-site staffing adjusts as work activities change; any changes are discussed with ESD before implementation.” The DSEIS should make clear under what circumstances ESDC’s approval is required before changes are implemented and how often such approval was granted.

Page 3A-5 states, “The majority of Project-related trucks coming to the site were required to enter this queue area first and were released in controlled intervals to prevent on-street queuing at the various construction site entrances. HDR found that the queuing of trucks in this dedicated area on Pacific Street worked well (emphasis added).” On-street queuing was a major complaint from residents during construction. Given “majority” means only 51%, the DSEIS should explain how compliance with truck staging protocols was monitored and how frequently trucks were actually in compliance.

The DSEIS notes that measures taken to encourage compliance with “no idling” protocols, including the installation of “No Idling” signs, the distribution of laminated truck protocol documents, and the provision of a comfort station for the drivers, led to a reduction in “violations.” The DSEIS should clarify who issued these “violations,” and what their frequency was before and after the educational effort.

Page 3A-6 states, “For example, during the summer of 2011, a large quantity of stockpiled soil was temporarily stored in Block 1229, Lot 81 for several months without being covered or kept adequately
damp. This issue was eventually resolved through the application of a dust suppression agent by the construction contractor.” This passage almost certainly refers to block 1129. Records from Atlantic Yards Watch indicate ESDC received a significant number of complaints from local residents about this pile while it was uncovered. The DSEIS should explain why it took “several months” for the situation to be addressed.

Page 3A-7 states, “A meeting was subsequently held in October 2012 among the project sponsors, ESD, and HDR to identify strategies to better implement the requirements of the CAQM Compliance Plan.” This meeting would have taken place after arena construction was complete. The DSEIS should explain the reason ESDC delayed calling this meeting until after construction was complete given its knowledge of compliance problems with the CAQM.

The DSEIS should include (or ESDC should release separately) the updated CAQM mentioned in the DSEIS.

Page 3A-26 states, “Infrequently, the CLO was not physically staffed as a result of office movements and activities on site. However, the public was able to access the CLO via email or phone during those times.” The DSEIS should disclose whether either FCRC or ESDC monitors service levels from the CLO in responding to public inquiries by email or voicemail, and if so, what the trend of service was during arena construction.
6. Socioeconomic impact

With only a few exceptions, the opening of Barclays Center did not result in much of a bounce to local business. Although there were great expectations for the hospitality sector around the arena, most of the demand from arena patrons is being internalized by concessions inside Barclays Center itself. Commercial landlords holding out for higher rents on streets like Flatbush Avenue and Vanderbilt Avenue have caused a higher vacancy rate than existed before the arena opened. There is no discussion in the DSEIS of how long the Flatbush Avenue storefronts mentioned have been vacant, other than to speculate that “vacancy has been temporary and primarily related to the renovation of storefronts.”\(^{35}\) The DSEIS should analyze both vacancy and turnover of businesses on Flatbush Avenue and assess whether the shortfall in expected business from the arena would be made up for by an increase in residents expected with Atlantic Yards’ housing.

Page 3C-18 states, “When construction began on the Arena site, and the residential market in the surrounding Brooklyn neighborhoods started recovering from the recession, residential rents and sales prices increased rapidly. While these improvements in the residential market in the area immediately surrounding the project site could be partially attributable to the development of the Arena, the trend is consistent with market trends in the surrounding Brooklyn neighborhoods, where demand is high and inventory is low. Since the Arena has been completed, prices have further increased in the neighborhoods surrounding the Arena site.” The DSEIS contains many references to the expanding retail and residential economy in the study area. It should explain how its current assessment reconciles with the 2006 finding of blight, and whether the project’s goals could now be realized without a UDC project being necessary.

Chapter 3C of the DSEIS contains four case studies intended to demonstrate that long-term construction is not detrimental to the economy of neighborhoods surrounding a development. However, the examples cited each vary significantly from the Atlantic Yards project in ways that make comparison invalid.

- Although the length of their construction is comparable to the Extended Build Out Scenario, the Riverside South and Battery Park City examples are each many times larger than the Atlantic Yards site. Large areas of Riverside South and Battery Park City comparable in size to Atlantic Yards were completed much more quickly than the 25 years contemplated in the Extended Build Out Scenario. Further, each of these projects had a long border along the Hudson River, placing them at the edge of a neighborhood, while Atlantic Yards is enveloped by the neighborhoods of Prospect Heights, Fort Greene, Boerum Hill and Clinton Hill.

- The First Avenue Properties case study may not be comparable to Atlantic Yards, however, because the existing density at the time of project approval was much higher than near the Atlantic Yards footprint, meaning the vacant land would have less of an impact on the surrounding community. Nevertheless: “According to a commercial real estate broker, although the commercial office market in the area around the development sites has been strong, the retail landscape along First Avenue near the development sites has continued to be limited. He stated that when the Con Edison facility was located at the development sites, there was low foot traffic along First Avenue in the ¼-Mile Study Area. This continued trend of low foot traffic resulted in limited demand for retail and restaurants on First Avenue. As the sites have remained vacant, there continues to be limited retail and restaurants on this stretch of First Avenue.” The DSEIS also reports population decreased in the study area.

- The Metrotech case study may not be comparable to Atlantic Yards as there was not much residential use prior to development: “Because the ¼-Mile Study Area was primarily a commercial district prior to the 2004 Downtown Brooklyn rezoning and during the construction of MetroTech, the prolonged construction on the development site had little effect, if any, on residential trends in the area.”\(^{36}\) Metrotech was also announced in the middle of a recession, whereas Atlantic Yards was announced following an economic boom. “Based on discussions with brokers and former area business improvement district (BID) employees, the initial vacancy on the MetroTech site, combined with the historic lack of interest in the adjacent area, led to some uncertainty and

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\(^{35}\) DSEIS, 3C-11.

\(^{36}\) Ibid. 3C-76.
hesitation on the part of investors in regards to adjacent properties.” This was a very different environment from the Atlantic Yards footprint, where luxury condominiums and lofts had already been successfully marketed prior to the project’s announcement.

Page 4A-56 states, “Businesses most vulnerable to indirect displacement due to increased rent are typically those businesses whose uses are less compatible with the economic trend that is creating upward rent pressures in the study area, i.e. those businesses that are not able to capture sales from increased foot traffic generated by the proposed project but that would nonetheless experience upward rent pressure as a result of the proposed project.” Rents have risen due to the arena, but foot traffic from arena patrons for most retail businesses has not materialized, causing increased indirect displacement pressure. The DSEIS should analyze the current level of patronage of Flatbush Avenue businesses among arena customers, and project whether it is sufficient given current rents to sustain existing businesses while they wait for the additional residential customers to appear as the project’s housing is delivered over the Extended Build Out Scenario. The DSEIS instead skips this analysis when it states, “As the development of Phase II under the Extended Build-Out Scenario would not change the overall population or amount of retail introduced by the Project, the analysis presented in the 2006 FEIS regarding the potential for project population to generate enough sales power to support the retail introduced by the Project as well as a substantial amount of retail activity at other stores located within the study area, thereby increasing sales at some existing businesses, would remain valid, albeit later than projected in the 2006 FEIS.”

On page 4A-62 the DSEIS states, “As described above, since the 2006 FEIS, convenience goods stores have declined in this area, and retail vacancy has increased from 16 to 25 vacant storefronts. … Based on discussions with brokers, some of these vacancies may be the result of tenants who have left due to increases in rents. Demand for retail space along Flatbush has increased with the completion of the Arena, and vacant spaces are being renovated for higher-paying tenants.” The DSEIS should analyze how delay in Phase II will change the profile of businesses that open on Flatbush Avenue as new businesses will have to depend on non-resident customers to be viable.

37 Ibid. 3C-74.
38 Ibid. 4A-59
7. Delay of affordable housing

7.1 Disparate impact on African American population

The DSEIS specifically indicates that the impact of the delay as a result of the 25 year Extended Build Out Scenario that FCRC proposed and ESDC approved will not be studied. As everyone knows, over 1,900 of the 2,250 units of affordable housing – by far the biggest promised public benefit in the eyes of many – is in Phase II of the project.

While ESDC and FCRC have made public statements that the housing will be accelerated, they have not indicated that they will commit to a specific timeline to actually build that housing and the agreement which dictates how much time they have to build the housing, including the affordable housing, continues to maintain that they have until 2035 or later to complete Phase II of the project. ESDC’s allowing that much needed affordable housing to be delayed more than 20 years has a dramatic impact on local residents—in particular African American residents—who otherwise would be eligible for the affordable housing lotteries if the affordable housing were provided on the originally approved timetable of 2014.

Gentrification and displacement pressures in Community Boards 2, 3, 6 and 8 have increased to alarming levels recently partly due to the Atlantic Yards project being approved and the arena being built. The DSEIS acknowledges the increases in rents and sales prices being higher in the area immediately surrounding the project—the DSEIS says “notably some of the most dramatic increases in income, home values and rental rates have occurred in areas within the 3/4 –mile study area that were identified in the 2006 FEIS as having low and moderate income population potentially at-risk of indirect displacement. Yet ESDC refuses to study how the combination of the increases in rents and the delay of providing the affordable housing impacts specific racial and socio-economic groups. This refusal combined with ESDC’s long-standing inability to hold the project publicly accountable demonstrates a total disregard for the public’s interest.

The affordable housing at Atlantic Yards will be subject to affordable housing lotteries and residents of Community Boards 2, 3, 6 and 8 will receive preference in the lotteries. The racial make-up of CB 2, 3, 6 and 8 is changing dramatically. African Americans have been the majority in at least two of those community boards yet as time goes by and gentrification and displacement pressures reach epic proportion, they are projected to be a minority of the population. Therefore a delay in the provision of affordable housing at Atlantic Yards has a disproportionately negative impact on African Americans and the DSEIS has indicated that that disproportionate impact will not be studied. The impact of the delays to date has already been experienced by residents in the community and only gets worse with every passing month as displacement pressures mount.

It is not enough for ESDC and FCRC to, once again ‘promise’ that the affordable housing will be built ‘faster’. The impact of the delay has already been felt and empty promises without commitments the public can hold ESDC and the developer – regardless of who that ultimately is – accountable to is unacceptable.

The public has directly invested over $200 million in city and state tax payer subsidies, our government has waived zoning and height restrictions, allowed the use of eminent domain to seize private property, allowed federal tax exempt bond financing to be used to build the arena, sold the MTA rail yards for below appraised value and for that payment to be extended over decades and appears to be poised to give millions more in subsidy for this project and yet the public benefits have been delayed. People facing eviction and displacement can’t depend on false promises. They need legally binding commitments and real public oversight that they can count on.

7.2 Additional comments

Page 4A-4 states, “Trends indicate that intervening established neighborhood and commercial corridors cited in the 2006 FEIS have become even more established and would continue to limit the potential for the proposed residential development in Phase II of the Project to affect rental rates in tracts containing potentially vulnerable populations. The SEIS analysis indicates that many of the remaining at-risk households are still more than ½ mile from the project site and separated by more established residential neighborhoods and commercial trends. In addition, Inclusionary Housing Program Areas that have been
added to the study area since the 2006 FEIS—including to portions of the study area that were identified in the 2006 FEIS as containing low- and moderate-income populations—would protect affordable housing added or preserved under this program from market-driven rent pressures.” The rezonings cited include only a voluntary inclusionary component, which has not been shown to be an effective incentive for the creation of affordable housing in New York City. Further, the neighborhoods of Crown Heights and Bedford-Stuyvesant to which the statement refers are experiencing rapid gentrification at this point. The DSEIS should reassess the potential for vulnerable populations of these neighborhoods to be displaced in the future, particularly since their residents would be eligible for preference in lotteries for distribution of affordable housing units at Atlantic Yards.

Table 4A-2 on page 4A-14 has a breakdown of trends by race and neighborhood; African American population in the area ¾ mile around the project went from 48% to 37% from 2000 to 2010, while the white population went from 35% to 50%. These trends are reflected in the demographics of the broader combined areas of community districts 2, 3, 6 and 8 which are expected to benefit from preference in Atlantic Yards’ affordable housing lotteries. The DSEIS should assess the potential for a delay in affordable housing at Atlantic Yards to have a disparate impact on the eligibility of African Americans based on projected future demographic changes.

Page 4A-32 states, “Data collected from real estate sources indicate that trends in property values and rents may be even more dramatic than described by census and ACS data. Many of the subareas in the ¾-mile study area are dominated by brownstone architecture, which is of limited supply. As demand recovered from the 2008 recession, prices for these units have increased. In addition, new development has continued in areas like Downtown Brooklyn and Prospect Heights, where units have been renting and selling on the high end of the market, compared with the rest of Brooklyn. Based on conversations with brokers, the study area is expected to continue to experience an influx of new households that are demographically similar to households currently living in Manhattan.” This is further reason for the DSEIS to assess the potential for a delay in affordable housing at Atlantic Yards to have a disparate impact on the eligibility of African Americans based on projected future demographic changes.

On page 4a-43, the DSEIS states, “Excluding the Project’s Phase I units, these 7,707 residential units [now expected to be built by 2035] represent over 1.5 times the 4,871 expected to be built by the 2016 build year for the Project used in the 2006 FEIS. This additional No Build housing supply would reduce any adverse effects of the delay in completion of the project’s new housing units, and the residential units added by the development of Phase II under the Extended Build-Out Scenario could still serve to relieve upward rent pressure in the study area.” The additional apartments cited are presumably 80% market rate under the DSEIS’ assumptions, which would mean that of the additional 2,836 units (7,707-4,871), 567 would be affordable. The DSEIS should explain how these 567 apartments could compensate for the 1,950 affordable apartments expected to be delivered in Phase II.

Page 4A-42 states, “While the income bands that correspond to these AMI categories may change in the future, this would be driven by a general increase in family incomes within the metropolitan area, and would not be directly related to any trends specific to the study area.” Table 4A-13 shows an increase in the population of households earning more than $100,000 under both Extended Build Out and Future Without Phase II scenarios. But the statement above does not consider that Federal AMI is rising faster than local median income, meaning that the indexing of affordable housing rents to AMI will make all “affordable” units in the study area less affordable with time to local residents. The DSEIS should consider the increasing gap between Federal AMI and median income among community districts 2, 3, 6 and 8 and project how it will affect real affordability to local residents over time. For the purposes of this study, the DSEIS should use the affordability levels of Atlantic Yards’ first residential building by AMI in its projection.

The DSEIS hypothesizes (probably correctly) that at-risk households near the project have largely been displaced since 2006. At-risk households in census tracts east of the project are in rapidly gentrifying neighborhoods (e.g., Bed-Stuy, Crown Heights). The DSEIS characterizes these areas as having stable rents, likely to remain so until 2035, due to recent rezonings with voluntary inclusionary bonuses, but no further backup is provided to prove the assumption is reasonable. The DSEIS should explain why it believes developers will take advantage of the voluntary bonus, how many units will be added through use of the bonus, and what their affordability will be.
8. Open space

When first approved in 2006, the project promised eight acres of publicly accessible open space to be constructed incrementally in the Phase II site over the course of ten years. In addition to providing necessary active and passive recreation for residents and workers of the project, the open space was identified as a significant public benefit as well as a measure to address neighborhood blight.

While the DSEIS acknowledges the impact of an extension of a temporary significant adverse impact on open space, it offers inadequate mitigation to address this shortfall. In addition, the DSEIS methodology produces only a selective picture that results in minimizing the impacts of the 15-year delay on the quantity and quality of open space. Other areas that merit study in the analysis of open space—such as the replacement of trees and construction impacts on Phase II open space—have simply been omitted.

8.1 Assumptions of open space analysis

The DSEIS open space analysis describes population changes and open space changes that occur as each building of Phase II is completed. These changes are presented in Table 3E-1 and are the basis for the open space analysis for each of the three phasing plans. Unfortunately, the DSEIS does not offer an explanation as to how it arrived at those numbers. Specifically, the DSEIS does not describe whether the square footage attributed to each building is the maximum allowable for that building according to the Design Guidelines or other project agreements. We now understand that the Design Guidelines offer flexibility in the buildings envelope to permit redistribution of gross square footage within the project. The DSEIS analysis of a proposed shift of up to approximately 208,000 gross square feet (gsf) of floor area from Phase I to Phase II of the Project illustrates this flexibility.

Given the number of changes to the project that have been announced in the last several months—including, but not limited to, the shift of gsf from Phase I to Phase II, the change in phasing to begin construction on Block 1129 prior to the completion of Phase I, and the potential partnership with Greenland Holdings—previous assumptions from the 2006 FEIS with regard to building size and the amount of open space may no longer hold true. Therefore, the FSEIS analysis of open space ratios should assume each building to be built out to the maximum square footage allowable according to project agreements. This approach will reduce the rate at which the open space impact from Phase I is eliminated. It will also result in some buildings having a different gsf, population and open space ratios under one phasing scenario than they would under another.

Additionally, the DSEIS should justify the assumption of the amount of interim open space generated by the construction of each building. Perhaps the amount of open space was calculated based on the project parcels at full build out. However, the DSEIS does not acknowledge any space given to construction staging, construction barriers or other temporary measures that might reduce the amount of interim open space. Most importantly, the DSEIS should show documentation within the project agreements that require the delivery of open space on the schedule described for each construction plan. If there is no requirement for delivery until the project’s completion or no remedy for non-performance, open space could be repurposed for another use and could result in less than what was analyzed in the DSEIS.

8.2 Noise levels in open space

The DSEIS acknowledges that construction of the project would result in significant noise level increases that exceed CEQR guidelines and would impact the quality of the open space. How bad would the impact be? According to the DSEIS, at times construction-generated noise levels in project open spaces would surpass 80 dBA, which would exceed the 55dBA L_{10} recommended by CEQR for passive open spaces. The DSEIS goes on to say on page 3E-12: “While these noise levels are not desirable, there is no effective practical mitigation that could be implemented to avoid these levels during construction.”

Given the significant noise impacts, it is unreasonable to think that residents and workers from Phase I and II of the project will use this incremental open space; instead it is more likely that noise from construction will push the project population to use other open space resources nearby. It also unreasonable to conclude

39 DSEIS, p. 3J-36.
that the population from Phase I will opt to use Phase II incremental open space, with levels exceeding 80
dBA, over continued use of nearby Dean Playground and other nearby spaces. Although significant adverse
noise levels may be intermittent depending on construction tasks over the extended build out, it is
unreasonable to conclude that residents from the Project will easily alter their usage based on construction
tasks of the day.

The DSEIS should not dismiss construction noise impacts on open space by simply claiming that: “Noise
levels in many of the city’s parks and open space areas that are located near heavily trafficked roadways
and/or near construction sites experience comparable and sometimes higher noise levels.”\(^{40}\) The DSEIS
does not cite any examples where this is the case, but even if it did, roadway traffic and most NYC
construction projects are not actions subject to SEQRA. This project is.

Therefore, the DSEIS should do what it is required to do under SEQRA and take a look at the Reasonable
Worst Case Scenario, which is that incremental open space subject to significant construction noise impacts
will not be used by the public. If it is the case that no practicable mitigations can be developed to
effectively address noise impacts, the incremental open space should not be considered usable during the
construction period and should not be included in the DSEIS analysis. Excluding the incremental open
space will result in far greater deficits than were disclosed in the SEIS and would require appropriate
mitigation.

8.3 Blighting influence of tree removal

ESDC has argued that the 15-year project delay merely retains the blight that existed before the start of the
project’s construction. In many respects, however, the project’s delayed build out only worsens blighted
conditions, whose remedy the 2006 GPP identified as the primary purpose of the project. This is clearly the
case in the removal of 86 street trees from the project perimeter by Forest City Ratner in 2008.

The DSEIS failed to study any aspect of the extension of the blight that was created by the Project’s
sponsors. We repeat our request that the SEIS include analysis of the impact of tree removal, specifically:

- Whether the delay in planting trees would increase blight in the project area;
- Areas where planting of new or replacement street trees has been delayed;
- Impact of the delay of tree planting on open space, urban design and neighborhood character;
- Impact of the delay in terms of air quality with respect to pollution removal, carbon storage and
  sequestration as measured in both tons and dollar savings;
- Impact of the delay of replacement trees where trees were removed to allow for curb cuts to the
  interim satellite uplink lot and block 1129; and
- The cost value to the public of the delay in replacement of trees (based on DPR guidelines with
  the conversation assumption that tree replacement will occur upon project completion).

We call upon the project sponsors to re-evaluate construction plans to allow for the planting of trees at
intervals around the perimeter at an earlier stage than what was originally planned for this project.
Consistent with Department of Parks policy, the project sponsors should provide additional monetary
restitution and seek an extension of the original permit.

8.4 Noise impacts on proposed school open space

The MDA commits the project sponsors to provide space for the construction of a 100,000 gsf public
school in the base of one of the Phase II residential buildings. The DSEIS assumes that the school will be
constructed in either building 6 or 15. The DSEIS should identify the impact of extended consecution on
the school’s open space resources. It should analyze the impact of construction noise on the school
playground. Should noise impacts on that location exceed acceptable levels under CEQR, the DSEIS
should further analyze the impact of the school population’s use on nearby open space resources.

\(^{40}\) Ibid, p. 3E-12.
8.5 Mitigations

The SEIS offers three options for mitigation of the extended construction period impact - the Lowry Triangle, Times Plaza and Culver Gore Park. Two of those mitigations, Lowry Triangle and Times Plaza, are adjacent to highly trafficked roadways. Times Plaza is at the nexus of three of Brooklyn’s busiest streets, making it both noisy and not easily accessible. Culver Gore Park, while perhaps a quieter location, requires project workers and residents to traverse busy Atlantic Avenue. Any location offered as a mitigation for passive open space should be analyzed for noise impacts to determine whether the proposed space exceeds the CEQR guidelines for noise for passive open space.

Taking into account the factors described above—from the significant noise impacts on interim open space—the potential for shifts in the delivery of building gsf, and the extended loss of trees, the mitigations should be far more robust than what has been offered. First, to remedy the adverse impact of Phase I, the DSEIS should propose mitigations not dependent on Phase II tasks. Further, it should provide off-site open space to Phase II residents as a mitigation for what its own analysis acknowledges: no effective practicable mitigations can be developed to effectively address construction noise impacts on Phase II open space. Any mitigation for open space should be easily accessible to workers and residents from the project site, should be a distance from busy roadways, and removed from construction noise. In addition, mitigations should be developed in consultation with community stakeholders, including local residents adjacent to the project who have already experienced construction impacts and the demands that have been placed on local open space during Phase I construction.

The DSEIS should consider the following in particular:

- The potential to expand Dean Playground by incorporating part of the neighboring HPD parking lot as additional passive open space; and
- Adding an attendant for Dean Playground’s comfort station for the duration of the construction of the project.
9. Transportation and parking

9.1 Construction traffic

The DSEIS states on page 3H-11 the same construction worker modal split assumption (55% car with an average of 1.9 persons per vehicle; 45% transit) as was made in the 2006 EIS. The DSEIS should reflect how the arena construction workers actually traveled to the site, rather than repeat a simplifying assumption that now is eight years old.

Although the DSEIS provides extensive analysis of intersections expected to be impacted by additional construction traffic, it fails to adequately assess the resulting hazards and issues created by heavy and large construction vehicles. The Phase II construction site is flanked on the north and east by major roads – Atlantic Avenue and Vanderbilt Avenue – and the now FCRC-owned Pacific Street bisects one-half of the Phase II construction site. Mitigations of forecast traffic at neighborhood intersections should include requirements that construction vehicles may not access the Phase II construction site using either Dean Street between 6th Avenue and Vanderbilt Avenue or Carlton Avenue south of Pacific Street.

The suggested mitigation measures for impacted intersections include imposing “no standing” zones near the intersections to allow additional vehicle queuing and traffic flow. Examples of the proposed additional parking restrictions for one of the peak construction periods are:

- **no standing zones from 6 to 7 AM**: 100 feet of the south curb of Dean Street west of Carlton Avenue (3H-17), 250 feet of the south curb of Atlantic Avenue west of Smith Street (3H-20), 250 feet of the south curb of Atlantic Avenue west of Vanderbilt Avenue (3H-22), and 250 feet of the north curb of Bergen Street west of 5th Avenue;
- **no standing zones from 3 PM to 4 PM Monday to Friday**: 250 feet of the north and south curbs of Saint (sic) Marks Avenue west of Vanderbilt Avenue and 100 feet of the west and east curbs of Washington Avenue south and north of Eastern Parkway (3H-25);
- **no standing zones from 7 AM to 7 PM (except Sunday)**: 100 feet of the north curb of Bergen Street east of 4th Avenue (3H-24); and
- **24/7 no standing zones**: 100 feet of the north curb of Atlantic Avenue east of Smith Street (3H-20), the west curb of the entire block of Vanderbilt Avenue between Dean Street and Bergen Street (3H-24), and 100 feet of the north curb of Prospect Place east of Vanderbilt Avenue (3H-25).

Page 5-30 states, “Depending on the peak hour, it is estimated that the net number of on-street parking spaces within ½-mile of the Arena that would be displaced by the recommended traffic mitigation measures would represent from 0.4 percent to 1.1 percent of the existing 9,395 on-street parking spaces in this area.” That means 95 parking spaces will be eliminated in an area where there is already intense competition for on-street parking. The DSEIS should assess the effect on parking availability.

9.2 Construction parking

The DSEIS does not recognize or propose mitigations for the negative impact on the community created by construction workers’ parking on residential streets. The DSEIS concludes that a total 392 vehicles of peak parking demand by construction workers can be accommodated in on-site and off-site facilities, including recognizing that some workers will search for “nearby on-street” parking (i.e., on nearly neighborhood streets). During construction of the arena, there were numerous reports of negative neighborhood impacts from parking and environmental violations by construction workers.

Just as did the 2006 EIS, the DSEIS continues to disregard the documented negative environmental, traffic and parking impacts of black cars and limos during arena events. The DSEIS recognizes that pedestrian access on the south side of Atlantic Avenue from 6th Avenue to Vanderbilt Avenue will be restricted during construction of nearby buildings (3H-32). This is also the current designated “holding area” during arena events.

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41 DSEIS, pp. 3H-34 – 3H-35.
9.3 Operations transit

The DSEIS forecasts that a total of 2,311 new “outbound” transit trips due to residential Phase II development would occur between 8 and 9 AM each weekday (4D-31). But, the DSEIS does not analyze the likely worse, and dangerous, overcrowding on the 7th Avenue station platforms, since the DSEIS simply assumes that less than 200 additional trips will use the 7th Avenue station, which falls below the CEQR analysis threshold.

The DSEIS, like the 2006 FEIS, continues to disregard the projected impact of the additional 4,508-4,932 dwelling units in Phase II on the 7th Avenue subway station. The reason the 7th Avenue subway station was not analyzed in 2006 was asserted, without evidence, in the 2006 FEIS (July 2006 Draft Report page 13-54; November 2006 Final Report pages 13-50 and 13-54): “Trips using B or Q trains enroute to Manhattan from the project’s residential components in the AM would enter the subway system at the Atlantic Avenue BMT subway station, and would not pass through the maximum load point on these routes which is located north of the 7th Avenue BMT subway station.” The DSEIS does not repeat this unsubstantiated, and patently unsupported, assertion.

Instead, the DSEIS summarizes on page 4D-3 that:

- Subway line haul conditions “…through Downtown Brooklyn (emphasis added) are expected to operate below their practical capacity in the peak direction in each peak hour”; and
- The full build-out of the project “…would not generate more than an average of 3.7 new subway riders per car in any peak hour,” which is below the 5.0 CEQR analysis threshold.

Once again, the DSEIS assumes that few residents living in Phase II will utilize the already-overcrowded 7th Avenue Manhattan-bound platform in the AM peak. This demonstrates the fallacy of using average figures and misperceiving how subway users value the trade-off between walking the additional distance to the Atlantic Avenue BMT station entrance versus attempting to be the “last rider” who can board a train at the nearer 7th Avenue subway station. A substantial number of the Phase II buildings are to be sited on block 1129, whose southwest corner at Carlton Avenue and Den Street is only four short Brooklyn blocks from the 7th Avenue station entrance at Carlton Avenue and Park Place, rather than two and one-half long Brooklyn blocks from the new Atlantic Avenue station entrance located on the west side of the arena.

9.4 Operations parking

The DSEIS still allocates only 24 parking spaces to the 78th precinct, despite increased density and prolonged impacts on the completion of Phase II. Does the NYPD agree that the police force at the 78th precinct will not need to increase, placing further pressure on available parking spaces?

On-street parking is projected to remain available even in the Reduced Parking Alternative (ES-88). The DSEIS fails to analyze the impact of this conclusion.
10. Phase I and project-wide impacts

10.1 Analysis Framework

In its comments on the Draft Scope for the SEIS, BrooklynSpeaks requested that the baseline analysis of begin at the time the SEIS was conducted, not at the time of the completion of Phase I. The basis for that request was that there is no justification for moving the baseline to a point the project agreements don’t guarantee will happen, especially given that changes to the project affect the first phase of construction in ways not anticipated or analyzed in the FEIS. Even if Phase I of the project is completed in full, the project agreements enable the construction of Phase I to overlap with Phase II in multiple scenarios. The DSEIS ignored this request and the result is a failure to analyze construction plans or impacts for the most likely construction sequences, including the one most recently announced by the developer.

10.2 Study of phasing does not reflect announced phasing

The developer has announced that construction on B2, B3, B14, B13, the arena and the permanent rail yard will occur this year. This construction sequence and timing in essence renders irrelevant the phasing assumed in the FEIS and the DSEIS. In theory, every building in the project may now be actively under construction at the same time and most surfaces in the footprint like the rail yard engaged as well. This may render assumptions of peak construction in both the FEIS and the SEIS moot.

The DSEIS assumes Building 1 and Site 5 may be constructed in an overlapping fashion with the project’s second phase in relation to daytime construction worker traffic and pedestrian impacts, but looks at little else. The FEIS assumed the project’s entire first phase would be complete roughly one to one and a half years following the arena opening, with the arena block buildings constructed in tandem with each other and at the same time as the permanent rail yard. The project’s Phase II (east of 6th Avenue) was to be started following the completion of Phase I.

The new plans differ in total. At this time, no project buildings, with the exception of the arena, are complete, and the operating arena (with a temporary certificate of occupancy) generates enormous demand on pedestrian, traffic and parking facilities. Now FCRC has announced that the other buildings on the arena block may be constructed in a way that overlaps with what has long been assessed as the project’s second phase. If the analysis in the DSEIS is not corrected, the project sponsor will have the flexibility to construct all of the buildings in the project’s first phase overlapping with the project’s second phase, without an assessment of environmental impacts.

The DSEIS does not explain how the arena will be operated while B1 is constructed. It also does not study the potential implications on pedestrians, bicycles and traffic as a result of travel lanes, sidewalks and arena egress being reduced for construction.

10.3 Study should include post-event surge

BrooklynSpeaks’ comments on the draft scope note that since Barclays Center’s opening, it has been demonstrated the point of greatest demand for capacity by pedestrians is post-event when patrons surge from the arena and head home. The FEIS assumption that peak sidewalk LOS would occur during rush hour commuting may be incorrect. Some sidewalks near the arena are crowded beyond capacity post-event, forcing spillover into streets and creating a difficult situation for pedestrian flow, requiring increased police presence to ensure safety. CEQR states, “A proposed sports arena or concert hall may also require a pre- and post-event analysis for a weeknight event, a Friday night or Saturday night event, and a weekend afternoon event.” An updated pedestrian analysis in the DSEIS should therefore study post-event conditions throughout the project site, but most especially on and adjacent to the Phase I site.

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42 2012 CEQR, pp. 16-18.
10.4 Construction staging

By extending construction of the rail yard and delaying most Phase I construction, the project sponsor has increased the demand for construction staging moving forward. The use of modular may also increase the demand for construction staging. At the same time, the ability of the project developer to identify areas inside the project footprint for construction staging has been reduced. By accelerating construction on block 1129, potential staging locations are further constrained. The likely result is the use of sidewalks and travel lanes for construction staging, including around the arena block where there is heavy demand for both.

Some potential construction sequences delineated in the DSEIS may not have construction staging. For example Construction Phasing Plan 1 (Figure 3A-6) does not have construction phasing on site. The DSEIS should detail which construction phasing plans have shortfalls in on-site construction staging. The DSEIS should assess how the shortage of construction staging impacts neighborhood character and continues to constrain connections between neighborhoods through extended sidewalk and lane closures.
11. Modular construction

11.1 Assumptions

When the FEIS was completed in 2006, the use of modular construction at Atlantic Yards had not yet been announced. It would seem reasonable to expect that a discussion of the impact of modular construction would take up a significant portion of the 2014 DSEIS. Surprisingly this is not the case. Modular construction is instead treated cursorily, when treated at all. Modular construction is conflated with conventional construction methods. Finally, the impacts of modular construction are frequently omitted altogether.

The extent of modular construction in Phase II is unknown at this time. Assuming that it is used—both the DSEIS itself and public statements by the developer indicate that it will be—the report says nothing about how many buildings will be constructed this way or what their locations will be. So, while the developer appears to be reserving the right to use modular construction as much or as little as it likes, the DSEIS doesn’t contain any detailed information about the extent or specifics of modular use, hence it cannot properly analyze the impacts created by its use. No effort has been made to project different scenarios, e.g. impacts under a 20% modular construction assumption, or 30%, or 50%, etc. Essentially, Atlantic Yards will proceed without a full and thorough analysis of the impacts of modular construction.

Indeed, setting the tone is this highly ambiguous statement from the Introduction of the Executive Summary of the DSEIS: “It is possible that some or all of the buildings planned for Phase II would be constructed using prefabricated, or modular, construction techniques; however, the SEIS assumes that each building would be constructed using the conventional construction method. Where relevant, differences in potential impacts related to conventional and modular construction are discussed qualitatively.” But in fact, the DSEIS offers no meaningful analysis of these differences as they pertain to socioeconomic conditions, transportation, air quality, and noise.

11.2 Reduction of economic and fiscal benefits

The DSEIS states, “The construction of the Phase II development using modular techniques would generate substantial economic and fiscal benefits for the city and the state, though *these benefits would be expected to be lower from modular construction than those from conventional construction* (emphasis added).” While this is clearly a positive for the developer, the negatives for the local community and the city as a whole include reduced spending with local suppliers and reduced tax revenues generated. Since public subsidies for Atlantic Yards make up such a significant part of the project’s funding, it’s reasonable for the public to expect that the subsidies would result in money returning to the local economy.

Per an analysis of the DSEIS by Atlantic Yards Report\(^{43}\), the losses involved are significant. If modular construction is used for all the 11 towers planned for Phase 2, the cost implications are as follows:

- 22% cut in wages
- 10.2% cut in work years
- 24% cut in revenues

Further, per Atlantic Yards Report, “It would also mean a 24% reduction in revenues for New York City, the MTA, and New York State (in 2013 dollars), from personal income taxes, corporate and business taxes, sales tax on indirect activities, and related taxes on direct and generated economic activity.”

It has been widely acknowledged that the construction workers engaged in building the modular units are earning lower wages than their counterparts engaged in conventional construction. The DSEIS contains no discussion of who has been hired for the Navy Yard “factory,” their training or wage levels (other than acknowledgement in the most general sense that FCR will save on wages).

\(^{43}\) [http://atlanticyardsreport.blogspot.com/2014/03/revealed-atlantic-yards-modular.html](http://atlanticyardsreport.blogspot.com/2014/03/revealed-atlantic-yards-modular.html)
11.3 Noise

How much noise is to be expected from the delivery of the modular units during Phase II and how will noise complaints be handled? The experience of local residents during the construction of B2 are not encouraging in this respect. Residents on Dean Street have described the impact of night-time deliveries: serious noise causing loss of sleep for parents and children, as well as construction workers smoking in front of their home. Requests for secondary windows have been refused by Forest City Ratner in cases where homes already have double-glazed windows, though those windows have proved to be ineffective. The DSEIS states that, “Measures to control noise, vibration, and dust on construction sites, including the erection of construction fencing, would reduce views of construction sites and buffer noise emitted from construction activities, and sound barriers would be used to reduce noise from particularly noisy activities where practicable” (emphasis added). If FCRC could refuse help to residents of one the homes closest to active construction within the project site, it doesn’t bode well for residents living near the Phase II site.

11.4 Delivery schedule

The DSEIS does not offer a detailed analysis of the volume and frequency of modular deliveries to the site. Originally described as one delivery per night, at a meeting at Brooklyn Borough Hall in December 2013, FCR announced it would be increased to four (between 10PM and 5:30AM).

According to the FEIS, "a certain amount of extended hours, nighttime work, and weekend construction would likely be required,” but nighttime work is defined as ending at 11PM. It appears that deliveries are not being defined as actual construction work, although with respect to construction impacts experienced by neighboring residents, there is no meaningful difference.

Wide-load deliveries are indeed supposed to take place at night, per New York City building regulations and the NY City Department of Transportation’s stated preference. Meanwhile DOT has given their approval for 4 deliveries per day between 10 AM and 2 PM, although this information is not included in the DSEIS. The DSEIS also does not specify whether there will be weekend deliveries or not.

How can the impact of these night and daytime modular deliveries be evaluated? Since there are no statistics provided in the DSEIS about the number of deliveries that would occur for conventional construction, there is no benchmark against which to measure the impact of modular deliveries. The DSEIS claims that, “On-site building activities using modular techniques is expected to have shorter construction durations and fewer daily on-site workers and truck trips as compared with the use of conventional construction techniques, and would therefore be less disruptive overall.” The DSEIS should present hard data to back this up.

Meanwhile, some 17 months after the ground breaking for B2, only 122 of 930 modules have been installed to date. So the noise impact for those living near B2 is likely to continue for an extended period of time. If the pace of modular construction doesn’t pick up when this method is used for buildings in Phase II, the impact of these nighttime deliveries will be very significant for nearby residents.

Nowhere does the DSEIS analyze the difference between noise impacts created by daytime and nighttime deliveries. Four (4) hours of daytime delivery activity (between 10 AM and 2 PM, as suggested by DOT) is not the equivalent of four hours of nighttime activity.

The DSEIS states, “While night-time delivery of modules would occur, these deliveries would not be expected to result in a perceptible increase in noise levels (as measured by Leq(1h)). Operation of the trucks used for night-time module deliveries in close proximity to noise receptors would result in increases in noise level for short periods of time. Such increases in noise level would occur only when the trucks would operate adjacent to the noise receptor and would be comparable in magnitude and duration to that which would result from operation of any heavy truck on the roadway adjacent to the receptor” (emphasis added). Consequently, these short-term increases in noise level during night-time module deliveries would not constitute a significant adverse noise impact. Overall, it is not expected that the use of modular construction for the Phase II buildings would result in significant adverse noise impacts beyond those identified for conventional construction in Chapter 3J, “Construction Noise.” Implicit in this is that, in the absence of night-time module deliveries, local residents would normally be experiencing noise impacts.
from heavy trucks on their streets. But that’s not correct. Heavy truck traffic is not the norm on streets in the local area.

### 11.5 Lighting

Will the nighttime delivery of modular units to the Phase II require any special lighting of the site? It seems reasonable to expect that it will. If it does, what will the impact be on local residents? Neither the possibility of nighttime lightning nor its likely impacts are addressed in the DSEIS.

### 11.6 Traffic

Will either the nighttime or daytime deliveries cause traffic problems on local streets? Although the DSEIS claims there will be fewer trucks traveling to and from the building sites in a modular scenario, the wide-load deliveries of the mods are challenging and unpredictable.

Currently the construction of B2 involves the closure of pedestrian paths along Dean St. These are meant to re-open by 8:30 AM each morning—long after the morning rush hour has begun, thus creating a significant inconvenience to local residents. The DSEIS contains nothing about potential closures of pedestrian access routes in the Phase II site to accommodate modular construction, but presumably they should be expected.
12. Multiple developer alternative

According to page 6-39, “FCRC affiliates have extensive contractual and property rights in the Phase II site that must be taken into account in considering an alternative involving the engagement by ESD and the Metropolitan Transportation Authority (MTA) of other developers for construction of the Phase II area.” The agreements with ESDC were executed based upon its approval of the 2009 MGPP, which courts have ruled ESDC made illegally. Further, the DSEIS itself is a product of a court order stemming from ESDC’s illegal approval of the 2009 MGPP. The DSEIS should acknowledge this, and explain why compromising a court-ordered environmental review is justified by ESDC’s prior illegal act.

Page 6-40 says, “FCRC affiliates also have spent hundreds of millions of dollars in performing their obligations under these contracts, and have used many of those agreements as security for financing the Project.” These actions by FCRC took place during years in which either the validity of the 2009 MGPP was the subject of a legal challenge which was ultimately successful, or in which ESDC and FCRC delayed complying with a court order to produce an SEIS. The DSEIS should acknowledge this, and explain why compromising a court-ordered environmental review is justified by FCRC’s business decisions which were based upon ESDC’s prior illegal act.

Page 6-40 states, “Since the FCRC affiliates have given no indication that either they or their secured lenders would be willing to give up their existing rights, issues arising in connection with a switch by ESD and MTA to a multi-developer alternative would take years to resolve, prolonging the construction period.” No attempt is made to quantify the assumed delay. The DSEIS should assess the potential for delay based on case study, and compare it to the delay of 15 years agreed to by ESDC and FCRC.

On pages 6-40 and 6-41 it is written, “In addition, in the event that issues arising from cancellation of the existing contracts were resolved in a way that would allow a multiple developer alternative to proceed, the agencies (ESD and MTA) would then, either individually or together, begin a formal procurement process to engage other developers. It is speculative to estimate how long that process would take, but it is clear that even with the consent and cooperation of the FCRC affiliates, it would be complex and time consuming.” Again, no attempt is made to quantify this duration, even though ESDC has lots of experience in such procurements, as evidenced by the discussion of the steps required in the remainder of this paragraph. “Speculative” or not, the DSEIS’ purpose is to evaluate time-based impact, and it should quantify the expected duration of a managed acquisition process based on its experience, citing case studies, and compare it to the 15-year delay being analyzed in this EIS.

Page 6-41 states, “A new round of litigation, arising from the approval process, may then have to be resolved.” No discussion of the basis for such potential litigation is mentioned, let alone whether its resolution would have the potential to delay the project. The DSEIS should explain whether litigation initiated since the 2009 MGPP was approved has delayed the construction of any buildings at Atlantic Yards, and if not, why future litigation would be expected to do so, comparing the potential for such a delay to the 15-year delay agreed between FCRC and ESDC.

The page goes on to state, “Given the complexity of addressing Project obligations among multiple developers, it is not clear that multiple developers would have an interest in the opportunity presented by an RFP. It is also uncertain whether the necessary transactional arrangements could be put into place, because negotiations would be exceedingly complicated.” However, the DSEIS elsewhere documents the demand for housing in the study area, and states that construction of other projects in the study has exceeded the projections of the 2006 FEIS. Under the circumstances, the DSEIS must explain why other developers would not be interested in the opportunity to build at the project site. There is no suggestion that any developers were even approached informally, let alone through a more structured process like an RFI. Again, ESDC has extensive experience in these sorts of transactions, and so the DSEIS’ should have explained the nature of the uncertainty as to the “transactional arrangements.”

Further, page 6-41 states, “These large capital investments are for an LIRR facility that will not generate any revenue for the project sponsors. Therefore, they have been and will be made by the project sponsors only to allow them to proceed with the development of the buildings over the rail yard.” It is clearly possible that the sale of development rights over the rail yard to other developers would generate revenue for the MTA that it could use to compensate FCRC for development of the permanent rail yard. The DSEIS should consider this opportunity.
Page 6-41 also states, “Other inter-related elements of the Phase II portion of the Project are the parking facilities. Most or all of the parking in the Phase II area is to be located on Blocks 1128 and 1129, and it is anticipated that parking facilities on those blocks will also serve the buildings on Blocks 1120 and 1121, as well as certain Phase I buildings.” FCRC proposes to reduce or eliminate parking on blocks 1120 and 1121. However, it is clearly possible that parking can still be provided to buildings on blocks 1120 and 1121. The DSEIS should explain why this would not be feasible.

Again on page 6-41: “Similarly, the new platform and open space to be developed on Block 1121 will not just benefit the three buildings on that block. They would also be of material benefit to the four residential buildings on Block 1129, because they would replace the depressed open rail yard contiguous to that parcel with at-grade open space.” The DSEIS must explain the basis of its contention that shared open space can not be achieved with multiple developers. The Riverside South and Battery Park City projects cited as case studies in the Construction Socioeconomic chapter were built by multiple developers, and have shared open space. So does ESDC’s Queens West project. And on 6-42: “Moreover, it is unknown what the effect on financing would be if an individual developer’s project were to be dependent on the actions (and solvency) of other developers in a multiple developer arrangement, adding an additional complication to an effort to have multiple developers share common costs such as the rail yard, platform, open space and parking facilities.” Again, the DSEIS must back up these assertions with specifics or case studies from other projects, like Hudson Yards, where multiple developers are able to work through these issues.

Page 6-42 states, “Therefore, assuming that the effort to modify the existing agreements and bring on additional developers could succeed at all, it would take many years to bring the Project back to where it is today, and the accelerated completion of Phase II, which would be the objective of the multiple developer alternative, would not be achieved.” The DSEIS must provide basis for its implied claim that, even given some interval of time required for contracting multiple developers, doing so could not provide an improvement over a 15-year delay.

Page 6-42 also states, “Contractor coordination issues would be particularly acute with respect to platform construction and the placement of building foundations within the rail yard. Any plan to break up that work into packages with unrelated contractors would require that MTA deal with multiple entities in the review and approval of design documents and project schedules, and in arranging for track outages.” This is exactly what is happening at Hudson Yards, so the DSEIS should have analyzed that project and explained why its experience is not applicable to Atlantic Yards.

Page 6-43 states, “In the event that the joint venture transaction with the Greenland Group affiliate were to close, it is likely that it would inject substantial additional capital into Phase II, and thereby be more effective in accomplishing an accelerated development schedule than pursuit of a multiple developer alternative.” (6-43) This statement has no internal logic: any alternative involving multiple developers would inject capital beyond what is available to FCRC, and there is no explanation of why Greenland’s money is better than anyone else’s. To support a claim that the Greenland transaction would be more effective in accomplishing an accelerated development schedule, “the DSEIS should disclose the schedule agreed among the prospective joint venture partners and explain how it will be enforced.

Finally, the DSEIS ignores the potential for the project’s increased resiliency with multiple developers beyond what is available under the proposed joint venture. The case studies in the Construction Socioeconomic chapter suggest that projects with multiple developers are more resilient. The DSEIS should justify its claim that the Greenland transaction would be more “effective in accomplishing an accelerated development schedule” in terms of how exposure to the type of single supplier risk that has thus far been a source of delay at Atlantic Yards will be managed in a scenario involving the proposed joint venture.
Good Afternoon, my name is John Buchbinder. I have been a resident of
Brooklyn since 1977 and have lived at 535 Dean St, the Newswalk building
since 2002 and appreciate being able to express my concerns around the
ongoing construction in my neighborhood.

Although I live on the Dean St side of the building and don't often see the
construction, I am often impacted by the noise, dust, vibrations, night work, lack
of street parking & street closures.

I am a general contractor who has been working in Brownstone Brooklyn for
nearly 30 years and am quite familiar with New York City rules regarding noise,
dust, vibrations and night work....which are quite strict and explicit for a business
like mine. But because this project is largely not subject to New York City rules
regarding these environmental impacts, people who live within the impacted
areas have little effective means of redress.

I often work from my home in Newswalk, which is a massively constructed
reinforced concrete industrial building from the 1920's. During the recent
placement of piles I regularly felt the ENTIRE building shaking. Perhaps you
recall the earthquake of 2011 that was centered in Virginia and was clearly felt
here in New York City; During the last several years we have had to, on a nearly
daily basis, endure vibrations that were of a similar magnitude. Of course, one
can get used to nearly anything....but why should we HAVE TO GET USED TO
IT? Is there no possible way to mitigate these effects?

When the project was first proposed, the build-out was to take 10 years. Now
the build-out is to take 25 years which is more than a entire generation of
construction! Are the residents of the impacted area being asked to simply put
up with all of the disruption, noise, dust, vibrations, street closures, rats and
night work in the name of .....what exactly?
Where are the 2200 low income units that were promised? Where are the 10,000 good paying jobs that were promised to the community when the project was being sold?

In order to reestablish faith in the process, what this community needs, and deserves is:

An **independent** board, with directors appointed in consultation with our local officials to guarantee that our concerns are heard and redress made.

AND

An **early** build out of the 2200 low income units that were promised and were certainly a significant selling point when the project was first presented.

These are measures that need to be implemented **now**, before the next phase of construction begins.

Thank you
May 5, 2014

Mr. Derek Lynch
Empire State Development Corporation
633 Third Avenue
New York, NY, 10017

Re: Request for Dedicated Oversight of the Atlantic Yards Project

Dear Mr. Lynch,

I am writing as a very concerned resident of Prospect Heights, Brooklyn, who has lived in the neighborhood for the last 12 years. As a matter of fact I live on Dean Street, just one block east of the Barclays Center. Having lived through an ordeal directly related to the arena construction, I am very worried about the impacts that the ongoing Atlantic Yards construction, one block away from my home, will have over a time span that may last for two decades or more.

During the building of the arena, I was at home on several occasions when the reverberations of pile drivers caused my building to shake violently enough such that I was concerned (still am) as to whether or not my building’s foundation was being dangerously compromised. On other occasions, construction went on well past the time we were told it would cease. The air quality was noticeably worse. Streets were sometimes closed and traffic re-routed without notice. Pacific Street between 6th Avenue and Carlton Avenue became visibly dirtier, and I personally witnessed Barclays Center construction workers littering the block with debris as they traveled to and from the work site, as well as during their lunch.

I had hoped to be able to voice my above concerns at the public hearing held on April 30th at Long Island University, but I was unable to attend as I was traveling on business that day.

I am asking you to please support the efforts to have a dedicated public development corporation to oversee all aspects of the Atlantic Yards development. It is my sincere belief that going forward, such oversight is the only way to ensure that the promises made by the developers of the project are kept, and that the numerous negative impacts associated with this gargantuan development are minimized as much as possible.

Sincerely,

[Signature]

Gregory D. Callender
535 Dean Street
Apt. 906
Brooklyn, NY 11217
black_ambition@yahoo.com
May 11, 2014

Attention: Derek Lynch
Empire State Development
633 Third Avenue, New York, New York 10017

Dear Mr. Lynch:

Our family has lived on Dean Street for nine years now. Demolition and construction as regards Atlantic Yards and the Barclay Center Arena became high profile concerns almost as soon as we moved in. Because our concerns seemed to fall on deaf ears, we contacted our local elected officials to alert them of the lack of effective oversight by Forest City Ratner, LLC. A few egregious examples will serve as a reminder: hasty demolition caused a partial building collapse on Vanderbilt and Pacific, sending plumes of particulate matter into the air and causing my wife and son to experience severe allergic reactions; asbestos removal took place on Dean Street in the open air, once again with blatant disregard for the health and safety of the residents; the parking lot across the street was used as a staging area for big rig deliveries of steel beams, accompanied by loud clanging and banging noises well into the night with no regard for my children who had difficulty falling asleep. The list could go on, but let’s stop here, for you get the picture!

The residents of Dean Street have seen their tax assessments rise and their quality of life in retrograde: impacted air quality, nighttime noise, congestion, blighting of shade trees, no new schools contrary to provisions in the FEIS, lack of prompt snow removal, competition with construction workers and Barclay Center patrons for street parking. We need accountability, transparency, and community input!

It is time for the Atlantic Yards project to be overseen by a dedicated public development corporation or subsidiary with a board that includes directors appointed in conjunction with local elected officials. We need impartial and motivated construction monitoring, and help in taking advantage of some immediate opportunities for improvements.

Construction takes away parking spaces. We now compete with arena employees and patrons for precious little street parking. Assist us in getting residential parking permits.

Yours truly,

Richard M. Capozzi

Tomoko Furuya-Capozzi
Good afternoon. My name is Mark Caserta. I am the Executive Director of the Park Slope Fifth Avenue Business Improvement District (BID), which runs along Fifth from Dean to 18th Street. The BID is host to more than 500 small businesses, from bars and restaurants to unique boutiques and professional offices.

About 1/3 of these businesses are within 10 blocks of the arena and I’m here to provide you with their perspective tonight. When the arena opened, there was, of course, a lot of excitement about the potential it had to generate new business on Fifth Avenue. Over the past year, though, a different story has unfolded. Certainly some arena visitors find their way to Fifth for a drink or a bite to eat before or after a game or an event. Anecdotal evidence points to some bars having a banner year since Barclays Center opened. This is really great news.

However other shops and restaurants have seen almost no increase in business over the past year. Why? One reason is that there needs to be more promotion of Fifth as a go-to destination for arena visitors. The Park Slope Fifth Avenue BID is currently working on this as a long-term strategy for increasing business for the area. Another reason lies in the fact that the subway and Long Island Railroad entrance, located in the arena plaza, is almost too successful. It was designed to encourage visitors to use mass transit by making it easy to get to and from the arena. But it’s so easy to disappear into what we call the “giant alligator mouth” that few people find their way to surrounding neighborhoods.

The biggest problem with this, of course, is that while the area suffers from fewer arena visitors than expected, commercial rents are on the rise, based on property-owner speculation that customers are flooding the area and spending a lot of money. We wish that were true.

Overall, the Barclays Center has been a catalyst for economic development in Brooklyn. Ultimately, we believe that it has been positive for business on Fifth. But it could be better. Any further delays in the full development of the project will, in our opinion, fuel further commercial rent increases without generating enough additional business. Adding 6,400 residential units in the area would go a long way to helping Fifth Avenue, the other, BETTER Fifth Avenue in New York City, realize its full potential.

Thank you.
Dear Mr. Lynch:

I am a long time resident and business owner in the Park Slope/Prospect Heights area. I am writing a statement in support of the Atlantic Yards project which I feel has been, and will continue to be a benefit in Brooklyn. I would like the project to be built as quickly as possible and the benefits cannot be realized if there continues to be litigation delaying the project. Below lists just a few examples of the benefits this project will bring to Brooklyn.

Business

- Barclays Center has been a major catalyst for economic development in downtown Brooklyn.
- The entire Atlantic Yards project will continue to bring economic benefits.
- With over 6,400 residential units set to open in the future, many of our local businesses will enjoy a new level of prosperity as well as many families that need affordable housing.

Residential

- I have lived in the neighborhood for over 40+ years and I think this project is needed for Brooklyn. It speaks to the growing needs for jobs, housing, and economic growth that we need to continue.

Housing

- These affordable apartments are important to families in Brooklyn especially now as the population continues to grow and very few developers other than Forest City Ratner are building affordable housing.
- The arena is up and the first affordable residential building is under construction. Now is the time to ride the momentum as opposed to putting up obstacles to the development of Atlantic Yards.
- There is a housing crisis in this city that is going to get worse over the next 20 or 30 years. We need to push for more residential development, both affordable and market rate, not stand in its way.
- The first building is 50% affordable and is going up as we speak. There are more to come both in Phase 1 and Phase 2 of the project. These units are crucial to help address the dearth of affordable housing in Brooklyn.

Jobs

- Atlantic Yards will help generate employment for workers employed for many years. It is a large project, the type of project we need in this city.
• By building Atlantic Yards, a project that will create thousands of union construction jobs, ensuring that many middle class families are able to pay their bills.
• The Atlantic Yards project has brought much needed jobs to Brooklyn with a focus on Community Boards 2, 3, 6, 8 – of which I am on the board (Community Board 6) as well as NYCHA residents.
• Of the 2,000 new jobs created at Barclays Center – 80% of the employees are from Brooklyn, 1/3 are from CBs 2, 3, 6, and 8 and 1/3 are NYCHA residents.
• They have worked to ensure that they have MWBEs being awarded contracts on site and that commitment will continue throughout the project.
• When the project continues there will be more jobs for the community with continuing construction work and the retail on the ground floor of the residential buildings. Brooklyn needs this.

Community Amenities

• The arena has been a wonderful asset to the community. Over 400 community organizations have received tickets to arena events, the arena has a mediation room, and recently applications were made available for local organizations to host community events at the arena.
• There are so many more positive things that will come out in the rest of this project including a community center, health center, and potentially a new school.
• There will be 8 acres of accessible open space. However this will only happen when the project continues.

In closing, as long as there are obstacles in the way all of the benefits of the project will continue to be pushed back. Now that the DSEIS is complete, we encourage an expedited review and approval so that the project and its benefits can be built and provided to the community. It is very important that we do not put any more restraints on this project. It is time to take a step back and let the developer do what they do best, build! If you would like further input please do not hesitate to contact me directly at 718.230.7560 or via email at eladia@eladiaskids.com.

All the best,

Eladia

Eladia Causil-Rodriguez
Owner/CEO, Eladia’s Kids LLC

Eladia’s Kids | 264 Flatbush Avenue/2nd Fl. | Brooklyn, NY 11217
Good Afternoon All.

I am Joseph Coello....President of Brookman Construction....Chair of Brooklyn Voices for Children...and an Executive Board member of the Atlantic Yards Community Benefits Agreement.

I would like to Thank the Empire State Development, Forest City Ratner, and you for allowing me a few moments to speak here today.

I have been an active participant in this Atlantic Yards Project since the signing back in 2005. I have spoken out in favor of this project at many hearings, and have remained active throughout the many years of litigation to stop this project. The continued delays to this project will have an adverse effect on the economic growth of this community. Here's what I do know...

- Barclay Center is alive and well at the corner of Flatbush and Dean
- The work that was done to build it, to the best of their ability, was done by Union workers that resided in Community Boards 2,3,6,8. Many were from NYCHA houses and where possible... several Minority businesses were awarded contracts.
- Barclay Center continues to provide employment opportunities for thousands of Brooklynnites.
- B2-The Housing at the corner of Dean and Flatbush has been started and continues to go forward. The first building is 50% affordable and we will continue to push for it going forward.
- Atlantic Yards will continue to allow for Job creation, affordable Housing and commercial opportunities and I hope that we can continue to move forward.

There is no project of this size without controversy and debate.

Yes, we need jobs and equitable minority participation! Yes, we need affordable housing, for all family sizes? Yes we need Economic growth, and the ability to share in the changes to our community! And yes we need this project to move forward. Now that the DSEIS has been completed, I urge and encourage an expedited review. so that the benefits of this project, that we have all worked long and hard for, can be realized!! Thank you.....
Mr. Derek Lynch  
Empire State Development  
633 Third Avenue, New York, New York 10017

To Whom It May Concern:

As an 11-year resident of Dean Street in the Prospect Heights neighborhood of Brooklyn, less than a block from the Barclays Center Arena and directly adjacent to the Atlantic Yards footprint, I have several questions about the past and the future of my neighborhood:

1) With a project of the scale and cost of Atlantic Yards, with the millions of dollars of subsidies paid by us taxpayers, a project which used the threat and exercise of New York State’s eminent domain to clear the project site, a project which is supposedly a “public-private” partnership, which is projected to take 25 years to complete, which will add 20,000 new residents to the area: if you lived on my block, and had endured the years of demolition and construction, with many years of the noise, dust, disruption and aggravation yet to come, wouldn’t you, too, want oversight and governance of the project that has to answer to your elected representatives? Wasn’t this in the original agreement with Forest City Ratner? Wasn’t this promised years ago? What’s taking so long?

2) If you lived on my block, would you be okay with the way in which Forest City Ratner and its subcontractors continually and willfully ignore city and state laws that govern construction and environmental protection? Wouldn’t you demand that they follow the law and be held accountable when they don’t? I suspect that the continued violation of construction laws and regulations never happens near the Governor’s Mansion nor near the residences of our elected officials.

3) If you represent the people, and if this is truly a “public-private” partnership, why does it often feel as though Forest City Ratner’s interests trump ours?

Crosswell (Tracy) Collins  
545 Dean Street  
Brooklyn, NY
Mr. Derek Lynch  
Empire State Development  
633 3rd Avenue  
New York, N.Y. 10017

Dear Mr. Lynch:

From the time that the Atlantic Yards project was proposed in 2006, the Housing/ULURP committee of Community Board 8 heard all of the complaints from the residents in and around the footprint. To begin with, many residents were not happy that this massive construction project had been designated a state project, and would not be subject to the scrutiny of the ULURP process. Many were horrified that eminent domain would be used to buy out individual homeowners, and that a gag order would be a condition of the sale. After work on the project began, our committee served as a major sounding board for the residents in and around the footprint about all the adverse impacts of the construction, including and not limited to the noise, the dust, the poor air quality, and the rodents. Monthly Atlantic Yards Cabinet Meetings at Brooklyn Borough Hall did not begin until 2010. Those meetings were attended by representatives from the three (3) Community Boards, signatories of the Community Benefits Agreement, Forest City Ratner, the Empire State Development Corporation, elected officials, and neighborhood groups. In spite of the Cabinet meetings, a lot of the monitoring that should have been done by the Empire State Development Corporation (ESDC) was done by the residents themselves. From this point forward, for the next twenty-plus years, I think it is important that ESDC take a much more active, hands-on approach to oversight of this project. An official oversight committee, made up of local residents appointed by our elected officials, would be a step in the right direction.

According to the Executive Summary, Greenland Group Company has agreed “to acquire a 70 percent ownership in the Project (excluding the arena and B2), and will co-develop the Project with Forest City Ratner and its affiliates, and will pay 70 percent of the development costs going forward”. Hundreds of millions of dollars have already been spent by the City and the State for infrastructure improvements, not to mention the tax breaks that have been given to the developer. I remember hearing one of our elected officials ask how much of his own money Ratner had spent. I don’t think that question was ever answered. It looks like all of the money
the developer. I remember hearing one of our elected officials ask how much of his own money Ratner had spent. I don’t think that question was ever answered. It looks like all of the money that has been spent “for development costs” has come from the taxpayers. If our interests had been protected, this bait and switch would not have be possible.

According to the three (3) different construction timetables that are presented in the Executive Summary of the Draft Supplemental Environmental Impact Statement, the construction of the first residential building will not begin until June 2018, however that actual construction began in December 2013 and the last residential building will not be complete until December 2035. It is now May 2014. December 2035 is 21-1/2 years in the future. It is my understanding that the residents of the four (4) Community Boards, 2, 3, 6, and 8 will have preference with regard to the affordable housing. It makes me sad to think that many of these residents, some of whom may have been displaced by the use of eminent domain, may not be alive to move in to these apartments when they are finally completed. (I am not sure if that preference was ever intended to include children and grandchildren.) The first General Project Plan had indicated that the market-rate housing would be built first, prior to the construction of the affordable units. I have not read anything in the most recent document that would lead me to believe that this sequence will change.

Respectfully Submitted,

[Signature]

Nizoni Granville
Chairperson
474 Dean St
Brooklyn NY 11217

May 1st, 2014

Dear sir / madam

We moved our family to a house directly opposite the Barclays Center in June 2013 so write from a perspective of post-stadium completion and pending residential tower construction.

We were initially excited about the premise of modular construction of the residential towers due to the anticipated benefits of reducing construction time and noise. Unfortunately, those benefits do not appear to be being fully realized since it has been reported that the construction of the first tower will now stretch to three years. Additionally, there has been a trade-off between regular construction noise during the daytime and overnight noise, since that is when the modules are delivered to site. This has led to disruptions to our sleep and that of our children.

In addition to the disruptive overnight noise, there are frequently idling construction-related trucks and workers that congregate immediately outside of our door to smoke. Our home was constructed during an era when Dean St was a residential street consisting of row houses and it became obvious that even the more recent double pane windows were inadequate in terms of keeping sound and pollutants out.

We reached out to the community liaisons to raise our concerns, and whilst they appeared to be receptive to them, they indicated that the sanctioned solution was to install double pane windows, which we already had.

We researched strategies to reduce the impacts of external sound and pollutants infiltrating our home and quickly established that a cost effective solution would be to install secondary windows. We followed up with the community liaisons again, but they maintained their position that their company was unable to offer any financial help to mitigate their impacts.

We are excited to see the promised benefits of the completed project, but disappointed by the ongoing delays and the lack of empathy towards the surrounding community during the disruptive build out phase. It is our belief that independent oversight of the project would help to mitigate these concerns by providing an escalation path. We hope that you agree and will consider this important change.

Sincerely,

Richard & Angela Dalton
Monday, May 12, 2014

**A second look at state’s 2006 analysis of Atlantic Yards displacement: they got it wrong multiple ways (after fixing the most glaring error)**

Also see [analysis of the impact of a delayed buildout on indirect displacement](http://www.empirestateplans.com/2014/05/30/analysis-of-the-impact-of-a-delayed-buildout-on-indirect-displacement/).

Sloppy me.

On 7/26/06, analyzing the *Socioeconomic Conditions* chapter of the Draft Environmental Impact Statement—the first major document dump regarding Atlantic Yards—I found a major flaw in the state’s claim that the project would not cause people to lose their apartments because of rising rents (aka gentrification).

I didn’t check a few months later to see how, in the *Final* Environmental Impact Statement, Empire State Development Corporation (now known as ESD), revised the analysis, essentially acknowledging the flaw but finding a different way to reach the desired conclusion.

The upshot: after misleadingly claiming that the housing in Atlantic Yards would be similar in affordability to the housing already in the ¾-mile study area, ESD instead said the new housing would not “substantially change” the socioeconomic profile of the area.

Maybe, but those are two very different things, since there’s a lot of dilution possible in an area with more than 130,000 people.

Also, as I describe below, “substantially change” contains a lot of wiggle room. Atlantic Yards was projected to be part of a 56% increase in the wealthiest cohort, compared with the study area as of 2000.

That didn’t count for the state’s analysis.

Rather than compare the results with Atlantic Yards with the baseline in 2000, they compared it with the scenario, given ongoing gentrification, if the project wasn’t built. In that estimate, the Atlantic Yards buildout would cause a 19% increase in the wealthiest cohort. That wasn’t deemed substantial.

The environmental review was the product of the ubiquitous firm AKRF, whose Atlantic Yards tab is now [some $7.7 million](http://www.empirestateplans.com/2014/05/30/analysis-of-the-impact-of-a-delayed-buildout-on-indirect-displacement/). As it happened, AKRF vastly underestimated the pace of gentrification, as I show below.

**Recapping the analysis**

As I [wrote](http://www.empirestateplans.com/2014/05/30/analysis-of-the-impact-of-a-delayed-buildout-on-indirect-displacement/), the DEIS said there wouldn’t be indirect residential displacement, in part because of ongoing gentrification threatening the 2929 households potentially at risk, because new housing units could relieve market pressure, and because most of the at-risk households would be more than a half-mile away.

It said “existing upward trends in residential property values and incomes in the study area indicate that the at-risk population is likely to decrease in the future with or without the proposed project.”

Indeed, rents in Prospect Heights and Bedford Stuyvesant—the two subareas containing a majority of the households identified as potentially at risk of indirect displacement—rose by some 25 percent between 1990 and 2000, and rents were still rising.

The fourth reason, however, didn’t pass the laugh test:

> … the housing introduced by the proposed project would be similar in tenure (owner vs.
A second look at state’s 2006 analysis of Atlantic Yards

With Draft SEIS, AKRF tab for Atlantic Yards rises...

Brooklyn real estate update: “It feels like 2005 a...

From The Hunt: couple leaves Barclays Center area,....

Forest City’s strategy in trainees’ lawsuit? Blame....

“Playoffs For Brooklyn” : how Nets promotion merges....

Forest City: despite B2 delay “disappointment,” st...

Calculation behind charity? Despite scandal, Ratne...

Forest City: arena revenues jump, B2 delay won’t h...

Looking at de Blasio’s housing plan: much potenti...

Rendering emerges for Pacific Street building adja...

As de Blasio announces affordable housing plan, A...

If land value skyrockets and Forest City already (... Goldstein on the divide at the hearing: “to call u...

Blight? Draft SEIS admits what everyone knew in 20...

Barclays Center May 2014 event calendar depends on...

Columnist Grenell: de Blasio has traded Bloomberg’...

“Snow-white Temples of Industrial Cleanliness”: Wa...

ESD CEO Adams: Draft SEIS testimony helpful; nonco...

At hearing on environmental review, some surface c...

► April (50)
► March (45)
► February (50)
► January (53)
► 2013 (654)
► 2012 (1075)
► 2011 (981)
► 2010 (901)
► 2009 (1171)
► 2008 (787)
► 2007 (628)
► 2006 (513)

Documents, Links, Articles

ESDC’s Atlantic Yards site
No Land Grab news/blog coverage
Barclays Center site
Forest City Ratner
Develop Don’t Destroy Brooklyn
Tracy Collins’s AY photos
Noticing New York
Predecessor blog TimesRatnerReport
9/05 Report on New York Times coverage
Council of Brooklyn Neighborhoods
BrooklynSpeaks
Neil deMause interviews
Responses to Errol Louis
The Footprint Gazette
Atlantic Yards Lexicon

The affordability claim was easily disprovable, as I wrote. The DEIS listed the median household income for that ¾-mile study area as $46,208, based on the 2000 census. A rise since then by 10% to 2006 would bring the median income to about $50,000. (A 20% rise would go to $55,450.)

However, households earning $50,000 (or $55,000) would have a chance at only 16 percent of the 6860 apartments then planned for the project.

(Later that year, a trim in the project cut the number of market-rate units to 4180, thus giving households earning $50,000 and under a slightly better shot, 17.5%.)

Statistical leaps

How did the DEIS reach such a wrongheaded conclusion? Its writers produced a curious formulation:

The distribution of affordable and market rate rental units would also be similar on the proposed project site and in the ¾-mile study area. A housing unit is generally considered “affordable” if the household occupying it pays 30 percent or less of its income towards housing costs. As of the 2000 Census, approximately 59 percent of all renter households in the ¾-mile study area were spending less than 30 percent of their household income on housing costs. This is similar to the proportion of affordable units planned as part of the proposed project.

Yes, 50 percent of the project rental units would be affordable. (Is that similar to 59 percent? Not quite.)

But that doesn’t mean they’d be affordable to the same group of people. If the median household income in the study area was $50,000, the affordable rents back then were much lower than the affordable rents that most Atlantic Yards renters would pay.

The segment concluded:

In tenure, affordability, and apartment size, the housing stock introduced by the proposed project would be similar to the housing stock in the broader ¾-mile study area. This indicates that the socioeconomic characteristics of the new population (e.g., in household income and household size) would be similar to the characteristics of the population living in the broader ¾-mile study area. While, therefore, the proposed project would introduce a substantial new population, that population would not be markedly different in its socioeconomic profile than the existing population, which would eliminate one of the underlying conditions for indirect residential displacement.

Actually, evidence suggested household income would be different, not similar.

By ignoring income figures and relying on affordability as a proxy for income, the DEIS misread “indirect residential displacement.”

Another deception

I missed an additional deceptive claim in the Draft EIS:

(All bold emphases added)

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Another deception

I missed an additional deceptive claim in the Draft EIS:

(All bold emphases added)
Finally, the size of the units introduced by the proposed project (defined by number of bedrooms) would be similar to the existing housing stock in the ¾-mile study area. Under either of the proposed project’s variations, 50 percent of the 2,250 affordable rental units would be studios and one-bedroom apartments and 50 percent would be two- and three-bedroom apartments. According to the 2000 Census, 53 percent of the rental units in the ¾-mile study area are studios and one-bedroom apartments, and 43 percent are two- and three-bedroom apartments. (The remaining 6 percent of apartments have 4 or more bedrooms.) In tenure, affordability, and apartment size, the housing stock introduced by the proposed project would be similar to the housing stock in the broader ¾-mile study area.

Actually, 50% of the affordable rentals, in floor area, were supposed to be two- and three-bedroom units, as acknowledged in the Executive Summary of the Draft EIS (p. S-4) and as a goal in the Community Benefits Agreement.

But family-sized units are larger than studios or one-bedroom apartments.

Even if that 50% floor area goal were met, I estimated in August 2006, only 36% of the units would be two- and three-bedroom units. That’s way different than the 49% family-size units as noted in the census.

As we now know, that 50% goal is far off in the first tower, though Forest City’s housing partner says the next buildings will have a better ratio.

So, actually, it was wrong to say the new Atlantic Yards housing stock introduced would be similar in terms of affordability and apartment size.

The revision, massaged

The Socioeconomic Conditions chapter of the Final Environmental Impact Statement, issued in November 2006, made a small but crucial change:

Similarities between the proposed project housing mix and the housing mix currently present in the ¾-mile study area indicate that the proposed project would not substantially change the socioeconomic profile of the study area.

Note that “not substantially change the socioeconomic profile of the study area” is not the same thing as saying, as in the Draft EIS, that “the socioeconomic profile of the new residents would not be markedly different from the profile of existing residents.”

The likelihood that Atlantic Yards would not substantially change the profile of the study area had more to do with ongoing gentrification than a similarity between the new Atlantic Yards households and the existing cohort of residents.

From the Draft EIS:

As described earlier under the preliminary assessment for indirect residential displacement, one of the conditions that can cause indirect residential displacement is if a proposed project would introduce a population with socioeconomic characteristics that are different than the characteristics of the existing population. Although it is impossible to predict the exact demographic characteristics of the households that would move to the project site under the proposed project, an assessment of the proposed housing mix indicates that the new population would not have markedly different socioeconomic characteristics than the existing population in the ¾-mile study area or the population expected to be in place in the study area by 2010 and 2016.

The Final EIS, with underlining in the original to indicate changes, used the wiggle word “substantial” and stated:

As described earlier under the preliminary assessment for indirect residential displacement, one of the conditions that can lead to indirect residential displacement is if a proposed project would introduce a substantial new population with different socioeconomic characteristics compared to the size and characteristics of the existing population. Although it is impossible to predict the exact demographic characteristics of the households that would move to the project site under the proposed project, an assessment of the proposed housing mix and the anticipated incomes for the new households indicates that the introduction of the new population would not lead to substantial shifts in the overall socioeconomic profile of the study area.

That ignores the existing population and focuses on the new population. In other words, adding some 13,500 new residents would not lead to substantial shifts in a study area that included 130,057 people.
That may be debated—see below—but that’s not the same as the claim in the earlier document.

The Final EIS maintained the deceptive statement about the size of units:

The size of the units introduced by the proposed project (defined by number of bedrooms) would also be similar to the existing housing stock in the ¼-mile study area.

The Final EIS continued to say that “the distribution of affordable and market rate rental units would be similar on the proposed project site and in the ¼-mile study area,” given that 59 percent of renter households in the ¼-mile study area were spending less than 30% of their household income on housing costs.

“This is similar to the proportion of affordable units planned as part of the proposed project,” the Final EIS stated. (Actually, a decline from 59% to 50% represents a 15% reduction.)

Change in percentage points minor, rise in percentage not so minor

The document compared the probable impacts of Atlantic Yards with the impacts without the project and concluded that there would be little difference in the proportion of households in each income group.

Yes, the number of lower- and moderate-income households would decline a bit, but the overall tides of gentrification would muddy everything. It stated:

At the same time, while the number of households earning over $100,000 (representing, in 1999 dollars, households in market rate housing units) would increase by approximately 33 percent, these higher-income households would represent a similar share of total study area households in the future without the proposed project and the future with the proposed project. In total, the estimated share of households earning over $100,000 would increase by 4 percentage points, from 21 percent to 25 percent of study area households. Such relatively small shifts in the distribution of households across income bands would not be enough to substantially alter the socioeconomic character of the study area.

Hold on. There’s a difference between percentage used to represent fractional share of the total, and a percentage increase.

I’m not sure where they get 33%.

An increase in the wealthiest cohort from 16% to 21%—see chart at right—may be five percentage points, but represents a 31% increase.

An increase from 16% to 25%, or nine percentage points, means a 56% increase.

Even the increase of four percentage points, from 21% to 25%, represents a 19% increase from the base.

That’s what they called “relatively small.”

The conclusion (underlining in the original, bolding added by me):

**Similarities between the proposed project housing mix and the housing mix currently present in the ¼-mile study area indicate that the proposed project would not substantially change the socioeconomic profile of the study area. As described above, the housing stock introduced by the proposed project would be similar in tenure, size, and affordability to the housing stock in the broader ¼-mile study area, indicating that the socioeconomic characteristics of the new population (e.g., in household income and household size) would not be markedly different from the characteristics of the**
Kucinich’s (first) hearing on Yankees
State Senate on eminent domain
EIS appeal hearing
Brodyks on Yankees deal
ESDC gets “brutally weird”
FCR to CB8
“Brooklyn South”
Crain’s recognizes reality
Departed Stuckey in Brooklyn book
Looking back at DEIS hearing
Urban Room rebranded?
The missing market study
ESDC mystery re utility work
Ratner to shareholders
ESDC fib to feds
Discount on Yard price?
A (West Side) Stadium Story
Supreme Court says no
Marty on density
IRS “loophole”
Post-Kelo conference
NYPD on ejection incident
“Brooklyn Day” rally
ESDC on timetable
Brodyks on West Side Stadium
FCE report—NYT mag?
Gehry’s B1 charade
Arena 12/31/10?
Decoding timetable p.r.
Bruce: 2018
Dueling raffles
City Funding Agreement
State Funding Agreement
CBA brochure
Miss Brooklyn cuts
Affordable housing delay
Fairway vs. Whole Foods
FCR gift to “slush fund”
FCR admits lie
Eminent domain appeal
Brooklyn Was Mine
Blight vanishes
Blight dodge
Madden decision
Ombudsman appears
PlanNYC 1950 parking
Arena, 2011
Doctoroff on ULURP
Ratner on WNYC
“Absurd” process
MAS posture
Security study
Times “rowback”
Setbacks revealed
de Blasio’s due diligence
BrooklynSpeaks oversight
Newark closes streets
UNITY plan
Con Ed increase
“Affordable”/costly
Columbia expansion
Garafis decision
Ward Bakery follow-up
“The Burrow”

population living in the broader ¼-mile study area. Furthermore, a comparison of the anticipated income distribution for households introduced by the proposed project to the current (2000) and future (2016) income distribution in the ¼-mile study area indicates that shifts in the distribution of households across income brackets would be small and would not substantially affect the overall socioeconomic character of the study area.

Actually, the new housing stock would not be the same size.

Would it be similarly affordable? It didn’t look that way to me.

As to whether the shifts in income distribution would not “substantially affect the overall socioeconomic character,” well, would a 19% increase be meaningful?

Now, where are we?

As shown in the Draft Supplementary Environmental Impact Statement issued at the end of March 2014, the socioeconomic profile has already shifted significantly.

Table 4A-8 Comparison of Study Area Households by Income Band: 2011 and 2035 Without Phase II

<table>
<thead>
<tr>
<th>Household Income</th>
<th>2011 Households</th>
<th>Percent of Total</th>
<th>2035 Without Phase II Households</th>
<th>Percent of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0-$14,999</td>
<td>8,158</td>
<td>13.5%</td>
<td>0</td>
<td>11.7%</td>
</tr>
<tr>
<td>$15,000-$29,999</td>
<td>6,761</td>
<td>11.2%</td>
<td>147</td>
<td>9.9%</td>
</tr>
<tr>
<td>$30,000-$34,999</td>
<td>2,142</td>
<td>3.5%</td>
<td>147</td>
<td>3.3%</td>
</tr>
<tr>
<td>$35,000-$59,999</td>
<td>989</td>
<td>16.4%</td>
<td>1,071</td>
<td>15.7%</td>
</tr>
<tr>
<td>$60,000-$74,999</td>
<td>535</td>
<td>8.9%</td>
<td>187</td>
<td>7.9%</td>
</tr>
<tr>
<td>$75,000-$99,999</td>
<td>726</td>
<td>12.0%</td>
<td>468</td>
<td>11.0%</td>
</tr>
<tr>
<td>$100,000+ (market rate)</td>
<td>28,453</td>
<td>40.7%</td>
<td>28,453</td>
<td>40.7%</td>
</tr>
<tr>
<td>Total</td>
<td>60,363</td>
<td>100.0%</td>
<td>69,922</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

Notes: 1. Dollar values are presented in constant 2011 dollars. Household income bands are based on 2007–2011 ACS data.
Income groups were best matched to the income bands that would be applied to the Phase II affordable housing units developed under the Extended Build-Out Scenario.

2. Assumes that 80 percent of these units exclusive of the Phase I units (6,166) would be market rate and 20 percent (1,541) would be affordable, and that approximately 76 percent of the Phase I units (1,443) would be market rate and approximately 24 percent (479) would be affordable. Assumes that the income requirements for affordable units built in the future in the study area would be similar to the income requirements for the Project’s affordable (see Table 4A-10). The information presented in the Future Without Phase II columns does not account for the potential for future increases in the income levels of residents in existing residential units in the study area.


Though the Final EIS in 2006 predicted that, without Atlantic Yards, the percentage of households in the lowest income band would be 18% by 2016, the share had already dropped to 13.5% by 2011.

The second lowest income band was estimated to be 14% by 2016; it’s already 11.2%.

The next highest income band was estimated at 5%; it’s now 3.5%.

The next highest income band, from $35,000 to $59,999, was estimated at 22%; it’s dropped to 10%.

The next highest income band, from $60,000 to $74,999 was estimated at 10%; it’s dipped to 8.9%.

The next highest income band, from $75,000 to $99,999, was estimated at 10%; it’s nudged up to 12%.

In the top income band, households earning $100,000 or more (which now includes some eligible for subsidized units), were estimated to represent 21% of the total in 2016.

Instead, they make up 34.5%.

Yes, there’s a difference between using constant 2011 dollars, as in the current study, and 1999 dollars, as in the previous one. But it’s clear that the disproportionate growth among the wealthiest cohort exceeds what was predicted.

It’s a reminder that these exercises, however steeped in statistics, can be quite inexact. And that gentrification far outpaced what was officially expected.
Monday, May 12, 2014

What delayed buildout means: Atlantic Yards was supposed to stem the tide of gentrification. Instead, it pretty much surfs it.

The deadline for comments on the Draft Supplemental Environmental Impact Statement is today. Also see coverage of the 2006 analysis of displacement.

The delay in delivering affordable housing may be the biggest flashpoint, and biggest headache, for Empire State Development (aka Empire State Development Corporation), the state agency overseeing/shepherding the Atlantic Yards project.

Affordable housing was the project’s biggest selling point, as promoted by developer Forest City Ratner in the flyer excerpted at right.

Given the choice of people pictured, the flyer seems to have been pitched mainly at black Brooklynites, whose ranks in the neighborhoods near the Atlantic Yards site have been steadily decreasing and may have placed significant hope in the project.

Now, the extension of the project deadline from a long-professed ten years to a potential 25 years means that such housing slips away for two reasons.

Not only might residents lose their unregulated apartments as rents rise over time, they become less likely to qualify for subsidized units as the rise in Area Median Income (AMI), the index for affordability, outpaces their incomes.

After all, the wealthiest cohort of households in the ¾-mile study area has already more than doubled, from 16% of the population in 2000 to 34.5% of the population in 2011.

It sure sounds like a problem.

Oddly enough, in the court-ordered Draft Supplemental Environmental Impact Statement (Draft SEIS), that common-sense conclusion—that Atlantic Yards might contribute to “indirect residential displacement”—gets waved aside.

All this validates Forest City Ratner’s strategy, which was to over-promise, saying it could build the project in ten years, with affordable housing and union labor. The developer faces no penalties for such promises.

Later, CEO Bruce Ratner claimed that ten years was never supposed to be the timetable. He also claimed that high-rise project with union labor and affordable housing was financially untenable.

Now, with a new joint venture partner/overseer, the Chinese government-owned Greenland Group, Forest City (echoed by ESD) says Atlantic Yards may proceed much closer to the initial timetable. But
At hearing on environmental review, some surface:

ESD CEO Adams: Draft SEIS testimony helpful; "Snow-white Temples of Industrial Cleanliness": Columnist Grenell: de Blasio has traded Barclays Center May 2014 event calendar depends Blight? Draft SEIS admits what everyone knew in the divide at the hearing: "to call u... If land value skyrockets and Forest City already asthma for the Pace of benefits... As de Blasio announces affordable housing plan, and near the pace of benefits... Goldstein on the divide at the hearing: "to call u... Blight? Draft SEIS admits what everyone knew in 20... Barclays Center May 2014 event calendar depends on... Columnist Grenell: de Blasio has traded Bloomberg... "Snow-white Temples of Industrial Cleanliness": Wa... ESD CEO Adams: Draft SEIS testimony helpful; nonco... At hearing on environmental review, some surface c...  
▶ April (50)  
▶ March (45)  
▶ February (50)  
▶ January (53)  
▶ 2013 (654)  
▶ 2012 (1075)  
▶ 2011 (981)  
▶ 2010 (901)  
▶ 2009 (1171)  
▶ 2008 (787)  
▶ 2007 (628)  
▶ 2006 (513)  

Documents, Links, Articles

ESDC's Atlantic Yards site  
No Land Grab news/blog coverage  
Barclays Center site  
Forest City Ratner  
Develop Don't Destroy Brooklyn  
Tracy Collins's AY photos  
Noticing New York  
Predecessor blog TimesRatnerReport  
9/05 Report on New York Times coverage  
Council of Brooklyn Neighborhoods  
BrooklynSpeaks  
Neil deMause interviews  
Responses to Errol Louis  
The Footprint Gazette  
Atlantic Yards Lexicon

the state has imposed no new deadlines.

Surfing gentrification

How does the displacement problem get swept away? Empire State Development says a delay in public benefits does not determine significant adverse environmental impacts.

So they don't have to compare a ten-year buildout with a 25-year buildout. (The review was ordered to analyze the impacts of a 25-year buildout, which ESD failed to do when it approved the project in 2009, thus misleading the public.)

They do compare the 25-year buildout with the claimed likely scenario should Phase 2 of Atlantic Yards not be built. And, because the results would be fairly similar, they say it's no big deal.

Translation: Atlantic Yards was supposed to stem the tide of gentrification. Instead, it pretty much surfs it.

That, actually, was the claim in 2006, as well. It's even more glaring now, since the ride could take much longer.

Advocates in a bind

The new delay has put Atlantic Yards proponents like Bertha Lewis, who as leader of New York ACORN signed the affordable housing deal, in something of a bind.

"If I could stop one iota of gentrification, I'll do it," Lewis declared 2/28/06, explaining her decision to support a project that bypassed local review, used eminent domain, and--critics would say--was out of scale and extremely dense.

After all, supporters' reasoning went, Atlantic Yards would produce more subsidized housing than the Downtown Brooklyn rezoning and other developments in nearby neighborhoods, the product of a city government that cared more about building than about equity.

But their partnership with Forest City Ratner means they don't criticize the developer's contribution to the delay. Rather, Lewis has echoed Forest City's talking points in blaming project opponents, critics, and neighbors.

That's produced the curious, not-quite-consensus in which the latter push for the project to be built within the promised ten years, while Lewis and project supporters urge hands off the developer.

The meaningless of time

In December 2010, I called it “the meaninglessness of time.” As summarized by a judge, the ESD had claimed that “Whatever the pace may be for the delivery of the many public benefits of the Project, the nature of those benefits remains the same.”

Buy the pace of benefits can, in fact, change their nature: surely affordable housing, tax revenues, and blight removal mean more in a decade than if they take 25 years.

The SEIS scope: denial

In comments on the Scope for the SEIS, the ESD was asked directly about the delay. Terry Urban of the Council of Brooklyn Neighborhoods/East Pacific Street Block Association cited the belief that “the impacts of delayed benefits will be shown to be appreciably different over 25 years than the 10-year assumptions provided.” (See Comment 28.)

The response: a project's socioeconomic benefits "are not the subject of a CEQR [City Environmental Quality Review] analysis of potential significant adverse impacts, and in general, the delay in the provision of public benefits announced and/or promoted by a project sponsor is not a determining factor in assessing significant adverse environmental impacts.”

Huh?

Delayed benefits would be addressed only “if those benefits were mitigating factors precluding a significant adverse socioeconomic impact where one otherwise would have been disclosed.”

That's a mouthful.

Apparently, as long as those benefits did not serve as mitigations to preclude a significant adverse
socioeconomic impact, well, they don't count. And, at least for the purposes of the environmental review, they weren't.

But, in lay terms, the affordable housing was pitched as a mitigation: it was supposed to stem the tide of gentrification. That's exactly what Forest City Ratner and its partners pledged in the 2005 Community Benefits Agreement: affordable housing was aimed to “stem the growing trend of displacement through gentrification in Brooklyn.”

VI. HOUSING

A. PURPOSE. The Developer and the Coalition will cooperate to implement long-term affordable housing in the residential portion of the Project in order to stem the growing trend of displacement through gentrification in Brooklyn.

Nor does the SEIS study the impact on particular racial/ethnic groups--an issue for those who see gentrification as displacing longstanding black residents. Rather, it looks at income.

According to the Final Scope for the SEIS:

The analysis will focus on whether changes in background condition by 2035 and the introduction of the Phase II Program over an extended period of time would result in new or different significant adverse socioeconomic impacts as a result of... indirect displacement of residential population in the study area...

The answer, as described below, is no.

The decision not to compare the delayed buildout with a faster one makes that answer easy. So too does the decision--as I describe below--to ignore both the affordability of the new units and their size.

At the hearing, a warning

At the 4/30/14 public hearing to accept comments on the Draft SEIS, Michelle de la Uz, executive director of the Fifth Avenue Committee (a founding member of BrooklynSpeaks, which along with Develop Don't Destroy Brooklyn won the lawsuit that led to the court-ordered review), cited the need to create affordable housing before it’s too late.

“...The DSEIS specifically indicates that the impact of the delay as a result of the 25-year extended buildout scenario that FCRC proposed and ESDC approved will not be studied,” she said. “As everyone knows, over 1900 of 2250 the affordable units, by far the biggest benefit in many people's eyes, is in Phase 2 of the project.” (Actually, there's a minimum for Phase 1, but there could be more units.)

Though ESD and Forest City has made public statements about accelerating the housing, de la Uz said, they have not committed to a specific timetable.

Michelle de la Uz at Draft SEIS hearing

"The agreement which dictates how much time they have to build the housing, including the affordable housing, continues to maintain that they have until 2035, or later, to complete Phase 2 of the..."
“Gentrification and displacement pressures in Community Boards 2, 3, 6, and 8 have increased to alarming rates recently, partly due to the Atlantic Yards project... and the arena being built,” she continued.

de la Uz quoted the Draft SEIS about “dramatic increases” within the ¼-mile study area, and said that’s having a dramatic impact on the low- and moderate-income population at risk of displacement.

(“BrooklynSpeaks has long asked for the subsidized housing to be more affordable to Brooklynites. It also originally asked that two-thirds of the affordable housing be completed in ten years.)

“Despite that statement, the ESDC refuses to study how the combination of the increases in rents and the delay in providing the affordable housing impacts specifically racial and socio-economic groups,” de la Uz said. “That refusal, combined with ESDC’s longstanding inability to hold the project publicly accountable, demonstrates a total disregard for the public interest.”

People are facing eviction and displacement today, de la Uz said. “We cannot wait for the provision of affordable housing. We must be sure that the disparate impact that’s happening, and has been happening for the last several years, is mitigated immediately.”

As noted by BrooklynSpeaks before the hearing:

It’s not surprising that Atlantic Yards Draft Supplemental Environmental Impact Statement tells us that rents are increasing at a breakneck pace in areas around the project site (up 28% between 2000 and 2011), or that those neighborhoods are becoming far less diverse (the African American population decreased from 48.1% to 33.6% between 2000 and 2010)...

What is shocking is that the Empire State Development Corporation uses those numbers to justify a delay completing Atlantic Yards from 10 to 25 years. Its SEIS implies since gentrification is happening anyway, waiting another generation for the project—and its promised affordable housing—won’t hurt.

And it sounds like Forest City Ratner has forgotten its 2005 pledge in the Community Benefits Agreement to provide affordable housing at Atlantic Yards to “stem the growing trend of displacement through gentrification in Brooklyn.”

Looking more closely

Before I get to the reasoning, let’s look at Chapter 4A of the Draft SEIS, Operational Socioeconomic Conditions, and a few graphics.

The first map shows the three-quarter mile study area, which extends east to Crown Heights and Bedford-Stuyvesant, north to Fort Greene, and west to Gowanus/Cobble Hill.
The map below describes the census tracts, in gray, with a potentially vulnerable populations. Note that none are adjacent to the Atlantic Yards site.

The third map charts recent residential developments (cross-hatched in gray) and lists numbered “No Build Projects” expected to be built no matter what. (The numbers are keyed to a list elsewhere in the SEIS, not to the number of units.)
The analysis

The document states:

Similar to the conclusions in the 2006 FEIS, this SEIS analysis finds that the Extended Build-Out Scenario would not result in significant adverse impacts due to indirect residential displacement.

It cites the 2006 FEIS conclusions (in italics below), then assesses how their validity in light of the Extended Build-Out Scenario.

1) The 2006 FEIS stated that the number of at-risk households in the study area had been decreasing and would probably continue to do so without the Project, concluding that it was probable that the number of at-risk households in the study area in 2010 and 2016 would be substantially lower.

Because this trend has continued, says ESD, it’s reasonable to assume that the number of at-risk households has decreased, and will continue to decrease “in the future independent of the development of Phase II under the Extended Build-Out Scenario.”

Sure, but that answer ignores whether a faster buildout would be beneficial.

2) In 2006, similarities between the Project housing mix and the housing mix present in the 3/4-mile study area indicated that the Project would not substantially change the socioeconomic profile of the study area.

The answer here is both deceptive and evasive:

While background income conditions have changed since the 2006 FEIS, and would be different in 2035 as compared with 2016, the SEIS analysis indicates that the housing stock introduced by the Extended Build-Out Scenario would continue to be similar in tenure to the housing stock in the broader 3/4-mile study area. Phase II under the Extended Build-Out Scenario would add a higher proportion of affordable units than would be expected to be added to the study area in the Future Without Phase II (approximately 36 percent as compared with a 20 percent estimate for other development). The anticipated income distribution of households introduced by Phase II of the Project would not shift the distribution of households across income brackets such that the overall socioeconomic character of the study area would change significantly. Further, in the Future Without Phase II, no affordable units would be added to the Phase II project site.

(Emphases added)
There's been a key shift of emphasis. In 2006, the FEIS claimed:

the housing stock introduced by the proposed project would be similar in tenure, size, and affordability to the housing stock in the broader ¾-mile study area, indicating that the socioeconomic characteristics of the new population (e.g., in household income and household size) would not be markedly different from the characteristics of the population living in the broader ¾-mile study area.

Now the only claim regards tenure--i.e., the percentage of rentals.

In other words, ESD acknowledges implicitly that the Atlantic Yards housing stock would not be similar in size (there would be more smaller units) nor affordability (it would be less affordable).

But the area is large enough so the "overall socioeconomic character" wouldn't change significantly, (I'll look more closely at that below.)

As for "no affordable units" without the project, well, wouldn't it be likely that housing built as part of a government-subsidized project would include affordable units?

3) The 2006 FEIS stated that the substantial number of housing units to be added by the Project could serve to relieve market pressure in the study area by absorbing housing demand that might otherwise be expressed through increases in rents.

This is a tough one. After all, the delay in the completion of Phase II housing, the Draft SEIS is forced to acknowledge, would not, in the near term, "provide a supply of housing that could serve to relieve this market pressure."

But the delay would not have "short- or long-term significant adverse impacts on future housing market conditions in the study area," because the market is going up and there's additional housing supply that "would reduce any adverse effects of the delay in completion of Phase II housing units.

Really? Most would be market-rate, and such units don't reduce adverse impacts of fewer subsidized units, not unless there's a huge increase in supply.

Also, says ESD, the residential units in Phase 2 "could still serve to relieve upward rent pressure in the study area" and there's a required mix of 50% affordable units.

4) The 2006 FEIS stated that most identified at-risk households were more than 1/2 mile from the project site, and separated from the project site by intervening established residential communities with upward trends in property values and incomes and active commercial corridors.

The current analysis:

Trends indicate that intervening established neighborhood and commercial corridors cited in the 2006 FEIS have become even more established and would continue to limit the potential for the proposed residential development in Phase Il of the Project to affect rental rates in tracts containing potentially vulnerable populations.

That's confusing, because more established commercial corridors would presumably attract new development and businesses, thus nudging those already marginal further away.

The SEIS does says that Inclusionary Housing Program Areas now in the study area "would protect affordable housing added or preserved under this program from market-driven rent pressures." We don't know how it's working.

A deeper look

The SEIS acknowledges ongoing gentrification, that "some of the most dramatic increases in income, home values, and rental rates have occurred in areas within the 3/4-mile study area that were identified in the 2006 FEIS as having low- and moderate-income population potentially at-risk of indirect displacement," including portions of Prospect Heights, Clinton Hill, Downtown Brooklyn, and Bedford-Stuyvesant.

There's been a steady, though small, increase in population in the study area, likely due the relatively small amount of new building and--I'd bet--the increase in the amount of space smaller households claim.

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 4A-1 Population: 1990–2010
Demographic change

The document cites a racial reversal over ten years in the 3/4-mile study area, with the white population growing from 34.7% to 50%, and the black population declining from 48.1% to 33.6%:

As shown in Table 4A-2, in 2010, the largest proportion of study area residents were White (50.0 percent). Since 2000, the African American population declined in all subareas in the 3/4-mile study area, and most dramatically in Prospect Heights, Clinton Hill, and Bedford-Stuyvesant. Minority residents represented 56.4 percent of the total study area population in 2010, as compared with 71.3 percent in 2000.

Table 4A-2 Race and Ethnicity: 2000 and 2010

<table>
<thead>
<tr>
<th>Area</th>
<th>White</th>
<th>African American</th>
<th>Asian</th>
<th>Other</th>
<th>Hispanic or Latino</th>
<th>Total Minority</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>'00</td>
<td>'10</td>
<td>'00</td>
<td>'10</td>
<td>'00</td>
<td>'10</td>
</tr>
<tr>
<td>Bedford-Stuyvesant</td>
<td>4.7</td>
<td>22.1</td>
<td>63.5</td>
<td>3.0</td>
<td>10.2</td>
<td>5.5</td>
</tr>
<tr>
<td>Boerum Hill</td>
<td>52.9</td>
<td>65.1</td>
<td>24.3</td>
<td>16.9</td>
<td>18.8</td>
<td>6.5</td>
</tr>
<tr>
<td>Clinton Hill</td>
<td>18.8</td>
<td>68.6</td>
<td>47.9</td>
<td>4.5</td>
<td>8.4</td>
<td>2.9</td>
</tr>
<tr>
<td>Downtown Brooklyn</td>
<td>19.5</td>
<td>37.1</td>
<td>56.6</td>
<td>38.1</td>
<td>15.3</td>
<td>6.2</td>
</tr>
<tr>
<td>Fort Greene</td>
<td>21.5</td>
<td>56.2</td>
<td>61.7</td>
<td>45.8</td>
<td>14.6</td>
<td>6.1</td>
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<tr>
<td>Gowanus</td>
<td>47.1</td>
<td>56.3</td>
<td>25.8</td>
<td>24.2</td>
<td>24.5</td>
<td>9.8</td>
</tr>
<tr>
<td>Park Slope</td>
<td>68.4</td>
<td>76.3</td>
<td>14.5</td>
<td>9.1</td>
<td>12.1</td>
<td>3.6</td>
</tr>
<tr>
<td>Prospect Heights</td>
<td>22.7</td>
<td>43.2</td>
<td>61.6</td>
<td>40.4</td>
<td>11.5</td>
<td>4.6</td>
</tr>
<tr>
<td>3/4-mile Study Area Total</td>
<td>34.7</td>
<td>50.0</td>
<td>48.1</td>
<td>33.6</td>
<td>41.6</td>
<td>8.3</td>
</tr>
<tr>
<td>Brooklyn</td>
<td>41.2</td>
<td>42.8</td>
<td>36.4</td>
<td>34.3</td>
<td>14.8</td>
<td>11.8</td>
</tr>
<tr>
<td>New York City</td>
<td>44.7</td>
<td>44.0</td>
<td>26.6</td>
<td>25.5</td>
<td>18.9</td>
<td>17.0</td>
</tr>
</tbody>
</table>

Notes: 1. White, Black, Asian, and Other population may include Hispanic residents (see note 3).
2. Census Tract boundaries have changed since Census 2000 and the 3/4-mile study area for 2010 (which is used for the 2007–2011 ACS) is slightly larger than the 3/4-mile study area for 2000 presented in the 2006 FEIS. According to RPAD data, the 2010 study area contains 686 more residential units than the 2000 study area, in the Bedford-Stuyvesant and Boerum Hill subareas. The boundaries of some subareas have also changed since the 2000 Census: the 2010 Downtown Brooklyn subarea contains two blocks of the 2000 Fort Greene subarea; the 2010 Clinton Hill subarea contains five blocks of the 2000 Bedford-Stuyvesant subarea; and the 2010 Gowanus subarea contains one block of the 2000 Boerum Hill subarea.
3. As a result of the 1990 Census categories, the 1990 Census Categories of “Asian Alone” and “Native Hawaiian and Other Pacific Islander Alone” were combined into “Asian” and the categories of “American Indian and Alaska Native alone,” “Some other race alone” and “Two or more races” were combined into “Other.”
4. The Hispanic or Latino category consists of those respondents who classified themselves in one of the several Hispanic origin categories in the Census questionnaire. People of this ethnic group may be of any race.
5. The total minority population includes residents of all races and ethnic groups except non-Hispanic Whites.


Household characteristics: smaller families

The document shows that the average household size of 2.14 persons per household is lower than the average household size for Brooklyn and New York City as a whole, and has steadily decreased.
That's likely due to the increase of singles and couples in new units in neighborhoods like Downtown Brooklyn as well as the desire for more space among those better off.

### Table 4A-3 Household Characteristics: 1990-2010

<table>
<thead>
<tr>
<th>Area</th>
<th>Total Households</th>
<th>Average Household Size</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bedford-Stuyvesant</td>
<td>3,279</td>
<td>3,413</td>
</tr>
<tr>
<td>Boerum Hill</td>
<td>5,360</td>
<td>5,655</td>
</tr>
<tr>
<td>Clinton Hill</td>
<td>9,384</td>
<td>10,080</td>
</tr>
<tr>
<td>Downtown Brooklyn</td>
<td>2,177</td>
<td>2,598</td>
</tr>
<tr>
<td>Fort Greene</td>
<td>5,897</td>
<td>6,463</td>
</tr>
<tr>
<td>Gowanus</td>
<td>3,143</td>
<td>3,458</td>
</tr>
<tr>
<td>Park Slope</td>
<td>12,161</td>
<td>13,009</td>
</tr>
<tr>
<td>Prospect Heights</td>
<td>10,298</td>
<td>11,541</td>
</tr>
<tr>
<td>34-mile Study Area Total</td>
<td>51,699</td>
<td>56,137</td>
</tr>
<tr>
<td>Brooklyn</td>
<td>828,199</td>
<td>880,727</td>
</tr>
<tr>
<td>New York City</td>
<td>2,816,274</td>
<td>3,021,588</td>
</tr>
</tbody>
</table>

Notes: Census Tract boundaries have changed since Census 2000 and the 3/4-mile study area for 2010 (which is used for the 2007–2011 ACS) is slightly larger than the 3/4-mile study area for 2000 presented in the 2006 FEIS. According to RPAD data, the 2010 study area contains 666 more residential units than the 2000 study area, in the Bedford-Stuyvesant and Boerum Hill subareas. The boundaries of some subareas have also changed since the 2000 Census: the 2010 Downtown Brooklyn subarea contains two blocks of the 2000 Fort Greene subarea; the 2010 Clinton Hill subarea contains five blocks of the 2000 Bedford-Stuyvesant subarea; and the 2010 Gowanus subarea contains one block of the 2000 Boerum Hill subarea.


### Rising income

The rise in income in the study area is dramatic, significantly outpacing Brooklyn and New York City as a whole, where incomes didn’t merely stagnate but declined.

The biggest boost was Downtown Brooklyn, “largely due to new high-density market rate residential construction.” Neighborhoods like Park Slope, Bedford-Stuyvesant, and Fort Greene also experienced high increases in median household income, likely because of the competition for choice architecture.

### Table 4A-4 Income Characteristics: 1989-2011

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Bedford-Stuyvesant</td>
<td>$34,896</td>
<td>$39,430</td>
<td>13.0%</td>
<td>18.3%</td>
</tr>
<tr>
<td>Boerum Hill</td>
<td>$68,736</td>
<td>$76,466</td>
<td>11.2%</td>
<td>11.4%</td>
</tr>
<tr>
<td>Clinton Hill</td>
<td>$55,970</td>
<td>$60,929</td>
<td>8.9%</td>
<td>7.8%</td>
</tr>
<tr>
<td>Downtown Brooklyn</td>
<td>$54,349</td>
<td>$51,639</td>
<td>-5.0%</td>
<td>40.9%</td>
</tr>
<tr>
<td>Fort Greene</td>
<td>$51,038</td>
<td>$53,910</td>
<td>5.6%</td>
<td>17.9%</td>
</tr>
<tr>
<td>Gowanus</td>
<td>$45,197</td>
<td>$59,668</td>
<td>32.0%</td>
<td>1.8%</td>
</tr>
<tr>
<td>Park Slope</td>
<td>$70,699</td>
<td>$89,633</td>
<td>20.4%</td>
<td>24.0%</td>
</tr>
<tr>
<td>Prospect Heights</td>
<td>$57,019</td>
<td>$62,731</td>
<td>10.0%</td>
<td>12.7%</td>
</tr>
<tr>
<td>34-mile Study Area Total</td>
<td>$59,493</td>
<td>$66,893</td>
<td>12.4%</td>
<td>15.7%</td>
</tr>
<tr>
<td>Brooklyn</td>
<td>$50,566</td>
<td>$46,520</td>
<td>-8.0%</td>
<td>-0.8%</td>
</tr>
<tr>
<td>New York City</td>
<td>$58,513</td>
<td>$55,435</td>
<td>-5.3%</td>
<td>-4.3%</td>
</tr>
</tbody>
</table>

Notes: Census Tract boundaries have changed since Census 2000 and the 3/4-mile study area for 2010 (which is used for the 2007–2011 ACS) is slightly larger than the 3/4-mile study area for 2000 presented in the 2006 FEIS. According to RPAD data, the 2010 study area contains 666 more residential units than the 2000 study area, in the Bedford-Stuyvesant and Boerum Hill subareas. The boundaries of some subareas have also changed since the 2000 Census: the 2010 Downtown Brooklyn subarea contains two blocks of the 2000 Fort Greene subarea; the 2010 Clinton Hill subarea contains five blocks of the 2000 Bedford-Stuyvesant subarea; and the 2010 Gowanus subarea contains one block of the 2000 Boerum Hill subarea.

1. Median income represents a weighted average of the median incomes of all the Census tracts and block groups in a given area.
2. Median incomes shown in constant 2013 dollars unless otherwise specified.
3. The ACS collects data throughout the period on an on-going, monthly basis and asks for respondents’ income over the “past 12 months.” The 2007–2011 ACS data therefore reflects incomes over 2007 and 2011, while Census 2000 data reflects income over the prior calendar year (1999).
4. Percent of population with incomes below established poverty level. The U.S. Census Bureau uses its established income thresholds poverty levels to define poverty levels.

Sources: U.S. Department of Commerce, Bureau of the Census, 1990 and 2000 Census, Summary File 3; American Community...
According to the document, poverty has decreased, from 19.4% of the study area population to 14.7% between 2007 and 2011.

Why does Fort Greene have both a relatively high income as well as 22% of people below the poverty level? Two large public housing developments, Ingersoll and Whitman.

What about Prospect Heights?

According to the document, there have been significant changes in the neighborhood closest to Atlantic Yards, with an even more dramatic racial reversal.

Between 2000 and 2010, the proportion of African American residents decreased by approximately 21 percentage points (from 61.6% to 40.4%), while the proportion of white residents rose more than 20 percentage points, from 22.7% to 43.2.

The median household income in Prospect Heights was $70,721, a 12.7% increase over the median household income in 1999.

Changes in other neighborhoods

Other neighborhoods get similar analysis. Some tidbits:

- The minority population in Fort Greene decreased from 83.5 percent of the population in 2000 to 69.1 percent of the population in 2010. Most of this decrease was seen in the African American population, which decreased by approximately 16 percentage points.
- The median household income in Bedford-Stuyvesant increased by 18.3 percent between 1999 and 2007-2011, from $39,430 to $46,661.

Housing growth

The document notes that the "number of housing units in the 3/4-mile study area increased at a higher rate between 2000 and 2010 than in Brooklyn and New York City as a whole," as shown in the table below. Downtown Brooklyn gained the most housing units, Fort Greene the least.

Table 4A-5 Housing Characteristics: 1990, 2000, and 2010

<table>
<thead>
<tr>
<th>Area</th>
<th>Total Housing Units</th>
<th>Occupancy Status (Percent)</th>
<th>Housing Tenure (Percent)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bedford-Stuyvesant</td>
<td>3638</td>
<td>3,914</td>
<td>7.6%</td>
</tr>
<tr>
<td>Borough Hill</td>
<td>5,931</td>
<td>6,938</td>
<td>0.1%</td>
</tr>
<tr>
<td>Clinton Hill</td>
<td>10,058</td>
<td>10,874</td>
<td>8.1%</td>
</tr>
<tr>
<td>Downtown Brooklyn</td>
<td>2,349</td>
<td>2,725</td>
<td>16.0%</td>
</tr>
<tr>
<td>Fort Greene</td>
<td>6,418</td>
<td>6,780</td>
<td>5.6%</td>
</tr>
<tr>
<td>Gowanus</td>
<td>3,312</td>
<td>3,594</td>
<td>8.5%</td>
</tr>
<tr>
<td>Park Slope</td>
<td>13,317</td>
<td>13,603</td>
<td>2.1%</td>
</tr>
<tr>
<td>Prospect Heights</td>
<td>11,320</td>
<td>12,345</td>
<td>9.1%</td>
</tr>
<tr>
<td>3/4-mile Study</td>
<td>56,343</td>
<td>59,773</td>
<td>6.1%</td>
</tr>
<tr>
<td>Area Total</td>
<td>873,671</td>
<td>930,866</td>
<td>6.5%</td>
</tr>
<tr>
<td>Brooklyn</td>
<td>2,992,169</td>
<td>3,200,912</td>
<td>7.0%</td>
</tr>
<tr>
<td>New York City</td>
<td>3,292,169</td>
<td>3,520,912</td>
<td>7.0%</td>
</tr>
</tbody>
</table>

Notes: Census tract boundaries have changed since Census 2000 and the 3/4-mile study area for 2010 (which is used for the 2007–2011 ACS) is slightly larger than the 3/4-mile study area for 2000 presented in the 2006 FEIS. According to RPAD data, the 2010 study area contains 686 more residential units than the 2000 study area, in the Bedford-Stuyvesant and Borough Hill subareas. The boundaries of some subareas have also changed since the 2000 Census: the 2010 Downtown Brooklyn subarea contains two blocks of the 2000 Fort Greene subarea; the 2010 Clinton Hill subarea contains four blocks of the 2000 Bedford-Stuyvesant subarea; and the 2010 Gowanus subarea contains one block of the 2000 Borough Hill subarea.


Values rise

Things are looking up, for sellers and brokers, at least:
Based on discussions with brokers, in 2012 and 2013 the housing market in the study area experienced the most substantial increases in rents and sales prices since the 2008 downturn. Given these recent trends (discussed in detail below) current vacancy rates are lower than in 2010.

...Median home value and contract rent both increased in the 3/4-mile study area since the 2006 FEIS. Clinton Hill and Bedford-Stuyvesant experienced the highest increases in home values between 2000 and 2007–2011, while Downtown Brooklyn and Park Slope experienced the highest increases in median contract rent during this time.

### Table 4A-6 Median Home Value and Contract Rent: 1990, 2000, and 2007–2011

<table>
<thead>
<tr>
<th>Area</th>
<th>Median Home Value (in 2013 Dollars)</th>
<th>Percent Change 2000-2011</th>
<th>Median Contract Rent (in 2013 dollars)</th>
<th>Percent Change (Median Contract Rent)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bedford-Stuyvesant</td>
<td>$279,108</td>
<td>$684,361</td>
<td>145.2%</td>
<td>$588</td>
</tr>
<tr>
<td>Boerum Hill</td>
<td>$672,629</td>
<td>$925,359</td>
<td>37.6%</td>
<td>$934</td>
</tr>
<tr>
<td>Clinton Hill</td>
<td>$278,079</td>
<td>$682,881</td>
<td>145.6%</td>
<td>$851</td>
</tr>
<tr>
<td>Downtown Brooklyn</td>
<td>$514,252</td>
<td>$553,491</td>
<td>7.7%</td>
<td>$819</td>
</tr>
<tr>
<td>Fort Greene</td>
<td>$544,532</td>
<td>$696,935</td>
<td>28.0%</td>
<td>$819</td>
</tr>
<tr>
<td>Gowanus</td>
<td>$559,738</td>
<td>$889,198</td>
<td>63.5%</td>
<td>$802</td>
</tr>
<tr>
<td>Park Slope</td>
<td>$543,688</td>
<td>$1,031</td>
<td>93.5%</td>
<td>$1,102</td>
</tr>
<tr>
<td>Prospect Heights</td>
<td>$309,415</td>
<td>$634,382</td>
<td>105.0%</td>
<td>$848</td>
</tr>
<tr>
<td>3/4-mile Study Area</td>
<td>$442,804</td>
<td>$765,465</td>
<td>72.9%</td>
<td>$883</td>
</tr>
<tr>
<td>Total</td>
<td>$331,801</td>
<td>$590,423</td>
<td>77.9%</td>
<td>$816</td>
</tr>
<tr>
<td>New York City</td>
<td>$306,757</td>
<td>$532,601</td>
<td>73.6%</td>
<td>$854</td>
</tr>
</tbody>
</table>

**Notes:** Census Tract boundaries have changed since Census 2000 and the 3/4-mile study area for 2010 (which is used for the 2007–2011 ACS) is slightly larger than the 3/4-mile study area for 2000 presented in the 2006 FEIS. According to RPAD data, the 2010 study area contains 686 more residential units than the 2000 study area, in the Bedford-Stuyvesant and Boerum Hill subareas. The boundaries of some subareas have also changed since the 2000 Census: the 2010 Downtown Brooklyn subarea contains two blocks of the 2000 Fort Greene subarea; the 2010 Clinton Hill subarea contains five blocks of the 2000 Bedford-Stuyvesant subarea; and the 2010 Gowanus subarea contains one block of the 2000 Boerum Hill subarea. 1. Values were calculated by taking the weighted average of median contract rent and median house value of all the Census Tracts and Block Groups in a given subarea. All dollar values are presented in 2013 constant dollars


### Rents and sales

The document states:

According to a survey of 36 rental listings in the Real Estate section of the New York Times website conducted in April 2013, median monthly rental rates in Prospect Heights were $1,650 for studio, $2,525 for one-bedroom, $3,400 for two-bedroom, and $3,850 for three-bedroom units.

Note that Forest City expects--as of 2012 rates, which should rise by the time B2 opens in 2015--$3353 for a market-rate one-bedroom and up to $2740 for a subsidized unit. New building, prime location.

Another stunning number regards home prices in Bed-Stuy, which rose to $684,361 by 2011, a 145% increase over the 2000 value presented in the 2006 FEIS.

### Who’s vulnerable to displacement?

"According to the CEQR Technical Manual, at-risk populations are defined as renters living in units not protected by rent stabilization, rent control, or other government regulations restricting rents, whose incomes are too low to afford increases in rents," the document states.

So the 2006 FEIS estimated 2,929 unregulated rental units in 10 census tracts housing approximately 6,444 people potentially at risk of indirect residential displacement. However:

The 2006 FEIS concluded that due to real estate trends leading up to 2006, the areas within the study area identified as containing potentially at risk population had likely become more desirable places to live, and that household incomes had likely increased since 2000. Therefore, the 2006 FEIS concluded that many of the households living in unregulated units in the identified tracts would not have been actually at risk of indirect
residential displacement.

In other words, they were already moving out. And that's confirmed in the new document, the Draft SEIS:

Changes in median household income and real estate trends suggest that many of the unprotected units identified in the 2006 FEIS have since turned over to a more affluent population.

So there is a smaller vulnerable population.

What if there's no Phase 2?

The document acknowledges uncertainty:

It should be noted that—with the exception of known, planned projects—future market conditions in 2035 are more difficult to predict than the 10-year outlook that was the basis for analysis in the 2006 FEIS. Even in the 2006 FEIS analysis, the 2008 recession was not predicted. Over a period of 20 years, there are likely to be several real estate cycles, and any resulting downturns in the economy would affect local area conditions. However, prevailing market trends in the study area described in the 2006 FEIS that have continued since the 2006 FEIS would generally be expected to continue in the future with or without Phase II.

The document anticipates a loss of rent-regulated housing stock and some affordable unit in the Inclusionary Housing Program Areas. But, given the "continuing and even accelerating" trends, as well as the mostly market-rate projects planned, "it is likely that the new population would reflect the socioeconomic profile of residents currently living in the wealthier subareas in the study area."

That's because of limited supply, and Brooklyn neighborhoods coming both a destination for households priced out of Manhattan as well as a first-choice destination of its own.

Without Phase 2, and assuming that only 20 percent of new units would be affordable—and assuming that some 76 percent (1,443) units in Phase 1 would be market rate and 24 percent (479) would be affordable—"it is reasonable to conclude that incomes will continue to rise in the study area, leading to further rent pressures in the Future Without Phase II."

In other words, the wealthiest cohort would rise from 34.5% of the total number of households—well more than the 16% in 2000, to 40.7%.

<table>
<thead>
<tr>
<th>Household Income</th>
<th>2011</th>
<th>2035 Without Phase II</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0-$14,999</td>
<td>8,158</td>
<td>13.5% 0</td>
</tr>
<tr>
<td>$15,000-$29,999</td>
<td>6,761</td>
<td>11.2% 147</td>
</tr>
<tr>
<td>$30,000-$34,999</td>
<td>2,142</td>
<td>3.5% 147</td>
</tr>
<tr>
<td>$35,000-$39,999</td>
<td>9,889</td>
<td>16.4% 1,071</td>
</tr>
<tr>
<td>$60,000-$74,999</td>
<td>5,353</td>
<td>8.9% 187</td>
</tr>
<tr>
<td>$75,000-$99,999</td>
<td>7,216</td>
<td>12.0% 468</td>
</tr>
<tr>
<td>$100,000 + (market rate)</td>
<td>20,844</td>
<td>34.5% 7,609</td>
</tr>
<tr>
<td>Total</td>
<td>60,363</td>
<td>100.0% 9,629</td>
</tr>
</tbody>
</table>

Notes: 1. Dollar values are presented in constant 2011 dollars. Household income bands are based on 2007-2011 ACS data. Income bands were grouped to best match the income bands that would be applied to the Phase II affordable housing units developed under the Extended Build-Out Scenario.
2. Assumes that 80 percent of these units exclusive of the Phase I units (6,166) would be market rate and 20 percent (1,541) would be affordable, and that approximately 76 percent of the Phase I units (1,443) would be market rate and approximately 24 percent (479) would be affordable. Assumes that the income requirements for affordable units built in the future in the study area would be similar to the income requirements for the Project’s affordable (see Table 4A-10). The information presented in the Future Without Phase II columns does not account for the potential for future increases in the income levels of residents in existing residential units in the study area.


So, just the 2006 FEIS concluded indirect residential displacement would continue to occur if Atlantic
Yards were not built, now it’s likely to continue if no Phase 2 is built.

What about the extended build-out?

According to the document:

The development of Phase II under the Extended Build-Out Scenario would introduce up to 4,932 residential units to the project site. Assuming an average household size of 2.14 persons per household, these housing units would introduce approximately 10,533 new residents to the study area. In total, the development introduced under the Extended Build-Out Scenario by 2035 would increase the population of the 3/4-mile study area by approximately 6.9 percent compared with the Future Without Phase II... Of the 4,932 housing units that would be introduced by Phase II of the Project, approximately 3,708 would be rental units. Up to 1,800 of the rental units would be affordable rental units.

The affordable units would be reserved for households earning between 30 percent and 160 percent of the Area Median Income (AMI) for the New York City metropolitan area.

Table 4A-10 Income Bands for Phase II under the Extended Build-Out Scenario Affordable Housing Units

<table>
<thead>
<tr>
<th>Income Band(^1)</th>
<th>MFI Income Range</th>
<th>Number of Affordable Units</th>
<th>Minimum Income for a Family of 4(^2)</th>
<th>Maximum Income for a Family of 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income Band 1</td>
<td>30-40%</td>
<td>185</td>
<td>$25,770</td>
<td>$34,360</td>
</tr>
<tr>
<td>Income Band 2</td>
<td>41-50%</td>
<td>555</td>
<td>$35,219</td>
<td>$42,950</td>
</tr>
<tr>
<td>Income Band 3</td>
<td>60-100%</td>
<td>353</td>
<td>$51,540</td>
<td>$85,900</td>
</tr>
<tr>
<td>Income Band 4</td>
<td>101-140%</td>
<td>353</td>
<td>$86,759</td>
<td>$120,260</td>
</tr>
<tr>
<td>Income Band 5</td>
<td>141-160%</td>
<td>353</td>
<td>$121,119</td>
<td>$137,440</td>
</tr>
</tbody>
</table>

Notes: 1. Income limits were estimated based on the HUD-calculated Very Low-Income (50 percent) Limit.
   2. All dollar values are presented in 2013 dollars. Income minimums and maximums are based on the median family income (MFI) which is set annually for metropolitan areas and non-metropolitan counties by HUD. As of December 11, 2012, MFI for the New York, NY HUD Metro FMR Area for a family of four was $85,900.
   Sources: FCRC; HUD FY 2013 Income Limits; AKRF, Inc.

A demographic shift

The document reiterates why the 2006 FEIS concluded that the Project would not result in significant adverse impacts due to indirect residential displacement:

- An expected continuance of trends in rising incomes and rents in the study area;
- Similarities between the socioeconomic profiles of new households introduced into the study area by the Project and the existing households in the study area;
- The increase in the supply of housing units created by the Project serving to relieve, rather than increase market pressure in the study area; and
- The distance and intervening established neighborhoods and commercial corridors between the Project and subareas with potentially at-risk households.

(Emphasis added)

As I’ve written, the socioeconomic profiles would not be similar.

The document adds:

…In addition to introducing a similar proportion of rental units as compared with the existing housing mix, the units introduced under Phase II under the Extended Build-Out Scenario would not substantially affect the range of household incomes present in the study area or the proportion of households in various income bands. As described under “Future Without Phase II,” the 3/4-mile study area is expected to gain approximately 9,629 residential units by 2035 in the future with or without the development of Phase II under the Extended Build-Out Scenario, including the residential units built during Phase I. As described above, the analysis presented in Table 4A-13 assumes that 80 percent of these units exclusive of the Project’s Phase I units (6,166) would be market rate and 20 percent (1,541) would be affordable. The analysis also assumes that 1,443 of the 1,922 Phase I residential units would be market rate and the remaining 479 would be affordable.

The change, however, remains notable.
From 2000 to 2011, the percentage of wealthy more than doubles

Households earning $100,000 or more were 16% of the study area in 2000, according to the Final EIS, while the percentage as of 2016, without Atlantic Yards, was estimated at 21%.

Instead, by 2011, the percentage already reached 34.5%. Without Phase 2, the percentage would be 40.7%, a growth of 6.2 percentage points but an 18% increase.

With Phase 2, the total would be 42.9%--a larger percentage of wealthier households. The shift from 34.5% to 42.9% is 8.4 percentage points but represents a 24.3% rise.

The irony is that the future without Phase 2, at least with an extended buildout, would be slightly more affordable. After all, the goal of the project was to create more affordability. (We haven’t gotten an estimate of the figure associated with a ten-year buildout.)

I’ll repeat the dramatic numbers: as of 2000, according to the Final EIS, 16% of households in the study area occupied the highest income cohort. By 2011, that more than doubled, to 34.5%. That percentage will rise, with a delayed Phase 2 or without the project.

Table 4A-13 Comparison of Study Area Households by Income Band: 2035 Without Phase II and 2035 with the Extended Build Out Scenario

<table>
<thead>
<tr>
<th>Household Income 1</th>
<th>2011 Households</th>
<th>Percent of Total</th>
<th>2035 Without Phase II New Housing Units 2</th>
<th>Percent of Total</th>
<th>2035 With the Extended Build Out Scenario Proposed Housing Units</th>
<th>Percent of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0-$14,999</td>
<td>8,158</td>
<td>13.5%</td>
<td>0</td>
<td>11.7%</td>
<td>0</td>
<td>10.9%</td>
</tr>
<tr>
<td>$15,000-$29,999</td>
<td>6,761</td>
<td>11.2%</td>
<td>147</td>
<td>9.9%</td>
<td>93</td>
<td>9.3%</td>
</tr>
<tr>
<td>$30,000-$34,999</td>
<td>2,142</td>
<td>3.5%</td>
<td>147</td>
<td>3.3%</td>
<td>93</td>
<td>3.2%</td>
</tr>
<tr>
<td>$35,000-$59,999</td>
<td>9,889</td>
<td>16.4%</td>
<td>1071</td>
<td>15.7%</td>
<td>673</td>
<td>15.5%</td>
</tr>
<tr>
<td>$60,000-$74,999</td>
<td>5,353</td>
<td>8.9%</td>
<td>187</td>
<td>7.9%</td>
<td>118</td>
<td>7.6%</td>
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<td>$75,000-$99,999</td>
<td>7,216</td>
<td>12.0%</td>
<td>468</td>
<td>11.0%</td>
<td>294</td>
<td>10.6%</td>
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<tr>
<td>$100,000+ (market rate)</td>
<td>20,844</td>
<td>34.5%</td>
<td>7,699</td>
<td>40.7%</td>
<td>3,662</td>
<td>42.9%</td>
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<tr>
<td>Total</td>
<td>60,363</td>
<td>100.0%</td>
<td>9,629</td>
<td>100.0%</td>
<td>4,932</td>
<td>100.0%</td>
</tr>
</tbody>
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Notes: 1. Dollar values are presented in constant 2011 dollars. Household income bands are based on 2007–2011 ACS data. Income bands were grouped to best match the income bands that would be applied to the Phase II affordable housing units developed under the Extended Build-Out Scenario.
2. Assumes that 80 percent of these units exclusive of the Project’s Phase I units (6,166) would be market rate, and 20 percent (1,541) would be affordable. Assumes that 1,443 of the 1,922 Phase I residential units would be market rate and 479 would be affordable. Assumes that the income requirements for affordable units built in the future in the study area would be similar to the income requirements for the Project’s affordable units. The information presented in the Future Without Phase II columns does not account for the potential for future increases in the income levels of residents in existing residential units in the study area. 3. Household incomes for the Extended Build-Out Scenario Phase II housing units are based on a family size of four persons per household (see Table 4A-9 for more detail.)

A public policy lesson

One lesson is surely that, for all the debate about Atlantic Yards, it was unwise to place so much hope in one project subject to a developer’s extravagant promises and shifting plans, amid multiple economic cycles.

As I reported 5/29/09, longtime advocacy planner Ron Schiffer, an Atlantic Yards opponent, said affordable housing "should be part of public policy" rather than part of a Community Benefits Agreement because it “allows the developer to literally buy” support for a project subject to special approvals, as with Atlantic Yards.

Rather, he said, there should be a level playing field. It’s taken a long time to focus on that.
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Dear Mr. Lynch:

Earlier today I submitted comments on behalf of Develop Don’t Destroy – Brooklyn. With this email I am supplementing those comments.

In the earlier comments we noted how the SDEIS failed to properly consider the impacts on community character as a result of the increased gentrification that will be caused by the project. We also commented on the change in the affordability of the supposedly affordable housing.

Today, Norman Oder in his Atlantic Yards Report posted two detailed reviews of those and related issues and particularly compared the statements in the SDEIS with the 2006 analysis. DDDB finds Mr. Oder’s analysis and questions particularly insightful. The points he raises are directly related to the SDEIS and require a response from EDC. DDDB hereby submits those reports, accessed through these links as comments on the SDEIS.

http://atlanticyardsreport.blogspot.com/2014/05/a-second-look-at-states-2006-analysis.html

http://atlanticyardsreport.blogspot.com/2014/05/what-delayed-buildout-means-atlantic.html

It must be pointed out that Mr. Oder is an independent journalist and has been an unparalleled chronicler of Atlantic Yards. Mr. Oder does not work for nor is he member of DDDB. Mr. Oder has not asked that we submit his reports for comment nor have we consulted him before making this submission. It is my understanding that Mr. Oder so fiercely defends his independence and journalistic objectivity that he would not submit these reports as comments on his own. However, he raises very important points and the fact that ESD and FCRC consistently ignore Mr. Oder’s request for explanation is testament to ESD using Mr. Oder’s independence against him, since his reports are not usually submitted as the formal record.

By submitting these two postings, DDDB is adopting those reports and requiring ESD to respond to these comments in the FSEIS.

Jeffrey S. Baker, Esq.

Young / Sommer LLC

ATTORNEYS AT LAW

office: 518.438.9907 Ext. 227

fax: 518.438.9914

jbaker@youngsommer.com
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AKRF, INC.
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May 12, 2014

Via Email (atlanticyards@esd.ny.gov) and Regular Mail

Derek Lynch
Empire State Development
633 Third Avenue
New York, NY 10017

Re: Comments by Develop Don’t Destroy – Brooklyn on the DSEIS for the Atlantic Yards Arena and Redevelopment Project

Dear Mr. Lynch:

We are the attorneys for Develop Don’t Destroy – Brooklyn (DDDB) and submit these comments on the above-referenced DSEIS. As per ESD’s Notice of the Public Hearing and the opportunity to comment, these comments are largely limited to the DSEIS. DDDB will submit additional comments on or before May 30, 2014 on the Modified General Project Plan (MGPP). These comments are in addition to the comments presented orally at the public hearing.

Insufficient time to comment

As an initial comment, DDDB strongly objects to the grossly insufficient time given to comment on a document of this size and complexity. ESD must admit that it has had over two years to work on this document and is providing the only the bare minimum of legally required time to comment. This is further evidence of ESD’s historical disdain for public comment and determination to avoid transparency and public involvement. ESD’s atrocious behavior, which has been commented upon by several courts, is further evidenced by the fact that the comment period on the MGPP lasts until May 30th. As ESD is well aware, that slightly longer comment period is required pursuant to Section 16 of the UDC Act which requires a minimum of a 30 day comment period following the public hearing on the MGPP. It is quite obvious that if ESD
actually cared about public comment, it would, at a minimum have had the comment period for the SDEIS match the comment period on the MGPP. Its failure to do so and refusal to extend the comment period at the request of various individuals and organizations is a clear and unequivocal indication that the current SEQRA process is the same farcical exercise that has marked the review of this project since its inception.

**No Description of Project Need**

The DSEIS is largely silent on the question of project need or why the project must be built and the goals it is supposedly meeting. This is obviously important as it is directly relevant to the question of alternatives and available mitigation for the admitted unmitigated adverse impacts. ESD forgets that it must make findings for the MGPP and determine that the project meets the requirements of the UDC Act. Without an honest assessment of the project need there is no way to make that assessment.

ESD must consider the changed conditions since the previous EIS in 2006, in both the surrounding neighborhoods and the nature in which the project is being constructed. A significant element of the approval of the project in 2006 was based upon the expected economic benefits of the construction jobs and sales taxes generated by construction. However, the first building being constructed in Phase I after the Arena is being built as pre-fab units using significantly less labor than was previously considered and generating less sales taxes. While the SDEIS claims that the Greenland Group will revert to the original construction methods, there is no indication that is a binding commitment and that the projections of jobs and tax revenues are still accurate.

**Unmitigated Impacts**

In the 2010 Technical Analysis by ESD following the court’s remand, ESD said that the delay in project completion to 2035 would not result in increased impacts because construction would be less intense. Now in the DSEIS, ESD admits there will be significant adverse environmental impacts to community facilities, the availability of open space during construction (lasting at least until 2035), transportation (both during construction and after completion) and construction related noise. While the DSEIS claims those impacts have been mitigated to the maximum extent practicable, it also recognizes that the predicted shortage in school space, operational traffic and pedestrian issues and construction traffic and noise cannot be mitigated. However ESD fails to consider any alternatives or changes in the project that can mitigate those impacts.

**Impacts to Community Character**

Throughout the original review of this project, DDDB strenuously contested EDC’s claim that the area was blighted. DDDB pointed out that ESD ignored and failed to study then current real estate trends which indicated increasing private sector investment in the surrounding area, particularly the development along Pacific Street. In fact, EDC even violated its own
contract with AKRF which was supposed to complete the blight study by omitting any such market study.

Now, in a striking absence of any shame or self-awareness, the SDEIS notes that blight is no longer a problem and that area rents and purchase prices are rising and will continue to do so over the now extended project time frame. It is also noted that the surrounding minority population is dramatically decreasing as housing prices are increasing. The net result is that this project, in conjunction with other market forces, is adding to the gentrification of the area and driving lower income groups from the area. That drive will not be mitigated by the limited amount of affordable housing provided by this project. Moreover, that affordable housing will become less affordable as the AMI upon which the rents will be based are rising, thus skewing the “affordability” of the rents.

The SDEIS seems to be completely silent on that issue and consideration of how this project will increase both the rate an extent of the gentrification. Gentrification is an impact and a change in community character and is a prime issue of consideration under SEQRA, one of the areas of which EDC must take a hard look. By failing to recognize and address the impact on community character, is a clear violation of SEQRA.

Assessment of Project to date

The SDEIS seems to either avoid or gloss over the experiences to date with the Arena and the initial construction of Phase I. Notably there is no discussion of the effectiveness of the identified mitigation measures particularly with regards to traffic controls and noise. ESD has received numerous and regular complaints of traffic problems with the Barclays Arena especially with regard to illegal parking. There have also been numerous complaints about noise from the Arena. The SDEIS fails to address these issues and fails to evaluate modifications of the mitigation measures.

Alternatives

While the alternatives section is supposed to be the heart of the EIS, in this case the heart has been cut out. Rather than provide a fresh assessment of the goals of the project and alternatives to meet those goals, ESD undertakes extreme mental gyrations to avoid an analysis that could result in redesigning the project and/or splitting the project up amongst multiple developers. The reasons for doing so are legally deficient and specious.

In 2006 and 2009 ESD and FCRC lied to the public when they claimed the project would be built in 10 years and minimized the likely impacts. Now, forced to deal more with reality they are admitting there will be significant unmitigated adverse impacts. Instead of modifying the project to reduce those impacts, ESDC claims it must stay with the FCR project without any analysis of why that is really necessary.
Current FCRC CEO Mary Ann Gilmartin has already been found by the courts not to be credible. In the lawsuit filed by DDDB against the 2009 approval, Gilmartin submitted an affidavit stating that FCRC was committed to using commercially reasonable efforts to complete the entire project by 2019. Justice Friedman specifically found her affidavit not credible since it did not include any financial information showing that FCRC actually had the ability to do so. Subsequent delays in moving forward with even the first building in Phase I and recent requests to delay completion of the railyard further demonstrate that past statements by Ms. Gilmartin and other FCRC officials are simply not credible. Therefore the continued reliance upon FCRC and any representations it makes are without any rational basis.

ESD dismisses in very cursory fashion the available alternative of seeking multiple developers to complete project. ESD claims that FCR has too many contractual and vested rights and that dividing the project will be too difficult and time-consuming involving so many agencies and entities that it is not a feasible alternative. ESD’s analysis is legally and factually wrong and demonstrates a shocking level of hubris and hypocrisy given ESD’s past actions on this project.

All of ESD’s analysis assumes that the exact project approved in 2006 must be built despite the significant change in market forces. ESD fails to consider any lesser alternatives or modifications to Phase II (even though it is proposing to move 208,000 sq ft of residential development from Phase I to Phase II). ESD has not had any discussion with community groups seeking input on changes to the project.

ESD claims that the project agreements signed with FCRC in December 2012 are binding contractual commitments, however all of those agreements were signed after the illegally adopted MGPP since the SEQRA analysis was fraudulent and has since been overturned. Simply put, agreements signed by ESD in violation of SEQRA for which FCRC was complicit in the fraud cannot be considered binding limitations on the consideration of alternatives.

ESD makes the absurd claim that FCRC has acquired many of the properties on the Phase II blocks and thus acquisition of those may be difficult and time consuming. ESD seems to forget that it has the power of eminent domain and has used that power in this project to facilitate the construction of the Barclays Center. It would seem fairly obvious that ESD could use the same power to acquire the properties to complete a project if FCR is unwilling or unable to do so. The fact that the SDEIS ignores that basic fact and simply uses it as a basis to ignore alternatives points to the fundamental flaws in the SDEIS.

ESD also claims that to reconfigure the project will be so time consuming because of the need to solicit RFPs conduct multiple reviews and negotiate new contracts. This is curious because ESD never solicited RFPs for the initial proposal approved in 2006. Moreover, MTA only conducted a cursory and fallacious RFP process in 2005 providing the barest minimum of time for bidders to submit proposals for the Vanderbilt Yards.
The delays and complexities used as an excuse by ESD as to why it cannot consider other developers and their proposals are striking as they never were factors in ESD’s calculations of a build years during the 2006 and 2009 reviews. It is curious that now those are real factors to consider but were never relevant factors in the prior reviews.

ESD claims that many of the financial commitments of FCRC create some form of vested rights that preclude changing developers. But most if not all of the financial commitments were required to construct the Arena and thus FCRC has already received those benefits (not to mention the hundreds of millions of dollars in city and state contributions). To the extent FCRC has actually spent any significant funds on improvements solely related to Phase II, reallocation of those costs and any potential reimbursement would be considered in the revised proposals.

Conclusion

EDC continues its practice of making a mockery of the SEQRA process by constraining the review to only that presented by FCRC. EDC and FCRC bemoan the delays caused by what they claim are the concerns and litigation of the surrounding community, yet neither organization has bothered to reach out to DDDB or other groups to discuss their concerns. ESD must reconsider this DSEIS and release a new version that properly considers alternatives, otherwise it will face continued opposition and litigation.

Very truly yours,

Jeffrey S. Baker

Cc: DDDB
My name is [Signature] and I am here to speak on behalf of the Dean Street Block Association, 6th Avenue to Vanderbilt on construction air quality and noise impacts.

AIR QUALITY

A pattern of poor implementation of environmental commitments as they relate to air quality, combined with inadequate monitoring of fugitive airborne dust is a grave concern of our block association.

The primary means of ascertaining compliance with the dust suppression measures is through daily spot inspections by FCRC’s On-site Environmental Monitor and the Site Superintendents. Despite the oversight provided by the OEM, 192 individual incident reports citing air quality impacts, many of them associated with construction, have been filed on Atlantic Yards Watch since it was started in mid 2011. Our complaints extend back to early 2007 when asbestos abatement began in the Ward Bread Bakery properties. To date, no government entity has confirmed air quality monitoring was being executed at the time of that incident. According to the State’s Quarterly Reports, AKRF, the lead author of this SEIS, was the State’s Environmental Monitor at the time.

Among the air quality related violations the community has documented that put us at risk are idling trucks, malfunctioning equipment, uncovered stockpiled materials and failure to mist unpaved surfaces. Unbelievably, it was the community, not the State, that identified there was no monitoring presence, and no air monitors, during virtually any extended hours work.

The DSEIS sugarcoats the performance of the OEM. For example, the DSEIS states that HDR reports the construction site was connected to the electrical grid as early as practicable, but HDR states in their own reports the power grid was not made available until the year following the ground breaking of the arena. Likewise, until community members consistently documented problems, truck behavior at the site continued to be disruptive, and there was considerable idling. In September 2011, only hours before FCRC’s OEM publicly stated protocols for trucks had been “significantly improved” at the construction site, a community member documented a large number of violations of protocols. This is part of a pattern in which obvious problems identified by the community are not identified by the OEM, or are responded to slowly.

CONSTRUCTION NOISE

The DSEIS identifies a significant adverse impact from construction noise that may now last 25 years instead of 10. Anecdotally, no matter whether it is for 10 or 25 years, no single adverse impact alters the quality of life of residents more than construction noise, particularly during extended hours work. 330 individual incident reports citing noise impacts, many of them associated with construction,
have been filed on Atlantic Yards Watch. The nature of the Atlantic Yards construction site – which includes an operating rail yard, an arena and two major thoroughfares, puts the community at high risk of extended hours work.

The FEIS mitigation for construction noise is a commitment to install double paned windows in the street face of buildings, if they are not already installed, and an air conditioner. Residents report this mitigation does not work because there is no fixed target OITC rating identified necessary to stop construction noise. The OITC rating of double paned windows varies widely, and their effectiveness to stop noise is directly impacted by the use of air conditioners that breach the seal. Air conditioners and windows wear out, but there is no written obligation for FCRC to maintain their mitigation over time. Finally, FCRC has only agreed to replace street facing windows even though many rear windows face the construction site. If the new buildings FCRC is building have the same problem, Atlantic Yards will fail as a project. Why can't FCRC agree to meet the noise attenuation levels they are providing the new market rate homes they are building?
Doug Derryberry
618 Dean St #1B
Brooklyn, NY 11238

May 8, 2014

Attn: Derek Lynch
Empire State Development
633 Third Ave.
New York, NY 10017

My name is Doug; I live on Dean St. between Carlton and Vanderbilt Aves which is 1 1/2 blocks from the arena and directly across the street from arena surface parking. I'm a member of the Dean St. Block Association. I'm also a 22 year faithful dues paying member of A.F.M. local #802. I'm pro-union; I'm pro jobs. I'm not necessarily anti-development, but I'm dissatisfied with how the Atlantic Yards development has been a colossal bait and switch for the local community.

Before I moved to Dean St in 2005 I was wary of the project, but hopeful that the upheaval nearby would be tolerable, and ultimately worth it. In the years since 2005, I've tried to be patient and keep a close eye on things. It's hard for me to watch because it is too clear how the government does NOT have the public's interest at heart. Crony capitalism has been evident again and again - circumnavigating ULURP(uniform Land Use Review) the price they paid MTA for the railyards, the tax subsidies for Forest City Ratner.... All the things Bloomberg, Pataki, Schumer, Cuomo et al have employed to further line the pockets of their buddy Bruce Ratner is appalling.

The collusion between FCR and ESDC- who withheld critical documents from public view so they can re-approve his Modified General Project Plan (MGPP) w/o a Revised Environmental Impact Statement was illegal! The NY Supreme Court declared it illegal when they ruled against ESDC in 2011 calling for this new SEIS.

I have learned that Corporations can be and often are evil. and that while government is meant to serve interests of the public, sometimes it merely serves the interests of billionaire developers. It’s time for better State governance and supervision of this project.

Walking around this neighborhood year in and year out, it’s easy to see the negative impacts the project puts on its neighbors. The decrease of parking and increased traffic congestion that started with this project is undeniable. Many street trees that we rely on for shade and better air quality have been cut, and almost none replaced; they’re just gone til further notice. Moving Violations of construction vehicles approaching the project site are frequent. I have filed several incident reports on Atlantic Yards Watch.net, a local community blog which documents neighbors grievances and concerns relating to the project. I’ve witnessed many more violations than I’ve reported - illegally parked idling trucks, etc.
We neighbors, especially if we are facing ongoing construction possibly for the rest of our lives NEED better accountability from this developer. IT is the JOB of our government to make sure this private developer stays compliant with ALL laws and environmental regulations and commitments during the project. I'm tired of and disappointed with the ESDC's cheating. I would like to join the call for a new project oversight entity - a dedicated public development corporation with a board populated by LOCAL community members vetted my LOCAL elected officials. Especially now that a deal is proposed to allow Forest City Ratner to sell a controlling interest in this project to a Chinese corporation that is wholly owned by the Chinese government, the community must have a way to have their voices heard! It's been hard enough to get a response from Forest City Ratner for the ways in which their project has violated laws and made hardships for it's neighbors. If we do not have a body like this in place, how are we going to have any recourse with a government for which accountability to it's own citizens is not even a concept?!

Like I said in the beginning, I'm pro-union, I'm pro jobs. What I'm saying is not a threat to any job over at the stadium. That stadium is here to stay. We, the neighbors of the stadium, are also here to stay. And we'd like the state to make sure that we neighbors have a fail safe way to have our grievances against the developer heard and addressed.

Thanks Sincerely,

Doug Derrybery
“Responding is how one builds good will, not by denying responsibility for the problem.”

Jennifer Bacon, 9-year resident of Dean Street, Atlantic Yards hearing, April 30th

May 12, 2014

Attn: Derek Lynch
Empire State Development
633 Third Ave.
New York, NY 10017

Dear Mr. Lynch;

No matter on what schedule the project is developed going forward, the adjacent community will have been exposed to construction impacts for far longer than is anticipated in either the FEIS or the DSEIS. Some residential buildings in the vicinity of the project’s second phase are described in the DSEIS as exposed to up to seventeen years more construction impacts, and these same buildings have already been exposed to eight. The FEIS obviously anticipated no more than ten in any circumstance. In addition, the most intense significant adverse construction air quality and noise impacts the DSEIS identifies are located where we live. Although adverse construction impacts have already unfolded at the site for one year less than the ten-year build-out anticipated in the 2006 FEIS, not a single one of the project’s seventeen buildings is complete.

For the last ten years our block association has brought the community together to seek improvements to the project and its implementation. By necessity we have reached out to the Empire State Development Corporation for assistance on a regular basis throughout that time. Since the State knows less about the project than the project sponsor, and is either unwilling or unable to assist us, validation of our concerns has rested almost entirely with Forest City Ratner and its contractors. They have little incentive to respond. There is real reason to be concerned responsiveness may get worse if the majority owner of Atlantic Yards is a developer owned by a foreign government a continent away.

In 2008 our block association began a 311-complaint log because a pattern of problems with construction was unfolding regularly at the site. In 2011 that construction log expanded into Atlantic Yards Watch, a community-based initiative to protect the health and livability of neighborhoods impacted by Atlantic Yards and Barclays Center. Approximately 1000 incident reports from over 100 community members have been filed on Atlantic Yards Watch, many of them by residents in our vicinity. Those incident reports are often accompanied by 311 complaints and contain documentation of non-compliance with NYC law or Environmental Mitigations on the part of contractors. To our knowledge, despite all of these
documented violations, FCRC has never been assessed even a modest penalty for non-compliance.

**SUMMARY**

As input into the DSEIS, our block association has collected personal letters from residents in our community describing conditions at the site and the degree of responsiveness we have experienced. The letters make an appeal for reform of the way the project is overseen. In a context where the State is assessing the possibility of the project’s implementation extending until 2035, we ask the State to commit to oversight reforms that protect the public’s interest in relation to the project generally, and improve the State’s ability to monitor compliance with the Environmental Commitments as required in the Development Agreements.

At each juncture in this project’s planning and approval stages, the State has not had the level of knowledge necessary, or the curiosity, to assess the range of choices available to the public. As a result, the State only finds the route that benefits the project sponsor most. In a context in which the developer has received so much assistance from the public, still hasn’t completed a single building, and has asked for over two more decades to complete the project, **we demand a dedicated public development corporation or subsidiary with a board that includes directors appointed in conjunction with local elected officials to oversee the project.**

The Program Improvements described in the DSEIS tweak existing oversight and monitoring mechanisms under the same oversight structure that has failed to hold the developer accountable in the past. The DSEIS must acknowledge this failing, and compare environmental compliance with other projects that are overseen by dedicated subsidiaries whose boards include outside directors appointed in conjunction with local elected officials, ensuring that community concerns are represented in project policy and decision-making. In addition, **a motivated and impartial environmental monitor on site must oversee construction for the State.** The project cannot be overseen from a distance.

**ENVIRONMENTAL OVERSIGHT AND COMPLIANCE**

Either the DSEIS does not give a hard look at the oversight mechanisms in place to oversee construction daily, or it glosses over problems identified in its analysis by not disclosing them to the public. It is telling in this context that as the DSEIS describes, the State and the project sponsor sat down to improve compliance with the MEC only after the hard deadline of opening Barclays Center and the Carlton Avenue Bridge had passed, supporting the notion “higher ups” in the State tolerated non-compliance as a means of helping the developer meet its own deadline. The project sponsor has committed to the State in Atlantic Yards’ Development Agreement that it will comply with all environmental commitments.
The DSEIS details the oversight structure (including MEC components like the Construction Protection Plan and the Construction Air Quality Measures mitigation plan) as a means of describing how compliance is monitored and enforced. It also details “Program Improvements,” some of them in response to problems the community identified for the State. The “Program Improvements” do not remove the dependence of the State on the project sponsor for information about conditions on the project site. The following problems with construction oversight must also be taken into consideration in the environmental analysis of the DSEIS because they support the notion the State is not empowered enough, or chooses not to enforce FCRC’s requirement in the Development Agreement to comply with the MEC:

**There have been gaps in staffing and plans.**
For extended periods key elements of the oversight detailed in the MEC, and ESDC’s 2007 oversight regime for Atlantic Yards, have not been in place. This includes the Ombudsman, FCRC’s Community Liaison, and the On-site Environmental Monitor, (OEM). At the start of the project the State does not appear to have had its own Environmental Monitor.

At times the State has not had an employee working full-time on the project. A true public/private partnership would entail a partner for each part of project development including planning, infrastructure, finance, etc.

The State does not have an office on site that is staffed consistently during the workweek.

Plans like the CPP have been updated as much as six years late with the community bearing the risk in the meantime.

The construction site is more complex than the FEIS anticipated because the MTA has retained control of a large portion of the site while construction has unfolded on it. City Agencies do not have oversight over MTA/LIRR-owned property. As a State Public Authority, the MTA overrides local law and provides its own (negligible) oversight. City Agencies describe the MTA as slow to respond.

**ESDC relies to heavily on FCRC and contractors to report on compliance**
The State’s Environmental Monitor HDR is reliant on the developer and contractors for information. HDR makes weekly, apparently scheduled visits to review paperwork prepared by FCRC’s OEM, but does little monitoring on its own. Verification of the community’s claims is largely in the hands of the for-profit developer and contractors doing the work.

The State’s former Ombudsman, and now its Community Liaison, have little direct contact with those doing construction work and difficulty verifying community claims with the resources they have been provided. In October 2009, Assemblyman Hakeem Jeffries stated "... the ombudsman system ... is
nonfunctional because the higher-ups at ESDC aren't interested in empowering the ombudsman in a manner that would benefit the community.”

Apparently the State has not coordinated 311 community complaints for extended periods while stating publicly they received no complaints.

The “two-week look-aheads” are prepared by FCRC and the ESDC puts its letterhead on them. Not all construction is detailed, and those construction events that are detailed sometimes also appear to be the ones consultants are present to monitor.

Although required to hire an “Independent Compliance Monitor” within six months of signing the CBA, it still has not been hired. The ICM would provide an independent account of the number of construction workers on site as well as compliance with environmental commitments. Without the ICM, FCRC’s claims remain unchallenged.

**FCRC and the contractors are not reliable.**
This SEIS process is underway now because FCRC and the State did not execute an SEIS as a means to secure federal tax-free bonds. The gap in an update of the environmental analysis put the community at risk.

The Sandstone Report was based on Quarterly Reports by HDR that appear to have been edited. In the single unedited report that has surfaced a reference to a contractor falsifying paperwork was excised. The environmental analysis for this SEIS should rely on the original unedited reports.

The two-week look-aheads stopped being issued during the fall of 2012 while concurrently the developer was doing work that according to the NY Times it hoped would stay under the radar of NYC DOB and other project oversight.

The DSEIS notes the OEM did not submit Quarterly Reports in a timely manner, and failed to regularly maintain daily inspection reports.

**The OEM office has not been compliant with the MEC.**
There must be periods the OEM is not on site because the community has documented numerous incidences that endured for surprising amounts of time without the OEM’s required intervention. The OEM has failed to observe numerous problems identified by the community. An inconsistent presence on site can explain why what the community experiences as patterns, the monitors identify as isolated incidents.
Despite an extraordinary amount of extended hours work in the period between the spring of 2010 and the fall of 2012, the OEM staff may never have monitored it. Some work that took place required air monitoring. HDR must have been unaware of the lack of extended hours work and the nature of the work that took place during extended hours, or it would have required the OEM to be present.

While the DSEIS describes the OEM as “developed in compliance” with the MEC, it is likely the OEM office was not in compliance with the CAQM (part of the MEC) until, apparently, the CAQM was updated following the arena opening. The FCRC employee with the title of OEM has an office elsewhere and works on other projects. Instead, the OEM has been staffed by two employees of a contractor, not FCRC.

**FCRC’s Community Liaison has not been responsive or effective**

The DSEIS sugarcoats this problem. When told FCRC’s Community Liaison was only on site one day a week, the State’s Vice President for Planning and Environmental Review stated FCRC was “in violation” of the MEC which requires a Community Liaison on site. FCRC said it would correct its ways, but didn’t. Instead the ESDC backed down and stated the developer was in compliance with the MEC.

**Penalties for non-compliance are implemented with a delay and are nominal.**

ESDC’s Spokesperson defined a “notice of violation” as a letter from ESD to FCRC stating that FCRC has not complied with the Memorandum of Environmental Commitments. FCRC is given 30 days to comply with the MEC, “and if they do not, ESD is able to require them to pay a fine of $1000 per day.” Violations can occur for one month before penalties are imposed, and the fines for non-compliance are $1000 a day. To our knowledge no penalty has been assessed.

The DSEIS presents no rationale for **why** oversight mechanisms defined in various project agreements were not followed or sufficient. Even well intentioned contractors focused on compliance with environmental regulations make mistakes. At other times contractors are opportunistic. It is the community that bears the risk when the State creates an environment enabling non-compliance. It is not enough for the DSEIS to delineate mitigations and an “Improved Program” if the State continues to rely nearly exclusively on the project sponsor and contractors, who have a conflict, for verification and information. As a community, there is no way we can be appropriately equipped to counter the developer’s ability to control its response to us. And it is not our job. If the State is not in a position to verify our claims independent of the developer’s information, or it chooses not to enforce the Development Agreement requiring the developer to comply with the MEC, then it abdicates its responsibility to us.
RESIDENTIAL WINDOW TREATMENTS

Many residents have complained that they have double-glazed windows and still experience high interior noise levels. This is because a typical double-glazed window is not intended to mitigate extremely loud noise levels. Double-glazed windows are sold with a variety of OITC ratings, and the ones already in place or installed may not be sufficient to mitigate noise levels with $L_{10}$ levels of 75 dBA or more.

The DSEIS should disclose the standard of window the project sponsor plans to install in its residential buildings at the site, which will presumably also be impacted by construction noise. For example some residents of B3 may be exposed to from 6 to 8 years of construction. What is the OITC rating of the window treatments the developer is providing B3? The double-glazed windows proposed to mitigate exposure to construction noise experienced by the project’s neighbors should be rated not less than the OITC rating of B3. In circumstances in which it is more practicable than replacing windows, window manufacturers should be surveyed to determine if temporary inserts can be installed in affected windows.

When double glazed windows are opened to fit in an air conditioner the effectiveness of their noise attenuation is reduced. Air conditioners break down every few years. The SEIS does not spell out the responsibility of the project sponsor to repair and replace air conditioners, nor how new residents moving into impacted buildings will become aware of the required adverse noise mitigation. The SEIS should require distribution of a multilingual flyer to all impacted homes on a yearly basis describing the mitigations available and hold community meetings to inform residents of the mitigation measures for the construction period.

The current program for providing air conditioners entails the resident going to PC Richards to pick up the air conditioner on their own. This does not comply with the MEC’s requirement that the project sponsor provide the installation. The apparent intent of the provision in the MEC is to avoid inconveniencing those adversely impacted by the project. The new amended MEC should specify that the project sponsor will deliver the air conditioner to the home and install it.

Community members have noted that the air conditioner mitigation requires them to pay for the electricity to run a piece of machinery instead of opening the window as they could before project construction started. Instead of this burden lasting for several years, in some cases it may last a generation.

Buildings on the west side of 6th Avenue have rear windows that face the incomplete construction area called the “pad” and have a direct sightline to B3 (and in some cases B2) construction. Those rear windows should be available for the project sponsor’s window treatments. They were apparently inadvertently overlooked in the FEIS.
EXTENDED HOURS WORK

According to the Sandstone Environmental Consulting’s *Evaluation of Construction Air Quality and Noise Commitments and Mitigations*, “The 10-year construction schedule discussed in Chapter 17 of the FEIS implies that construction may last into the early evening up to three days per week approximately every other week. The frequency of evening and night work was not specified, leading the reader to believe it would not occur frequently or for extended periods of time. Chapter 17 did not identify periods when consecutive days of late night work would occur for weeks or months at a time. HDR’s quarterly reports from 2009 through June of 2011 did not address construction hours except to state that all material and equipment deliveries appeared to be conducted during allowable workday hours.”

As a result of our community’s oversight, it was identified the On-site Environmental Monitor (OEM) has rarely if ever monitored during extended hours work. The DSEIS details that the number of OEM staff will now be adjusted according to the level of construction activity, including any after-hour and/or weekend construction work, to ensure a proper level of monitoring coverage is maintained. (DSEIS, 3A-11). The DSEIS should detail specifically how much oversight is to be provided and who is providing it. The degree of staffing, the employer, and the amount of time required to be on site is not explained. The Sandstone Report recommends as a project improvement that nighttime work should be minimized, and that the State’s Environmental Monitor and the OEM should visit the site during extended hours work one or more times per week using an unpredictable schedule. A log of extended hour work, including the time, type of work, etc., should be included in quarterly reports. The justification for the need for extended hours work should be documented, and the rationale should be part of the construction notices to the community. The Construction Noise Mitigation plans, like all plans and equipment standards used on site, should be updated when NYC and other relevant standards are updated.

FCRC has just announced that the construction schedule of B2 is now extended, and will now take an additional year to complete. Because of the length of time B2 is taking to construct, and the unanticipated use of nighttime deliveries as an integral and regular part of the construction plan, the maximum necessary steps to mitigate the problem should be taken so that problems of residents affected by the noise are addressed.

The lack of presence from oversight during nighttime work has shifted the onus of response to the community who must follow up on their own. And for the community, getting concerns validated can be difficult, especially if the decision to respond lies with the project sponsor or the contractor. The State should ensure there is a way for community concerns to be validated punctually. The new amended MEC should specify that within 24 hours of a community member’s nighttime noise complaint, an impartial monitor will take the necessary steps to validate the community concern, and if valid take the maximum necessary steps.
practicable to mitigate the problem.

**NEIGHBORHOOD CHARACTER AND BLIGHT**

**Rail yard**
The principal benefit, purpose and use of the Atlantic Yards Project is to eliminate blight. The 2006 Blight Study states the project is finally the route to overcoming the cost of building a platform over the rail yard, a below grade gap that was key to declaring the area blighted. Now much of the second phase MTA property has been moved back in terms of development progress, with the cost of building over it increased. Instead of being completed in 2016, construction over the rail yards may now last until 2035, with a continuing risk it will not be completed.

Particularly set back by the project in the vicinity of the rail yard are the west side of Vanderbilt Avenue between Atlantic Avenue and Pacific Street and Pacific Street between 6th Avenue and Carlton. Businesses resting on solid ground are now gone on that stretch of Vanderbilt, and a deep gap and rail tracks has replaced them. On Pacific Street 20 street trees were recently cut and there is no commitment to restore them on a specific timetable as the community wishes. The north sidewalk on Pacific narrows to 2 or 3 feet in some places. In the meantime residents along Pacific often are kept awake by the bright lights of the yard. The DSEIS should set a clear date for when these conditions will be improved and/or restored.

Because the rail yard is MTA property, and the MTA is not obligated to follow local law, it does not shovel, clean or maintain sidewalks. The changes to the Development Agreements in 2009 enabling the developer to delay or not proceed with control of the property have delayed sidewalk maintenance, and prolonged the visual blight that the rail yard produces. The DSEIS should look at the improving conditions in the neighborhood surrounding the rail yards and compare them to the development progress of the yards themselves. A platform for Hudson Yards is set to proceed at this time. Why is development proceeding everywhere else, and not here? The DSEIS should look at all alternatives that will solve the problem of developing over Vanderbilt rail yards.

The DSEIS should also propose mitigations for delay. Although the DSEIS shows street trees lining the sidewalks in each construction phase, the project sponsor has long resisted planting street trees adjacent to a construction site until work is completed. The DSEIS should detail the planting of street trees every 25 feet of street frontage, as is suggested by NYC Planning guidelines. It should detail improved fencing, and spell out a maintenance plan that places the obligation on the project sponsor, since the delay in gaining property control was at their request.

**Construction blight**
The DSEIS finds that although there are significant adverse neighborhood character impacts extending from the project’s construction, they are localized. It also states the impacts may last eighteen instead of six years. Designated blight in the same
area justified the project in the first place. Now the project is being used to justify blight.

The failure of contractors to comply with Environmental Commitments compounds the condition the DSEIS identifies. SEQRA requires the ESDC to minimize adverse environmental impacts to the maximum extent practicable by incorporating as conditions mitigation measures that are identified as practicable. The State should place on site an impartial and motivated environmental monitor to oversee construction and ensure compliance with Environmental Commitments.

Project planners should put emphasis on keeping construction trucks on truck routes for as long as possible as is required, and develop plans that discourage use of streets like Dean Street with its playground, and Carlton Avenue. The DSEIS should detail improved fencing with plantings where feasible, and disclose who is responsible for maintenance for each stretch of sidewalk along the perimeter of the site.

First and foremost, the DSEIS should explore the various options it has to complete the construction expeditiously.

**Street trees**

The planting of street trees in the public right of way is a key piece of Mayor Bloomberg’s PlaNYC. They provide environmental, aesthetic and safety benefits, including improved air quality and buffering from vehicular traffic for pedestrians. Unless obstructions exist, new developments in NYC are required to plant a new street tree every 25 linear feet.

Currently there are very few street trees on the perimeter of the second phase of the project. Forest City Ratner has cut 86 street trees on the project’s perimeter, with plans to replace 116. In 2009 Forest City Ratner reduced from 33 to a likely 12, the number of street trees on the arena block perimeter, and shifted plans for 16 of those trees to the project’s second phase plans. The DSEIS should detail a new plan with the new additional trees. The DSEIS should explore every possible opportunity to plant those trees at an earlier stage than what was planned for the project.

The DSEIS should take into account that numerous times the developer has run into foreseeable problems with the implementation of plans, with the result that benefits are reduced. The DSEIS should give a hard look at any plans the developer has for street trees and identify potential problems that may prevent their placement in the future, (for example because of rail yard infrastructure). It should work with the community to identify improvements on the project site as contingencies if problems with the original plans arise, including increasing the open space available and widening sidewalks.
**OPEN SPACE**

The DSEIS identifies a temporary significant adverse impact on passive open space resources that may be prolonged from 7 to 9 years beyond what was identified in the FEIS.

In addition, the DSEIS discloses a construction noise impact on Project open space up to approximately the low 80s dBA, which would exceed the levels recommended by CEQR for passive open space. The DSEIS identifies no effective practicable mitigation that could be implemented to avoid these levels during construction.

The consequence of both the shortfall in passive open space, and the adverse noise impacts on Project open space is that non-residential users may shift their use to existing passive open space nearby, particularly Dean Playground that is the only open space accessible without crossing a busy thoroughfare. Construction workers have already gathered in the playground both informally and as an outdoor office during the period of the construction of the arena and temporary rail yard.

The mitigation for these prolonged impacts should be put in place where non-residential users associated with the project, (office workers and construction workers) will use them, not at a distance unlikely to address the problem.

The DSEIS should consider the potential to expand Dean Playground by incorporating part of the neighboring HPD parking lot as additional passive open space. The Department of Parks and Recreation has already requested this improvement. The DSEIS should also explore funding an attendant for Dean Playground’s comfort station for the duration of the construction of the project. The comfort station mitigation provided by Forest City Ratner, is now maintained by the Department of Parks and Recreation, which has difficulty staffing the location due to stiff competition for resources.

**Pedestrians**

**PARKING**

Residents have to compete with arena employees, arena patrons and construction workers for fewer parking spots. Some residents describe waiting for parking spaces for an hour.

As residents move into the area competition will increase. Most local civic organizations in the area support Residential Parking Permits for residents. The DSEIS should assess the value of RPP as a means to reduce competition for residents seeking on street parking spaces.
Attention: Derek Lynch
Empire State Development
633 Third Avenue, New York, New York 10017

Dear Derek,

The enclosed material is part of the Dean Street Block Association’s submission to the DSEIS. Included are hardcopies of letters from residents who live in the vicinity of the second phase of the Atlantic Yards Project, and print-outs of stories from Atlantic Yards Watch. We encourage the analysts writing the DSEIS to review the many incident reports from more than 100 residents on Atlantic Yards Watch as well.

Additional material will be sent by email.

Thank you,

Peter Krashes, Secretary
Dean Street Block Association, 6th Avenue to Vanderbilt
Arena block work hours to be expanded until 11 pm

Submitted by ayw on June 13, 2011 - 7:31pm
A supplemental construction alert today announces that for the week of June 13, 2011 there will be a second shift of construction work on the arena. The additional hours of the work will be 3:30 pm to 11 pm.

The alert states the work will include excavation, reinforcing of steel installation, truck elevator pit wall forms and numerous other activities.

In addition it states that with a few exceptions deliveries will be staged prior to 6 pm. Site access will be through both the Dean Street and Pacific Street gates.

For additional information, the full supplemental construction alert is attached.

Attachment
SUPPLEMENTAL_4_ConstructionAlert_5-16-2011.pdf

Construction, Neighborhood character, Public health

Size 85.97 K3

Login or register to post comments
"Hey, you! Out there! I've got kids trying to sleep!"

Submitted by Peter K. on March 30, 2012 - 7:09pm

Loud noises at night have triggered multiple incident reports filled with the exasperation of local residents in the last several days and weeks. One Dean Street resident last night shouted "Hey, you! Out there! I've got kids trying to sleep" to a worker hammering his crowbar against a fender in the staging area at 10:30 PM. In another case a resident on Vanderbilt reports a vibration so impactful artwork fell off the walls at 11:25 AM.

A resident on St. Mark's Avenue reports "Intense pounding/crashing noises coming from the construction site as I write -- and we are 3 blocks away with sound-proofed windows! ... How is this permissible?" St. Mark's Avenue is uplifted from the construction site and some rear windows have an unobstructed path for sounds emanating from the construction site. The filer reports noise extending to 1 AM on Wednesday night.

Another filer from Pacific Street reports "Two extremely noisy" nights in a row and that "the loud beeping sound of the trucks with loud bangs and booms keeps me from sleeping. ..." The filer also complains about "the bright white stadium lights that shine directly into my bedroom window." The lights are railyard lights installed to facilitate LIRR repairs that can only be executed when the rail yard is dormant, but are have been re-tasked by FGRC for use now by construction crews. The filer asks, "Does anyone take these complaints seriously or will I have to take matters into my own hands and seek legal advice?"

These complaints follow last week's about late night jackhammering and loud booms. The jackhammering turned out to be a locam which in response to complaints on this website, the ESDC states it asked FGRC no longer to use at night. "I was awaken by incessant jackhammering that sounded like it was right outside my window. Then after it stopped I fell back asleep and was jolted awake again by a boom like crash that shook the building and even knocked tape up artwork from the walls." The source of the "bomb like crash" has not been identified, but it may be the stacking of large metal plates.

There are a range of sources for the noise, explaining the colorful language required to describe the character of the sounds. Booms and crashes are particularly hard to identify because they are related to materials or equipment being moved rather than the functioning of mechanized equipment. The source of a piece of mechanized equipment like a hoe ram are understood to some extent, but it is more difficult to anticipate the decibel level of a large metal plate landing on concrete in a dumpster being dropped on the ground. Discerning what the sources can be difficult and often requires getting out of bed and going to the window. Filing a 311 complaint late at night is an additional but worthwhile hassle.

The work causing the noise is in the rail yard where work is allowed until 3 AM, the staging area where work takes place whenever work is occurring elsewhere, and on the Atlantic Avenue water main which is not technically Atlantic Yards related. If the work is Atlantic Avenue-related the good news is that the loud nighttime work will be over in two days to a week. Rail yard work will continue at least until the opening of the Carlton Avenue Bridge.

Not all residents have had the luck or successful magical thinking of a resident of Vanderbilt Avenue last week: "I kept hearing a very loud buzzing vibration. Looked out the window to see sparks flying. I yelled: Really? Its past 11pm! And they actually stopped - but they will probably start up again soon."

The video below captures the sound of the hoe ram at 11:30 AM March 23rd. The ESDC has now stopped FGRC's use of the hoe ram at night.

2012-03-22 Barclays Arena LIRR rail yard jackha...

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Temporary construction regulation nailed to two trees on Pacific Street

Submitted by Peter K. on February 0, 2012 - 8:27pm

Updated February 12, 2012

A temporary construction regulation establishing no parking in the vicinity of the Carlton Avenue Bridge reconstruction were posted to two trees on Pacific Street on Friday, February 10th. They were removed after the installation of the signs was reported on this website.

Signs associated with "Maintenance and Protection of Traffic" (MPT) are obtained and installed by a contractor for FCRC. It is illegal to nail into street trees in NYC. The fine of $150 for each posting is doubled when the sign is nailed to the tree.

No notice of a change to the MPT on Pacific Street was included in the most recent construction alert. Approximately 4 to 5 parking spaces have been eliminated.

From Department of Sanitation regulations:

It is illegal for any person to affix any handbill, poster, notice, sign, advertisement, sticker or other printed material upon any tree by any means. In addition, affixing any handbill, poster, notice, sign, advertisement, sticker or other printed material upon a tree by means of nailing or piercing the tree by any method shall have an additional penalty imposed equal to the amount of the original penalty. There is a rebuttable presumption that the person whose name, telephone number, or other identifying information appears on any handbill, poster, notice, sign, advertisement, sticker, or other printed material on any item or structure is in violation. Every handbill, poster, notice, sign, advertisement, sticker or other printed material shall be deemed a separate violation. Anyone found to have violated this provision, in addition to any penalty imposed, shall be responsible for the cost of the removal of the unauthorized postings.

Submitted by tom on March 22, 2012 - 1:37pm. #

dust

the dust is affecting my asthma, the air quality is awful!!

Login or register to post comments
Atlantic Avenue water main installation begins between Carlton and Vanderbilt

Submitted by Peter K. on October 28, 2011 - 2:03pm
The installation of new sewer and water mains on Atlantic Avenue between Carlton and Vanderbilt Avenues began last night and produced three noise complaints. Although the work will line some areas of the project’s second phase footprint, it is a City project not considered part of Atlantic Yards.

The work last night involved using an excavator to pound shoring into the ground so that work can take place inside the trench. That activity can be loud. This work will continue tonight, as well as Monday, Tuesday and Wednesday evenings next week. The trench will then be temporarily plated and asphalted and the work will move to another location.

The work is occurring at night because Atlantic Avenue is a major thoroughfare. The project is expected to be completed next summer. Daytime work in the same vicinity is Atlantic Yards-related. Apparently, today jackhammering took place underneath Atlantic Avenue inside the railroad.

The Community Construction Liaison for the water and sewer main work on Atlantic Avenue is Kamala Questel from the New York City Department of Design and Construction. Her office hours are generally Monday through Friday at 936 Fulton Street. Her telephone number is (718) 789-1464 and her email is atlanticavenuecde@gmail.com.
After a month of violations the dirt mound at Dean Street and Carlton Avenue is finally "slimed" with green protective covering

Submitted by Peter K. on July 26, 2011 - 11:48pm

(Roughly a month after a mostly uncovered large mound of dirt appeared on block 1129, an incident report finally gave notice "the mound was "slimed" with green stuff." The green stuff is presumably a protective covering to inhibit dust.

Only a few days after the "sliming," the mound was gone. It did not appear again in another location, suggesting the contractor only covered the mound once its function was complete.

For a month community members (and apparently the ESDC) had attempted to get the contractor to cover the mound or move it.

The photographs submitted with the report show one portion of the mound still covered with plastic and another with a slightly unnatural green hue.

Early this month this site reported that improper custodianship of the mound appeared to violate numerous commitments in the Amended Memorandum of Environmental Commitments. Since that time, ESDC told this writer they continued to "reprimand" the contractor to ensure the dust pile is covered or wetted frequently, and that they requested an air monitor be placed near the pile to ensure air is not compromised. An air monitor was located near the pile at times. No neighbors of the pile have reported seeing wetting used, although the dirt is brought to block 1129 to be sifted and then shipped elsewhere on the site.

The Amended Memorandum of Environmental Commitments states "all stockpiled dry materials (e.g., sand, aggregate) shall be water-misted; sprayed with non-hazardous, biodegradable suppressing agent; covered; or otherwise enclosed." It also states "loading of any dry material which may release dust from trucks shall be accompanied by manual water spraying of the material," and that "a washing station shall be constructed for all truck exits." Until recently, none of these commitments were met in the case of the mound, the sifting operation it facilitates, or the shipping of the soil into and out of block 1129.
FCRC representative says late night jackhammering is mandated by DOT, and noise can’t be muffled

Submitted by Peter K. on September 17, 2011 - 10:42am

FCRC Community Liaison Brigitte LaBonte has provided more information about nighttime work in roadways.

Site details upcoming work on Flatbush Avenue at Dean Street that will take several weeks, and states the traffic mitigation work that is at least partially responsible for complaints about jackhammering will end before the NYC Marathon in early November. The installation of new water mains on Atlantic Avenue will continue until April 2012. Additional mitigation work such as the construction of sidewalks will continue until August 2012. Nighttime use of the staging area associated with infrastructure work in block 1129 will continue through that time.

Some follow up questions have been sent to LaBonte requesting further information about the flexibility of the contractor’s timetable for the mitigation work at 4th Avenue and Atlantic, as well as about the possibility of shifting the location of the late night staging area within block 1129 given nighttime disruptions related to it will continue for nearly a year more.

Because LaBonte’s information is specific to work occurring in roadways, it does not address extended hours work in the footprint. Over the weekend a new round of complaints were submitted to AYW from residents of Newswalk Condominium complex about demolition work in the millyard on Saturday.

From LaBonte:

Regarding night work, there are currently three main projects that require night work; installation of water and sewer lines on Flatbush Avenue near 5th Ave and Dean Street between Flatbush and 6th Avenues, installation of a new water trunk main on Flatbush and Atlantic Avenues and Traffic Mitigation Site Work at the intersection of 4th Ave, Atlantic Ave and Flatbush Ave.

All of this work is required per DOT to be performed at night (10pm - 6am), as these are all heavily traveled main roadways and are not permitted to be closed during high volume daytime hours. Additionally, the details of the above work, including the required night hours, are included in the Atlantic Yards Construction Update which is issued by ESDC every other week and posted on their website. http://www2.ccdny.gov/Subsidiaries_Projects/AYP/AYConstructionUpdates.html

1. Water and sewer connections at Flatbush Avenue (near 5th Ave) were completed this summer. Pavement restoration will be completed after the DEP inspection which is scheduled for this week. Similar water connections will begin on Dean Street (between Flatbush and 6th Aves) this week. The work will include trenching, pipe installation and DEP inspections. This will take two to three weeks.

2. On behalf of DEP, FCRC is managing the installation of new water trunk main and associated distribution mains on Flatbush and Atlantic Avenues. The work is divided into three stages.

   Stage One of this work began in early August 2010 with investigative trenching needed for pipe fabrication. Work resumed this summer and will continue throughout the winter. It includes installation of a distribution water main along the sidewalk of Flatbush, north of Atlantic and on Flatbush Ave near the Atlantic Ave intersection. As most of this work is done under the street and sidewalks, this work requires partial closure of sidewalks and travel lanes. The entire DEP project is expected to be completed in January 2012. Stage Two work along Atlantic Avenue is complete. Stage Three work will begin after Stage One is complete and should be complete by April 2012. The work is mainly behind barriers but some is within the intersection and must be performed at night.

3. Traffic Mitigation Site Work includes construction of certain roadway, sidewalk and traffic signal improvements before arena opening to mitigate traffic projected in the area.

   After 4th Avenue northbound lanes were closed on July 31, 2011, mitigation work commenced and included breaking up the road bed of 4th Avenue near Times Plaza (triangle at Flatbush, Atlantic & 4th Ave) to install underground traffic signal conduits from one side of 4th Ave corner to the other. This work requires jack hammering of the road. There will be similar work at the Pacific/4th Avenue intersection and when curbs are installed around the plaza. The work at these locations will be completed by the end of October, before the NYC Marathon in November. Two other intersections included in the Mitigation Site Work that also require nighttime work are the Pacific/4th and Dean/Flatbush intersections. Pacific/4th must be completed before the Marathon. Dean/Flatbush will be completed shortly after. Other mitigation site work will continue (sidewalks, etc.) through next spring and summer and will be completed in August, 2012.

   Additionally, the jack hammers are outfitted with sound attenuation devices. This muffles the noise of the machines, but not the impact of the hammer on the pavement. Unfortunately, there is no way to practically attenuate this noise.

   The contractor that performs the above-mentioned work starts their DOT mandated shift at 10pm on Block 1129 (bound by Carlton Ave, Pacific St, Vanderbilt Ave & Dean St) where they store and move/pick up their equipment and materials. The use of this staging area is absolutely necessary, and will be utilized by the contractor until their work is complete, which is anticipated to be August, 2012.
A cloud of smoke rises above the arena this morning

Submitted by Peter K. on September 26, 2011 - 12:45pm

A cloud of what appeared to be smoke rose above the arena this morning. The photo above and the time-lapse video below are derived from photography taken from our live camera facing the arena block.

The live camera takes photos every minute. The time stamp on the photos shows the smoke lasting for approximately 15 minutes from 6:46 to 7:00 AM. The images appear to show the cloud moving out of the arena block toward the camera. Air quality is a major concern for the community surrounding the construction site and also presents health hazards for construction workers.

The smoke was first noticed by an Atlantic Yards Watch contributor who was videotaping this morning’s truck activity. The incident report filed by that contributor primarily focuses on truck violations, but it also includes video capturing the smoke around the 3:17 mark.
Yet two more documented incidents this morning serve as a reminder proper construction practices have to be implemented at all times.

Submitted by Peter K. on July 12, 2011 - 12:59pm
The photograph may look like the one we ran yesterday, but it is from 7:30 this morning. At the time it was taken there is no misting of the loading of the trucks, and the surface of the yard is clearly dry enough to produce dust. Later this morning some degree of watering did begin to take place.

An uncovered dump truck apparently transferring gilfed dirt from block 1129 travelled down Pacific Street this morning. Dump trucks are supposed to be inspected to ensure they are covered before they leave the work site.

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Air quality  Construction
Noise from nighttime "cutover" of LIRR operations causes consternation for nearby residents

Submitted by Peter K. on June 17, 2012 - 9:31am
24-hour work to move LIRR operations from the southern to the northern half of Vanderbilt Railyards (referred to as the "cutover" in ESRC's Atlantic Yards construction alerts) is causing consternation among residents. AYW has received several complaints about jackhammers, saws, and the persistent beeping of reversing construction vehicles. One resident describes "jackhammering, tons of noise."

The video to the right is a of a worker using a saw on LIRR's tracks at 2 AM. The file of the incident report that includes the video has a decibel meter and reports a 120 db level. No steps to attenuate the noise are visible in the video.

The use of noisy equipment like saws and jackhammers is not specified in the most recent construction alert. The alert warns the community about the intermittent use of the LIRR rail yard's lights all night, and that from 3:30 AM to 1:00 PM "loud banging noises by dump trucks will occur as they empty their loads of stone in the east yard between Carlton and Vanderbilt Avenues." But it does not describe jackhammering or the use of saws, and the noisy work described ends at 1:00 AM, not the later hours that the incident reports from nearby residents describe.

The alert describes the cutover as taking place over the course of two weekends in the middle of June. The alert states that the bulk of the work will occur on one weekend, but that there would also be follow-up work the following weekend. Lights may intermittently be turned on all night through the end of June.

The cutover is taking place in order to facilitate the reconstruction of the Carlton Avenue Bridge, which has fallen behind schedule. The cutover itself was originally described to the community as taking place by the end of May. ESRC and FCRC have claimed that frequent late night work on the rail yard is necessary to complete the bridge on time for the opening of the arena in late September. The Carlton Avenue Bridge was demolished by FCRC in January of 2008. The site sat dormant until FCRC began reconstruction in late 2010. In December 2010, FCRC executive Bruce Bender was indicted by the FBI requesting additional public funding from former State Senator Karl Krager for the bridge's reconstruction.
Having a problem related to Atlantic Yards? Log in or register for a free account to submit a report to AFYW.

Study finds many problems remain after years of reports showing noncompliance with environmental commitments were submitted to ESDC

Submitted by Glib on July 9, 2012 - 10:33am
An analysis of documents submitted by the environmental consultant HDR retained by ESDC to monitor compliance with Atlantic Yards' noise and air quality protocols has found that the agency has been advised of significant areas of non-compliance on an ongoing basis since construction began in 2010. The analysis is contained in a report prepared for AFY by Sandstone Environmental Associates of Metchen, NJ. Sandstone also found that some noise and air quality mitigations originally planned were likely inadequate, several planned mitigations were implemented late or not at all, and others that had been implemented unevenly were not being enforced either by FCRG, ESDC or City agencies.

Among specific examples are the following:

- Dust suppression protocols are often violated. Too few air quality monitors are being used given the scale of the site, and those that have been deployed are not used during extended hours construction.
- The 3/4" plywood being used for construction fencing does not have sufficient noise attenuation properties to shield nearby residences.
- The model of double-pane windows offered as a noise mitigation for nearby buildings may not have an attenuation rating sufficient to insulate residences from construction noise.
- Construction equipment that did not meet the project's stated air quality standards has been allowed to remain in service on the site for months while compliant equipment was waiting to be received.
- The ConEd power grid required for use of electrical, rather than diesel, equipment and generators was installed more than ten months late after construction activity had peaked, and then was largely not utilized by contractors.
- Use of unauthorized truck routes by contractors is pervasive, with little or no enforcement by ESDC and the City.
- Extended hours and nighttime construction work is routinely scheduled much more frequently than disclosed and committed in Atlantic Yards' Final Environmental Impact Statement (FEIS).

Sandstone suggests multiple failings by contractors, FCRG, ESDC and City agencies:

- Construction workers have not have received sufficient training on the environmental mitigations to influence behavior.
- FCRG's construction liaison is rarely on site.
- The position of ESDC community liaison for Atlantic Yards has been vacant for more than a year.
- FCRG's on-site environmental monitor (OEM) has a significant scope of responsibilities for a very large construction site, and may be overworked.
- ESDC's environmental monitoring consultant HDR visits the site only once per week, and only during daytime hours. Its quarterly reports are delivered many months after quarter end.
- City agencies have not allocated sufficient resources for adequate enforcement.
- The independent compliance monitor described in the Community Benefits Agreement, whose scope includes oversight of environmental commitments, has never been hired.
- There appears to be no penalty to either FCRG or ESDC for violating Atlantic Yards' environmental protocols.

The report states, "The construction mitigation measures can be considered a failure for numerous citizens who have experienced extremely loud noise, consecutive sleepless nights due to 24/7 construction activities, clouds of fugitive dust, vibration damage, and other impacts. The problem is not just that FCRG contractors are failing to follow various mitigation measures, but that they are getting away with it."

A recent action by the New York State Court of Appeals denied ESDC's and FCRG's motions to appeal a July 2011 State Supreme Court ruling that ESDC's approval of Atlantic Yards' 2006 Modified General Plan Project Plan violated State environmental law. In this ruling, ESDC and FCRG had claimed that the proposed 25-year construction duration would be no more of a burden for local communities than the 16-year schedule which was studied prior to the project's initial approval in the 2006 FEIS. That argument was rejected by HAV and appealing courts as having no rationales in formal environmental analysis. The Sandstone report now also calls into question not only the sufficiency of the environmental mitigations originally specified by ESDC, but more significantly the agency's ability to ensure those mitigations are implemented.
Railyard lights and construction may extend to 24 hours through June

Submitted by Peter K. on May 15, 2012 - 7:39pm

ESDC and FCRC have issued a supplemental_construction_advisory giving notice that work in Vanderbilt railyard will be extended to 24 hours a day for some periods through June. Work already takes place in the railyard from 6 AM to 3 AM. The notice states that working hours are being expanded to help speed up the reconstruction of the Carlton Avenue Bridge. Work to reconstruct the bridge began in December 2010, nearly 3 years after it was closed for reconstruction.

According to the notice, plumbing work scheduled over the next few weeks and located in the section of the railyard between Carlton and Vanderbilt Avenues cannot be executed while other work is taking place there. It is described as "quiet work" that will be localized and intermittent. The work will be lit either by the LIRR yard's permanent lights (only those lights in the vicinity of the work), or by portable lights.

The hours the lights will be used will be expanded again when the "cutoff" of LIRR operations from the southern tracks to the northern tracks takes place. Around the clock work will occur immediately before and during the cutoff, which will take place over the course of two weekends in mid-June. Moving LIRR operations to the northern tracks is the next step in the construction of the rail yard. The southern half now has to be lowered 27 feet to be at the same height as the recently excavated northern half.

Numerous complaints about the lights spilling over into nearby residences have been received by AYW. In the past, neighbors residing near the rail yard have noted all the yard lights have been turned on even when a small number of workers have been concentrated in just a portion of the two-block area. ESDC has previously stated the lights can only be turned on separately with difficulty, and that when construction work takes place the entire yard must be illuminated for safety requirements. The lights were originally installed to be used for LIRR operations and repairs. The contract between LIRR and FCRC was amended in the fall of 2011 to enable the use of lights by FCRC contractors for construction.

Members of the PHNDC board, (a sponsor of AYW), were previously told the cutoff would take place May 28. The new date in mid-June could mean there is a delay in the rail yard work, on which the reopening of the Carlton Avenue Bridge depends. Atlantic Yards Progress has published a site observation report from Merrit & Harris, which states the bridge is expected to be complete October 3rd, five days after the opening of Barclays Center. The report also states the ESDC has asked FCRC to develop a mitigation plan in case the bridge is not complete. Substantial completion of the Carlton Avenue Bridge is cited in the Atlantic Yards Master Development Agreement as a condition for the opening of the arena, and holding the first public event at the arena prior to satisfaction of the arena opening conditions is an event of default under the MDA.
Railyard construction extended to 3:00 AM weekdays

Submitted by Peter K. on February 9, 2012 - 7:40pm

A Supplemental Construction Notice from Empire State Development Corporation Project Director Arana Hankin has given notice work in the railyard now may extend until 5 am Monday through Friday. The extended hours are to be implemented as needed to work on the Carlton Avenue Bridge. State documents made available as a result of a FOIL request by Norman Oder of Atlantic Yards Report allow ESDC's Owner's Representative STV reported to ESDC in September 2011 that the bridge is one month behind schedule and now has an anticipated completion date of late September 2012, the same time the arena is scheduled to open.

Construction work hours in NYC normally are allowed 7 AM to 6 PM weekdays. Recently work in the railyard has been extended to begin at 6 AM and end at 11 PM weekdays, and from 7 AM to 11 PM Saturdays. Arena work hours have been extended as well.

Complaints about the use of lights have occurred with some regularity on Atlantic Yards Watch recently. The lights were originally not to be used for construction. According to the Project Director the contract between FCRC and LIRR was to be revised to enable the contractor to use the lights for construction, not just operation and repair as originally intended. The supplemental alert warns the lights may now be used until 3:00 AM.

The 120 projects extended weekday work will occur about 40% of the time and weekend work 50% of the time over the course of construction. Extended work is taking place at a more frequent pace than anticipated. ESBC has suggested work in the future may be less deadline driven, therefore compensating for the additional work hours taking place now.

The Carlton Avenue bridge was closed and partially demolished early in 2008, but work to replace the bridge did not begin until December 2010. Extended hours work has been permitted throughout the construction site on an ongoing basis.

The text of the supplemental alert:

New Information:

Commenting on Thursday, February 9th, Yard construction hours have the potential to extend until 3:00 AM Monday through Friday. These extended hours will remain in place through the completion of the Carlton Avenue Bridge replacement, as needed. Additionally, to facilitate early start and late finish of work, Yard Flood Lights will be turned on at 6am and from dusk to 3:00 am, during double shifts through the completion of the Carlton Avenue Bridge replacement, as needed.
Extended work hours have been expanded to new locations and types of work; Construction Alerts do not have enough detail to gauge whether FEIS projections are relevant

Submitted by Peter K. on May 9, 2011 - 9:49 pm
Extended construction work hours are a serious concern for those who live near the construction site in part because the work overlaps with the period families are most likely to be home.

A supplemental construction alert released April 29th announced weekday work hours on the rail yard have been extended from 7:00 AM - 3:30 PM to 6:00 AM - 4:30 PM, and that in addition Saturday work will take place from 7 AM to 5:30 PM for a period of three months or more. Arena construction has also regularly been scheduled on weekends during this period, as has work in Block 1129, not only related to the staging areas but also to the preparatory work for demolition of 603 Dean Street.

A reasonable balance between the need to complete the project in a speedy way and the community's need to live and work while the construction is taking place has to be kept. To some extent the FEIS projections and the commitments in the Environmental Commitments Memo may provide the Empire State Development Corporation's perspective on that balance:

- Work generating high noise levels would be scheduled during normal weekday work hours to the extent possible unless required by safety or other Agency requirements.
- The workers on site would be limited to those needed to complete the particular task at hand.
- Deliveries would occur during weekday daytime hours to the extent possible.
- Saturday work would begin on Saturday from 7 AM with worker arrival and site preparation and extend to 5 PM.
- The proper approvals would be obtained from the appropriate agencies.
- A noise control plan would be developed and implemented to minimize intrusive noise emanating into nearby areas and affecting sensitive receptors. Examples include keeping generators that produce noise away from the perimeter of the work site.
- In general the extended shift would include no more than 20% of the normal weekday force and evening work no more than 10%.
- Extended weekday work will occur about 40% of the time and weekend work 50% of the time over the course of construction.

The two week construction look-aheads called Construction Alerts give little information about the after hours work in the arena block, but do say the extended hours will be used for make-up work from weather or other delays. However, without further detail in the Construction Alerts, it is not possible to establish whether the work taking place is actually due to delays or not. While the description of the work taking place during extended hours in the rail yard is more specific, it is related to the installation of piles which is a noisy operation), it is less clear that the workers on site during the extended hours will be limited to that particular task.

Barclays Center and the construction of the Carlton Avenue Bridge both have dependencies built into their completion dates. This increases the risk that extended hours will occur with increased frequency through the construction period, especially since so much of the most labor-intensive work lies ahead.

Comment
Casagrande drill rig is modified to prevent spewing dust after video and photography of dust is forwarded to oversight

Submitted by Peter K. on April 6, 2011 - 9:54pm

After several weeks of community complaints, a large Casagrande drill rig in block 1120 has apparently been modified to cease spewing dust. This is the same machine that also triggered recent vibration complaints in the community nearby.

Video of dust clouds emanating from the drill were filmed April 6, April 14, and April 18 and forwarded to oversight. The video below is from April 18.

The work is taking place in block 1120 inside the LIRR railyard. The drill is one of several putting in place piles that are in part to support the rear of the still occupied buildings adjacent to the work. Piles are also being installed in the vicinity of a tunnel on the east end of the railyard in block 1121.

Air quality monitoring is conducted inside the railyard by a sub-contractor hired by Forest City Ratner and their contractors. Excluding the Carlton Avenue Bridge, city agencies only oversee work located in those areas of the project footprint not owned by the MTA/LIRR. The Empire State Development Corporation has an environmental monitor, HDR, that oversees all monitoring that takes place.

2011-04-18 retrofitted drill still spewing dust...
Visibility is an issue in collision at Atlantic Yards perimeter

Submitted by ayw on April 3, 2011 - 10:24am
At approximately 10:00 PM on Monday, March 28, a delivery cyclist turning the corner at Sixth Avenue and Dean Street was struck by an SUV traveling south on Sixth Avenue. The driver remained at the scene as the cyclist was rushed to a nearby hospital. The driver of the SUV told a local resident at the scene that the blue plywood walls surrounding construction at Atlantic Yards blocked his view and he was not able to see the cyclist until it was too late.

The police found the cyclist at fault for running a red light. Neither the driver nor the cyclist sustained major injuries.

- Incident report

Construction | Traffic and pedestrian safety
After a month of violations the dirt mound at Dean Street and Carlton Avenue is finally "slimed" with green protective covering

Submitted by Peter K. on July 26, 2011 - 11:48pm
(Updated)

Roughly a month after a mostly uncovered large mound of dirt appeared on block 1129, an incident report finally gave notice "the mound was "slimed" with green stuff." The green stuff is presumably a protective covering to inhibit dust.

Only a few days after the "sliming," the mound was gone. It did not appear again in another location, suggesting the contractor only covered the mound once its function was complete.

For a month community members (and apparently the ESOC) had attempted to get the contractor to cover the mound or move it.

The photographs submitted with the report show one portion of the mound still covered with plastic and another with a slightly unnatural green hue.

Early this month this site reported that improper custodianship of the mound appeared to violate numerous commitments in the Amended Memorandum of Environmental Commitments. Since that time, ESOC told this writer they continued to "reprimand" the contractor to ensure the dust pile is covered or wetted frequently, and that they requested an air monitor be placed near the pile to ensure air is not compromised. An air monitor was located near the pile at times. No neighbors of the pile have reported seeing wetting used, although the dirt is brought to block 1129 to be sifted and then shipped elsewhere on the site.

The Amended Memorandum of Environmental Commitments states "all stockpiled dry materials (e.g., sand, aggregate) shall be water-misted; sprayed with non-hazardous, biodegradable suppressing agent; covered; or otherwise enclosed." It also states "loading of any dry material which may release dust from trucks shall be accompanied by manual water spraying of the material," and that "a washing station shall be constructed for all truck exits." Until recently, none of these commitments were met in the case of the mound, the sifting operation it facilitates, or the shipping of the soil into and out of block 1129.
Signs stating sections of Carlton Avenue and Pacific Street will be closed July 30-31 and August 6-7 from 8 am to 4 pm are incorrect; there will be no closures this weekend.

Submitted by Peter K. on July 27, 2011 - 10:27pm

(updated Thursday, July 28th)

Two signs were posted Wednesday giving notice Carlton Avenue will be closed between Pacific Street and Dean Street, and Pacific Street closed between 6th and Carlton Avenues July 30-31 and August 6-7 from 8 am to 4 pm. Both blocks are contiguous and linked to one temporary and two permanent street closures related to Atlantic Yards. For this reason, further temporary closures may be particularly inconvenient for project neighbors.

The new temporary closures were due to renovations on the Newswalk building, not Atlantic Yards. Apparently, the closures have been suspended for this upcoming weekend because the contractor failed to meet public notification requirements. When further information is available, it will be posted here.

Attachment
Carlton Avenue Street Closure.jpg

Construction  Traffic and pedestrian safety

Size
198.09 KB
Signs for FCRC's Community Liaison Office are posted along the perimeter of the site.

Submitted by Peter K. on July 9, 2011 - 11:29am

On Thursday signs identifying the location of FCRC's Community Liaison Office were posted along the perimeter of the project site. The signs do not include the hours the office will be open.

This follows a statement by Rachel Shatz of the ESIDC that FCRC is in violation of the Amended Environmental Commitments Memo at a joint meeting of the Carlton Avenue Association and Dean Street Block Association on June 28th. At the meeting Brigitte LaBonte, FCRC's Community Liaison, stated that she is on site one or two days a week.

The commitments in the memo state, "FCRC shall maintain an on-site construction coordinator to function as a liaison between FCRC and the community with respect to construction-related issues. The coordinator shall be available to consider specific concerns raised by the community with respect to the construction issues and seek to resolve such concerns."

Amy Sara Clark of Prospect Heights Patch and Norman Oder of Atlantic Yards Report both highlighted Shatz's statement in their coverage of the meeting. In Clark's coverage FCRC promised change and said that the developer would have at least one person on site during working hours.

At points in the project, FCRC has described the Community Liaison as a "capacity" the company has rather than a person.

### Attachment

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An eventful morning around the Barclays Center construction site

Submitted by Peter K. on August 1, 2011 - 10:17pm

During an overlapping period this morning, a major piece of Sam Schwartz's traffic mitigation plan was tested against weekday traffic for the first time, a job action disrupted construction work at the arena, and a lane of traffic on Atlantic Avenue was closed in order to conduct random radiation tests.

As the picture to the right shows, weekday drivers traveling northbound on 4th Avenue Monday discovered they can no longer continue on 4th Avenue between Atlantic and Flatbush. Instead they are now expected to turn left on Atlantic to 3rd Avenue where they can continue north, or turn right onto Pacific Street which is now one lane eastbound.

The traffic mitigations are being put in place at this time because traffic levels are lower than at other times of the year. The changes in traffic patterns, (actually implemented Saturday), are forced into being by temporary obstructions that will soon be turned into a permanent extended plaza on 4th Avenue between Atlantic and Flatbush, and a "neck-down" at Pacific and Flatbush.

While the NYPD was assisting confused drivers coping with unfamiliar obstructions on the west side of the arena, on the east side along 6th Avenue concrete workers were protesting anticipated pay and benefit cuts. Some of the concrete workers held signs stating "The concrete contractor on this job site does not have an agreement with the Cement and Concrete Worker District Council." At 8:00 am when this writer encountered the demonstration, only a few workers were visible inside the arena block working, and 87 workers in total stood outside. Most were workers from other unions.

Meanwhile, across the street from the north side of the arena a lane of traffic was shut down along Atlantic Center in order to facilitate a random radiation test. Apparently the radiation tests rotate around the city. NYPD and National Guard members with rifles were visible throughout the area.

(Photo and video by Wayne Bailey)
Yet two more documented incidents this morning serve as a reminder proper construction practices have to be implemented at all times.

Submitted by Peter K. on July 12, 2011 - 12:00pm
The photograph may look like the one we ran yesterday, but it is from 7:30 this morning. At the time it was taken there is no misting of the loading of the trucks, and the surface of the yard is clearly dry enough to produce dust. Later this morning some degree of watering did begin to take place.

An uncovered dump truck apparently transferring soil/dirt from block 1120 travelled down Pacific Street this morning. Dump trucks are supposed to be inspected to ensure they are covered before they leave the work site.

The Prospect Heights Neighborhood Development Council, Inc.
Frontal theme by Pixeljet.com
Dust for workers and possibly the community from work in the railyard today

Submitted by Peter K. on July 11, 2013 - 11:25pm
Dust from excavation and trucks in the railyard is visible in this photo submitted with an incident report today. Dust suppression measures are supposed to be put in place in order to protect air quality for workers on the project and the community nearby. The Amended Environmental Commitments Memo states:

"FCRC shall require its contractors to implement dust suppression measures including the following:

iii. Watering unpaved surfaces, including haul roads and excavation faces. All unpaved haul roads and excavation surfaces shall be continuously watered by watering trucks or constant mixing, so that surfaces remain damp at all times when in use during construction. Gravel cover shall be applied to unpaved surfaces which are regularly traveled."

Attachment

1MG_7840.JPG
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Tags: Air quality, Construction, Public health
This is a rear view of the same car which is sprayed black. An iron worker union sticker also appears in the rear windshield.

Construction worker parking blocks the B65 bus lane on Dean Street at Flatbush Avenue daily, adding a hurdle for passengers trying to board the bus. The construction worker car parked behind the bus is from New Jersey.
In a relatively recent development construction workers have apparently expanded a lane closure associated with Atlantic Yards construction on Atlantic Avenue to make additional room for parking.

Construction worker cars in a no standing zone along Pacific Street. The condition on Pacific has improved somewhat from the late spring. At that time cars were parked three lanes deep including on the sidewalk and in the travel lane.

This view of Pacific Street toward the arena construction entrance on 6th Avenue includes illegally parked cars.
One of a number of construction worker cars intermingling with 78th Precinct employee cars on 6th Avenue. They all park with two wheels on the sidewalk. Many construction workers leave their vests or hats visible through their windshields.

A homemade sign doesn’t deter construction workers from parking on 6th Avenue. That is an iron workers local sticker on the side window of the car in the left of the photo.
Thanks to illegally parked 78th Precinct employee cars and Barclays Center construction workers cars there is often quite a squeeze for pedestrians on 6th Avenue.

The 78th Precinct employee and Barclays Center construction worker cars are all parked illegally on the 6th Avenue sidewalk shown here. According to Transportation Alternatives, even the few 78th Precinct employees parked with legal placards are not legally allowed to park this way on sidewalks.

**Attachment**

- constructionworkerandfuneraldirector.jpg 182.83 KB
- paintedblackconstructionworkercar.jpg 232.72 KB
Complaints about extended hours work continue, and new sources of construction noise at night and on weekends may be on their way

Submitted by Peter K. on July 26, 2011 - 10:04pm

Complaints about late night and after hours construction work continue to reach this website. The video above, (which reached this site indirectly), was filmed at 11:30 am at the intersection of 5th Avenue and Bergen Street.

Complaints about permitted late night work on the project date back to the extended infrastructure work that took place on Dean Street and Flatbush Avenue in 2008 and caused substantial discomfort to many living in the vicinity. The earliest illegal after hours work inside the footprint dates to the spring of 2007, only a short time after work on the project began.

The sources of the complaints relate to an expanding list of types of work scheduled at night and on weekends. The affected residential areas are dispersed throughout the perimeter of the 22 acre project site.

In the meantime, new potential sources of late night noise may soon be added. The two week Construction Alert from last week discloses that if permits allow work may occur 24 hours a day on the arena block, and a supplemental Construction Alert released today gives notice additional work on the rail yard will occur this coming Friday night and continue through Saturday and Sunday. Late night infrastructure work on Atlantic Avenue, (described as technically not related to Atlantic Yards by NYCDEP), is now reaching Vanderbilt Avenue and will eventually continue to Carlton Avenue.

The mitigations for noise offered by Forest City Ratner to the affected community for the duration of the project’s implementation and operation are double paneled windows for street facing windows if they are not already in place, and an air conditioner for one street facing room per residence. Double paneled windows have been an industry standard since the 1970s so they are already in place in most residences. The additional costs of operating an air conditioner as a fan in lieu of opening a window are born by the property owner or tenant.

The sources of work that have created recent complaints on this website are:

- Late night utilization of the staging areas on Block 1129. An incident noted states, "Construction seems to be going later and later at Vanderbilt and Dean, construction now not only goes all day but most of the night as well. Building was heard at midnight and at 11 pm I am typing to the sounds of trucks backing up at 10:45pm!"
- Weekend work on the rail yard.
- Garbage removal in the vicinity of Carlton Avenue between Dean and Bergen Streets. One of several notes states, "This is an ongoing problem, 4 or 5 nights a week between 3:30pm and 5:00am generally a company called Action Environmental comes by to empty the dumpster with loud beeping, engines running, dumpsters clanking etc. . . . Repeated lack of sleep for me and my 6 month old is a health risk especially as its an ongoing occurrence with no foreseeable end in sight."
- On YouTube, videos show late night infrastructure work on 5th Avenue. The person posting the videos writes, "This construction is going on til 5AM all week on 5th Ave below Atlantic. Had to move in with a friend because the noise made sleep impossible—the apartment was literally vibrating. Apparently they have a night permit to lay gas pipe for the Nets stadium. Because slowing traffic during the day would be worse than forcing people out of their homes at night?"

Normal work hours at the site are from 7 am to 3:30 pm. The FERC and the Amended Environmental Commitments Memo detail circumstances in which extended hours will occur, however in some circumstances, (for example the potential third shift on the arena block), city agencies have the power to withhold permission.
Work on the arena now takes place in two shifts, (with more work occurring during regular work hours) from 7 am to 11 pm. The most recent Construction Alert states that subject to permit approval, a third shift may be instituted from 11 pm to 7 am, creating an uninterrupted 24 hour work schedule.

Late night and weekend use of the construction staging area on block 1129 is ongoing.

Transit repairs/improvements have taken place at night, much of it on Flatbush.

Construction of certain elements of the Sam Schwartz traffic mitigation plan near Pacific Street take place at night.
Atlantic Yards-related work extends to 24 hours a day, resulting in many reported quality of life impacts

Submitted by Peter K. on September 15, 2011 - 7:18 pm

Late night and weekend work hours continue to be expanded at Atlantic Yards. The work in the video above takes place at Atlantic and 4th Avenues on a regular basis late at night and is concluded at 6 am. This video is from September 13th.

Normal construction work hours at the site extend from 7 am to 3:30 pm. Work in the arena is now often 24 hours a day during the week and extends into weekends. As of this weekend, work in the Vanderbilt rail yard will take place both Saturdays and Sundays. Truck deliveries for the arena have now been moved forward to as early as 6:00 am. Construction set up on block 2209 is active any time extended hours work takes place elsewhere in the footprint or its vicinity.

The number of workers during extended hours is often significantly less than during normal weekday hours. And according to the [Amended Memorandum of Environmental Commitments](http://www2.nyc.gov/html/dpe/html/about/commitments.shtml), "work that generates high noise levels would be scheduled during weekday daytime hours to the extent feasible...unless required by safety or other agency requirements." Now safety and other agency requirements often appear to override community noise concerns.

The work can be distressing for residents nearby. In the last several months repeated complaints have been made about the installation of the traffic mitigations at Atlantic and 4th Avenues. From one incident report [September 8th](http://www2.nyc.gov/html/dep/html/about/commitments.shtml):

> "there is ongoing night-time construction of roads in and around the Flatbush / Atlantic intersection. Many people are not aware of this b/c the crews start work at 9:30 pm and finish at 5:30 am. The noise is unbearable for those of us that live near the intersection. Extremely loud jackhammering and pounding of steel road plates all night. Children (and adults) in the units facing Atlantic up and down the block and around the intersection are not sleeping at all. We all understand the project and its needs, but the NYC DEP has clear guidelines for night construction that the contractor is ignoring. There are no sound mufflers on the jackhammers or any other precautions being used by the contractor. These are required by law! What can we do to stop this madness? I've heard many people threatening violence, and I understand their level of frustration b/c this is tantamount to sleep deprivation torture. If the DOT / DEP commission or someone in charge would come observe for one night and hear what is going on they would be shocked. Please help."

AYW has received nine incident reports associated with the jackhammering since July 29th. One [neighbor](http://nyti.ms/1mVfz1) states the jackhammering is located in an area where traffic has already been permanently removed. Other recent complaints have been related to Jackhammering and demolition work in the rail yard Saturday, August 13th and Saturday, September 10th.

ESDC's construction alert from September 13, 2011, and a supplemental alert released at the same time, detail night time and weekend work hours throughout the project footprint, with the hours extended further into the night and weekends. Here is a breakdown:

**LIRR/VANDERBILT RAIL YARD/ CARLTON AVENUE BRIDGE**

- As of May 2nd construction work hours have been 6:30 am to 4:30 pm.
- As of May 7th, construction work has taken place during the hours of 7 am to 5:30 pm on Saturday.
- Starting this Sunday, work will take place from 8 am to 6:30 pm for a period of at least three months.
ARENA

- Saturday work will continue during this period, (no time-frame is given in the construction alert).
- "Subject to the receipt of permits" on Monday through Friday a second shift from 3 to 11 pm and a third shift from 11 pm to 7 am. (This work has been ongoing for some time).
- Hunt has been given permission to do deliveries from 6 am to 7 am to the arena site from the dispatch center at Pacific Street and Carlton Avenues through the construction period of the arena, (but reviewed on a weekly basis).

BLOCK 1129

- Block 1129 contains construction staging for contractors working throughout the footprint. If those contractors are working late night or weekends, they are also moving to and from their construction staging area as well as moving supplies and equipment.

OFF SITE-MITIGATION WORK

- Work to install the Sum Schwartz traffic mitigations has been scheduled at night and concluded at 6 am so that traffic can be restored to the area by rush hour. (One nearby resident states the jackhammering at Atlantic and Flatbush is located in an area where traffic has already been permanently removed).

NYC TRANSIT IMPROVEMENTS

- Work may take at place at night in roadways in order to restore traffic by 6 am.
- Work will take place inside the footprint September 3rd and September 10th.

Note: Atlantic Avenue water main installation, while not considered technically to be AY work by oversight, may take place at night in the vicinity. The current area of work is Atlantic from Vanderbilt to Carlton Avenues lining the north perimeter of the project. Utility work, for example the installation of the fiber optic cables that will apparently encircle the arena, often takes place on weekends when it involves roadways and/or sidewalks. It is not included in the construction alerts.
Extended work hours have been expanded to new locations and types of work; Construction Alerts do not have enough detail to gauge whether FEIS projections are relevant

Submitted by Peter K. on May 9, 2011 - 9:41pm

Extended construction work hours are a serious concern for those who live near the construction site in part because the work overlaps with the period families are most likely to be home.

A supplemental construction alert released April 28th announced weekday work hours on the rail yard have been extended from 7:00 AM - 3:30 PM to 6:00 AM - 4:30 PM, and that in addition Saturday work will take place from 7 AM to 5:30 PM for a period of three months or more. Arena construction has also recently been scheduled on weekends during this period, as has work in block 1129, not only related to the staging areas but also to the preparatory work for demolition of 603 Dean Street.

A reasonable balance between the need to complete the project in a speedy way and the community's need to live and work while the construction is taking place has to be kept. To some extent the FEIS projections and the commitments in the Environmental Commitments Memo may provide the Empire State Development Corporation's perspective about that balance:

- Work generating high noise levels would be scheduled during normal weekday work hours to the extent possible unless required by safety or other Agency requirements.
- The workers on site would be limited to those needed to complete the particular task at hand.
- Deliveries would occur during weekday daytime hours to the extent possible.
- Saturday work would begin on Saturday from 7 AM with worker arrival and site preparation and extend to 5 PM.
- The proper approvals would be obtained from the appropriate agencies.
- A noise control plan would be developed and implemented to minimize intrusive noise emanating into nearby areas and affecting sensitive receptors. Examples include keeping generators that produce noise away from the perimeter of the work site.
- In general the extended shift would include no more than 20% of the normal weekday force and evening work no more than 10%.
- Extended weekday work will occur about 40% of the time and weekend work 50% of the time over the course of construction.

The two week construction look-ahead called Construction Alerts give little information about the after hours work in the arena block, but do say the extended hours will be used for make-up work from weather or other delays. However, without further detail in the Construction Alerts, it is not possible to establish whether the work taking place is actually due to delays or not. While the description of the work taking place during extended hours in the rail yard is more specific, (it is related to the installation of piles which is a noisy operation), it is less clear that the workers on site during the extended hours will be limited to that particular task.

Barclays Center and the construction of the Carlton Avenue Bridge both have dependencies built into their completion dates. This increases the risk that extended hours will occur with increased frequency through the construction period, especially since so much of the most labor-intensive work lies ahead.
- Multiple sidewalks lining the project perimeter are in poor condition, either through neglect or the affects of Project construction. Most patches by Project contractors are asphalt, even though many have been in place for years. The sidewalks in particularly poor shape include those along Atlantic Avenue for which there is no clear replacement schedule.
Video and photography show dump trucks lining Pacific Street between 6th and Carlton this morning

Submitted by Peter K. on July 13, 2011 - 10:48am
5:45 am Atlantic Yards/FCR no flaggers + illegal...

Video and photographs showing dump trucks lining Pacific Street between 6th and Carlton Avenues were attached to incident reports submitted to this website this morning.

The two videos, titled "5:45 am Atlantic Yards/FCR no flaggers + illegal idling," and the photographs show a line of trucks waiting underneath the 170 unit Newswalk building to enter one of the Barclays Center truck entrances at Pacific Street and 6th Avenue.

The trucks are lining up on the wrong block of Pacific Street. The video and photography illustrate an ongoing problem long brought to the attention of ESDC and FCR. If the protocols outlined in the Barclays Center Delivery Truck Rules and Requirements for the use of a flagger at Carlton Avenue and Pacific Street are not kept, the public Pacific Street between Carlton and 6th Avenues quickly becomes an extension of the construction site. The goal of the use of a flagger in this location is to avoid trucks lining up on this block.

The complaint details the trucks lining up for an hour beginning at 5:45 am, and the photos contain time tags placing them between 6:10 and 6:37 am. NYCDOT allows idling for no more than 3 minutes. Construction hours for the Barclays Center begin at 7:00 am.

Three of the ten Barclays Center Deliver Truck Rules and Requirements relate to the use of Pacific Street as a conduit for construction trucks:
6. All trucks are to queue as needed from Vanderbilt to Carlton Avenue on Pacific Street only.
7. The flagger/radio operator at the intersection of Carlton Avenue and Pacific Street will dispatch trucks on an as-called basis from the area site radio operator.
8. All trucks will heed all traffic signage and signals from Carlton Avenue to 6th Avenue on Pacific Street, bearing in mind that this portion of the access route remains open to pedestrian and vehicular traffic.

These rules can be found in the Additional Resources page of the ESDC website labeled "Atlantic Yards Truck Rules and Requirements." The link leads to the Barclays Center Delivery Truck Rules and Requirements from Hunt Construction Group. As has been reported on this website, the rules and regulations for construction related tracks and vehicles are not as useful as they could be because they address only one track entrance and only Barclays Center construction related tracks.

Current Atlantic Yards related construction includes numerous truck entrances and additional contractors besides Hunt working on the LIRR rail yard, the rebuilding of the Carlton Avenue Bridge and the construction of a new entrance transit entrance.
originally expected in May lasting at least 3 months.

Work on the arena now takes place in two shifts, (with more work occurring during regular work hours) from 7 am to 11 pm. The most recent Construction Alert states that subject to permit approval, a third shift may be instituted from 11 pm to 7 am, creating an uninterrupted 24 hour work schedule.

Late night and weekend use of the construction staging area on block 1129 is ongoing.

Transit repairs/improvements have taken place at night, much of it on Flatbush.

Construction of certain elements of the Sam Schwartz traffic mitigation plan near Pacific Street take place at night.

Construction Noise Public health
With demolition of a family shelter, the last existing residences in this phase of property condemnations will be eliminated

Submitted by Peter K. on August 1, 2011 - 11:20pm
The end for 603 Dean St shelter MVI 9270

(Updated)

Forest City Ratner Company is in the process of demolishing 603 Dean Street, one half of the 94 unit residential family shelter formerly known as the Pacific Dean Annex. The shelter's residences are the last to be demolished in the project footprint during this phase of the project. In 2009 the project was changed so that property would be acquired by the State and FCRC in at least two phases. The completion of the condemnation process for three small, still inhabited residential buildings on Dean Street will not occur until some unscheduled time in the future.

In the 2006 FEIS, the ESDC estimated 171 residential units and 410 residents would be directly displaced by the project. That number did not include the shelter's family residences.

The shelter is located on block 1129 which is part of the project's second phase. It is being demolished to make way first for construction staging, and later an accessory interim surface parking lot for the Barclays Center anticipated to have as many as 1100 spaces.

FCRC states their long term plans are to build housing on the shelter's current location. Currently the developer has no financing for any housing, and the project agreements give the developer at least 25 years to complete the project's second phase.

If the environmental review for the ModGPP in 2009 had included a supplemental environmental impact statement, (SEIS), like the one recently ordered by New York State Supreme Court Justice Marcy Friedman, it may have provided the community with a platform to advocate for changes to the project like retaining existing housing inside the footprint. Judge Friedman has now ruled the ESDC's approval of the ModGPP is invalid and that the ESDC must conduct an SEIS. It is now certain by the time the ESDC completes the SEIS, with the exception of the three Dean Street buildings, all pre-existing residential housing will be demolished within the project site.

The Pacific Dean Annex, (shown to the right in 2009 following the demolition of the Ward Boad Factory next door), was controversial when it was established. The owners eventually were fined by then New York State Attorney General Elliot Spitzer for taking money from the not-for-profit they ran, (Praxis), to establish the Pacific Dean Annex as a for-profit operation.

For nearby residents the shelter was often a source of noise and security concerns. But over time, some residents of the shelter became known to, (and friendly with), their neighbors, in part because the stay of some families in the shelter lasted as long as several years. Some of these residents turned to local civic organizations like the Dean Street Block Association, 6th Avenue to Vanderbilt for assistance with construction-related impacts as well as to join in community celebrations.

When it was closed in January 2010, the public was told the shelter would be demolished soon thereafter. Residents were given roughly a month to move during the Christmas holiday period. According to shelter officials at the time, no relocation assistance was
State and City agencies allow extended hours construction across the entire Atlantic Yards site

Submitted by Peter K. on October 6, 2011 - 8:26pm

Construction hours in New York City generally span the period from 7 am to 6 pm weekdays. One work shift five days a week from 7 am to 3:30 pm is the norm.

Atlantic Yards is different with extended construction hours taking place throughout the project and its vicinity. Even though the developer currently is a leaseholder of a little more than half of the project's prospective 22 acre site, construction still takes place throughout much of the 22 acres. And construction in every location has been allowed by the State and City agencies that oversee the work to extend beyond NYC's normal weekday construction hours.

The map above is indexed to show the locations where permission to conduct work outside of normal construction hours is detailed in the Atlantic Yards Construction Update dated from September 25th to October 9th. The 2006 footprint of the project is highlighted in orange; areas with active construction work are a stronger orange.

1. Installation of the traffic mitigation that closes northbound traffic on 4th Avenue at Times Square occurs at night between 10 pm and 6 am “per DOT stipulations.” Two community members have observed in their incident reports that some of this nighttime work (which includes jackhammering) is taking place inside an area from which traffic is already barred. The construction update states because some of the work is at the edge of the traffic island, a travel lane adjacent to the island must be taken out of service while the work is underway. This work is anticipated to end by the beginning of November, but its nighttime noise impacts may be replaced by sewer and water main work in the same relative vicinity. A community member writes, “If the DOT / DEP commission or someone in charge would come observe for one night and hear what is going on they would be shocked.”

2. Installation of a modified curb profile traffic mitigation at Pacific and 4th Avenues. Although the construction update does not detail the work which includes jackhammering must take place at night, it does take place at night. A community member writes, “It is torture for those of who live in the area.” (See video below filmed at street level at 10:00 pm on October 3, 2011)
3) Installation of a distribution water main along the sidewalk of Flatbush, north of Atlantic. This work, which does not appear to have started yet, is to be done at night (10pm to 6am) and requires the partial closure of the sidewalk and the curb lane of traffic during work hours. The work will take two to three months in this location and then move southward and cross Flatbush.

4) The construction alert states that temporary concrete road decking over transit is substantially complete, but if there is a need to do any related work, such work will be performed at night per DOT stipulations.

5) The installation of a curb extension traffic mitigation on Dean Street west of Flatbush is just getting started. Work there is scheduled to be complete within 3-4 weeks. The work is to be performed during nighttime hours of 10pm - 6am. Residents near this intersection have already experienced extensive nighttime work in the past from the installation of sewer and water mains as well as other utilities.

6) Work on the arena is regularly permitted to occur weekdays for a second and third shift from 3-11 PM and from 11 PM to 7 AM. It often takes place. Saturday work is also permitted and currently takes place.

7) Work on water and sewer mains on Dean Street takes place from 10 pm to 6 am.

8) Deliveries to the arena site via Pacific Street between 6th Avenue and Carlton Avenue have been moved up to 6 am "to reduce congestion and interference with local traffic." The contractor wants to continue this until arena opening. Truck deliveries also take place regularly on weekends. Complaints about the use of Pacific Street for truck deliveries are a regular occurrence on this site.

9) Like all work in the Vanderbilt Rail Yard, the installation of mini-piles and structural support system for the LIRR car shop is permitted an extended shift on weekdays from 6 am to 4:30 pm, Saturday work from 7 am to 3:30 pm, and Sunday work from 8 am to 4:30 pm. One writer of an incident report notes, "Starting work on Sat at 7am with a jackhammer attached to an earth mover breaking down a concrete wall seems over the top."

10) The re-building of the Carlton Avenue Bridge is permitted an extended shift on weekdays from 6 am to 4:30 pm, Saturdays from 7 am to 5:30 pm, and Sunday work from 8 am to 4:30 pm. The Bridge lay dormant for several years after it was closed and partially demolished in January 2008. It now has an anticipated completion date of the arena opening.

11) Tunnel work on the LIRR is permitted from 6 am to 4:30 pm weekdays, Saturdays from 7 am to 5:30 pm and Sundays from 8 am to 4:30 pm.

12) Construction staging and material/equipment storage for nighttime work is located on block 1129. This means whenever nighttime work is scheduled elsewhere in the project, contractors enter and exit this area at night. Complaints have been received from residents on Carlton Avenue, Dean Street and Vanderbilt Avenue. The incident report states, "I was woken from sleep by loud noise at 1:45 am on Friday 10/7/11. I looked out of my bedroom window which faces Dean Street and observed for several minutes a bulldozer picking up rocks from the construction site and dumping them into a dumpster. Aside from the noise this work created the annoying beeps of the bulldozer whenever it backed up made me want to go out and throw rocks at the operator. (See below video shot from a residence on Carlton Avenue at 10:30 pm approximately a year ago)."
While not technically considered part of the Atlantic Yards Project, catch basins, water and sewer mains are scheduled to be installed on Atlantic Avenue between Carlton and Vanderbilt (and a portion of Vanderbilt) lining the second phase project footprint starting in late October. Whether directly associated with Atlantic Yards or not, the work may be scheduled now to avoid the significant increase in traffic that will occur when the arena opens. The work will take place from 8 pm to 4 am.

The FEIS, construction deadlines and less construction

The FEIS anticipates extended workdays 40% of the time over the course of the project’s construction. One day of weekend work is anticipated 50% of the time over the course of construction, with “in exceptional circumstances” two weekend days required. (FEIS, 12-13)

The Amended Memorandum of Environmental Commitments contains commitments distilled from the FEIS including:

- A noise control plan would be developed and implemented to minimize intrusive noise emanating into nearby areas and affecting sensitive receptors.
- Work generating high noise levels would be scheduled during normal weekday work hours to the extent possible unless required by safety or other Agency requirements.
- Saturday work would begin on Saturday from 7 am with worker arrival and site preparation and extend to 5 pm. (Rail yard work is currently permitted from 7 am to 5:30 pm.)
- In general the extended shift would include no more than 20% of the normal weekday force and evening work no more than 10%.
- To the extent feasible, scheduling equipment and material deliveries during weekday daytime hours, rather than during weekday nighttime or weekend hours.

It is not known why City and State agencies permit so much after hours work at Atlantic Yards because reports from FCRC and ISDC state construction is on schedule. This week FCRC spokesman Joe DePlano told the Brooklyn Paper that the pace of construction “will continue through the arena opening, but denied that the work was ramped up to keep the project on schedule.”

Noticing New York argues that either construction has actually fallen behind schedule or that, unlike what is anticipated in the FEIS, 24/7 construction was always intended. Atlantic Yards Report coverage of a Good Day NY interview quotes Bruce Ratner saying “we don’t want to take any chances,” when asked about the pace of construction, “It’s going on all the time, on weekends, and after-hours.”

The scale of the construction now taking place is less, and the size of the structures being built is smaller, than anticipated in the FEIS for this period in the project. The project plans in 2006 included an arena and four buildings on the arena block all being built in tandem to the extent that their foundations and HVAC systems were woven together. In addition underground parking and a much larger arena loading dock were to be constructed at the same time. The last element of the first phase of the project including an additional building on Site 5 was to be complete one year after the arena opened.

Now the buildings in the arena block have been separated and their construction timetable has been allowed to extend to twelve years, or possibly more. If FCRC chooses to build the permanent rail yard, most likely its construction will no longer overlap with the construction of the arena as was originally planned. Finally, the 6th Avenue Bridge is no longer to be demolished and rebuilt, also lessening the amount of work FCRC needs to do now.

So if work is on schedule, and construction tasks have been lessened, why is so much more extended hours work approved (and taking place) than anticipated in 2006? What is being illustrated is both the challenge of predicting construction impacts in an environmental impact statement, and of enforcing commitments made to mitigate the impacts. The latter is particularly true if there is little or no incentive for either the ISDC or FCRC to identify the adverse impacts the project generates.
2006 environmental analysis underestimates extent of construction noise impacts; affected residents left without recourse

Submitted by Peter K. on October 1, 2011 - 11:47am

AYW has received numerous incident reports about noise from nighttime work in the vicinity of Pacific Street, 4th and Atlantic Avenues beginning in late July. Similar complaints have also been posted on Provisions and made to elected officials. The work involves infrastructure for the Barclays Center, and includes street construction with jackhammering.

After following up with the residents who submitted incident reports, AYW has observed the following:

- Some affected residents live outside the zone identified in the 2006 Final Environmental Impact Statement (FEIS) where significant noise impacts were anticipated. Sensitive receptor locations in the 2006 analysis (locations like residences or open space where human activity may be affected by project generated noise) do not account for more recent conversions from commercial to residential in the vicinity of the project site.
- None of the residents complaining have received notice of the noise attenuation measures offered by Forest City Ratner Companies (FCRC).
- The specific noise attenuation measures offered as mitigation (double pane windows and air conditioners) are already in place and residents report they are still kept up at night.

A common complaint in the residents' reports is that their windows are not sufficient to stop the noise caused by the jackhammering, resulting in sleepless nights. The homes of the residents commenting below are labeled on the map above showing the zone significant construction noise impacts were anticipated in the 2006 FEIS (modified from FEIS, figure 17c-2). The anticipated affected area is shaded gray. It is also the zone in which FCRC is required to make noise mitigation measures available to residents.

#11 "I can’t sleep. I had a guest leave my apartment at 3 am a few weeks ago to stay in a hotel because of the jackhammering...If someone doesn’t put a stop to this, I will either have to have my windows soundproofed or move."

"I’ve been using a window air conditioner to cover the noise so I can get some sleep at night, but I’m concerned about the coming weeks when the weather will surely cool down...As for double pane windows, I believe my building has them already, though cheap and cracked, and they do very little (if nothing at all) to muffle the noise. For the record, no one ever contacted me personally to offer air conditioners or windows." [incident report #20]
all... What can we do to stop this madness? I've heard many people threatening violence, and I understand their level of frustration b/c this is tantamount to sleep deprivation torture."

"... it's a newer building but cheap windows. Hard to imagine any windows could block jackhammering just feet away." (incident report 280)

Resident #1 lives inside the zone in which FCRC is required to mitigate construction noise; however, the resident did not receive notice of the mitigations. The resident moved to the location in 2010. Letters giving notice of noise mitigations were sent to some property owners (not tenants) in 2007 and are not distributed on a regular basis.

The work triggering the complaints is outside the zone where the FEIS anticipates significant noise impacts to occur. Residents #2 and #3 also live outside that zone. Neither recalls noise mitigations being offered to them at any time.

**Identifying construction noise receptors and significant noise impacts**

The assessment of whether to analyze an area for significant noise impacts from construction work is determined by a number of factors including the duration and intensity of the exposure as well as the nature of the neighborhood near the work. Residences within the area where significant noise impacts were anticipated in the FEIS have been offered the noise attenuation of air conditioners and double pane windows.

The CEQR Technical Manual (the manual that sets the guidelines environmental analysis is supposed to follow in New York City) states analysis of significant noise impacts should take place if construction equipment would be operating for a period of more than two years within 1500 feet of a sensitive receptor, but that shorter periods should be assessed if the work is intense (CEQR, pg. 2). Likewise, the anticipated duration of each stage or activity should be considered (CEQR, pg. 4). "Nighttime (between 10 PM and 7 AM) is a particularly critical time period relative to potential nuisance values for noise level increases." (CEQR, pg. 25.)

The numbered black ovals on the map to the right show the location of the construction noise receptors assessed in the FEIS. There are no construction noise receptors to the west or north of the 4th Avenue/Atlantic Avenue intersection where residents #2 and #3 live.

Residents #2 and #3 live in new construction at the locations marked "X" and "Y" on the map. Because the assumptions in the FEIS are six years old, changes of use of some buildings like One Hanson Place (home to resident #2) are not accounted for. The 37 story, 189 unit One Hanson Place (labeled "X") is identified as having office and institutional uses through its rust and blue color (modified from FEIS, figure 152.1).

The Technical Memo issued with the 2009 MGPP does include the residential development of One Hanson Place in its list of background changes, but does not adjust the zone where significant noise impacts will occur to accommodate those background changes. No effort is made in the analysis to expand the sensitive receptor locations because of background changes in the vicinity of the project. CEQR states a sensitive receptor location is "usually defined as an area where human activity may be adversely affected when noise levels exceed predefined thresholds of acceptability or when noise levels increase by an amount exceeding a predefined threshold of change (CEQR pg. 6)."

The source of the nighttime noise in these complaints, jackhammering from street work related to traffic mitigations, started in July. According to FCRC's Community Liaison Brigitte LaBonte, the work will be complete by the time of the New York City Marathon in early November and is required by NYC DOT to take place between 10 PM and 6 AM. This means residents in the area are three quarters of the way through a four month long nighttime "dentist appointment" (as FCRC Vice President Jane Marshall described the work at the most recent Atlantic Yards District Cabinet).

LaBonte also notes that there are two other sources of nighttime work in the vicinity: installation of water and sewer taps at Flatbush and 5th Avenue (now moving up to Dean and Flatbush), and the three stage installation of a new water trunk main on Atlantic and Flatbush Avenues. The water main work is anticipated to be complete in April 2012.

**Additional Press**

Noticing New York suggests the substantial extended hours work approved at the site is a sign either that Barclays Center, LIRR railyard and Carlton Avenue Bridge construction has fallen behind schedule, or that the amount of extended hours work necessary at the site was always understated in the FEIS.

Atlantic Yards Report has written a number of reports on extended hours work.

A Brownstoner forum stimulated discussion from nearby residents about the nighttime work at 4th and Atlantic.

**Attachment**

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*Login or register to post comments*
Neglected fences, not development or artwork, characterize the project's second phase

Submitted by Peter K. on October 16, 2011 - 12:09pm

"Works in Progress," Arthridge's exhibition of 20 digital prints installed in segments along construction fencing circling the arena block, is located on Flatbush Avenue, Dean Street and 6th Avenue. It will be in place until April or May of next year.

Arthridge is a non-profit public art organization that according to its website, "beautifies neighborhoods and communities by transforming overhead construction scaffolding into larger-than-life canvases for the work of local emerging artists."

The photo to the left shows the exhibition being installed on a portion of the fencing along Dean Street between 6th Avenue and Flatbush Tuesday October 18th.

The effect of the exhibition is enhanced by the active construction of the Barclays Center rising behind as a backdrop. But its total running length is only 425 feet, and it is installed next to the first elements of project construction. The 22 acre project footprint has approximately 6,000 linear feet of fencing along its perimeter.

When the exhibition was announced to the public in June, AYW ran a story including a photograph (below, left) of a fence located on Atlantic Avenue at Vanderbilt. The photo to the right was taken October 8th.

In its report, Combating Graffiti: Reclaiming the Public Spaces of New York, NVPD asks that property owners immediately report graffiti to the police and upon completion of a police report remove it. The goal is to prevent the long term display of markings and discourage vandalism. "Experience has shown that prompt clean-up is an effective deterrent to the re-occurrence of graffiti."

Formerly the area shown in the photos was a functioning BP gas station. The lot has now been excavated around a LIRR tunnel that runs beneath the fence. The area is the eastern-most part of Atlantic Yards and among the last areas scheduled to be developed. Until it is, the lot will remain an example of how, in some locations, Atlantic Yards has reversed development progress and introduced blight.

For the short-term, the area is a source of rent, garbage and graffiti complaints.

Second phase perimeter fencing in photos

Perimeter conditions for the project's second phase tend to be worse and less aesthetic than in the arena block. This is due in part to a vacuum in responsibility for maintenance of some Atlantic Yards sidewalks. In other cases it is because the fencing is temporary and anticipated to be replaced at some point in the future.

Most won't be replaced by permanent buildings, but instead with more solid fencing to protect the existing community from planned interiors near of the project like stores, offices and an aging construction staging area. The staging will support construction of the...
For some locations, there simply is no meaningful description of the interim condition, and no hint of how fencing will be changed, so the lifespan of the current fencing is unknown.

The photos that follow show fence conditions in the second phase footprint of the project. The photos were taken October 8th, 15th and 23rd.

This is the other side of the former BP gas station on Vanderbilt Avenue between Pacific Street and Atlantic Avenue. As has long been the case, garbage is stuffed between the concrete barriers and the temporary wooden fencing.

Until a building is built here there is no description of what will be located in the area behind the fence. Currently much of the soil has been removed so this fence or another is likely to be in place for some time. This area is one of the last to be developed under the current project plan which may take 25 years or more to complete.

Garbage caught in fencing between Atlantic Avenue and Pacific on Vanderbilt Avenue. Some of the garbage is foodstuffs. FCRC is required to clean this stretch of sidewalk.
The fence lining Atlantic Avenue between Vanderbilt and Carlton Avenues. As originally approved in 2006, FCRC was to take control of all of the project footprint at once including this sidewalk, and would have been responsible for custodianship of all sidewalks and all fencing along the project perimeter. Custodianship includes litter pick-up, graffiti removal, snow shoveling and improving inadequate or damaged sidewalks.

FCRC "voluntarily" cleans up trash and weeds here, but no entity is currently designated to shovel snow, remove graffiti or improve the sidewalk. This is because LIRR/MTA still owns the property adjacent to the sidewalks and as a state authority it does not have to obey local laws relevant to sidewalk maintenance.

Because of changes to the project agreements between FCRC, MTA and ESBC in 2009, development here may not be completed here for 25 years or more.
This fence is on Pacific Street between Carlton and 6th Avenues. The orange vinyl netting covers one of a number of holes in the chain link cut to enable the monitoring of two buildings (remaining inside the second phase footprint with their original owners) for construction-related vibrations.

Also within the phase 2 footprint, development here is allowed to take decades.

This is Sixth Avenue between Dean and Pacific Streets. The empty lot was created with the demolition of two townhouses with Dean Street frontage and is currently being used for 78th Precinct employee parking. The cars parked on the sidewalk are 78th employee cars parked illegally.

This is the location of a portion of the building #15 footprint. Until it is built, it is another area in which development progress has been set back by the project. The planned interim function of the lot has variously been described as construction staging, an arena broadcast support area, surface parking and NYPD parking.
Graffiti on a pre-existing brick fence on Dean Street between Carlton and Vanderbilt Avenues.

The fence lining Dean Street between Carlton and Vanderbilt. All but one building holding businesses and residences on this block have been demolished to make room for the block's interim function as an 1,100-space parking lot for arena patrons.

Like many areas in the project's second phase, the development progress of this block (much of which was the site of the Ward Bread Bakery found eligible for the National Historic Register in the project's FEIS) has been set back by the project.

The fence on this block is to be replaced by a more solid brick fence and narrow planted border with a goal of shielding residences nearby from the arena patron parking.
This is Carlton Avenue between Dean and Pacific Streets. Using a Citizen's Committee grant, the residents of this block restored bushes lining the project perimeter that had died over the course of the last few years. They also oversaw the planting of the street trees by the Parks Department.

Like along Dean Street current plans are to replace this fence with a tall, less transparent fence to protect local residents from the 1100 parking spaces for arena patrons anticipated to be placed here as an "interim" condition.

In the last few years local civic organizations have overseen the planting of more than 20 street trees on Dean Street, Pacific Street, Carlton and Vanderbilt Avenues in the immediate vicinity of the project site, primarily across the street.
"Temporary" removal of street trees on Pacific Street (and elsewhere) could last for decades with delayed construction

Submitted by Peter K. on February 13, 2013 - 11:59pm

Update: The trees in the article below have been cut and no date for their replacement has been provided the community.

Once heralded as a "Garden of Eden" in Brooklyn by New York Times critic Herbert Muschamp, Atlantic Yards is becoming meaningfully less green step by step.

In what is a big loss for nearby residents, next week Forest City Ratner will remove 20 street trees on the northside of Pacific Street between 6th and Carlton to facilitate construction in the area. The photo to the right was taken this summer. No date has been provided for when they will be restored.

Forest City Ratner received a permit from the Parks Department in 2008 to remove 86 existing street trees in the public way inside the project footprint including the 20 trees on Pacific Street. A Council of Brooklyn Neighborhoods (CB4), at the time brought both the permit and a debate over restitution between the Parks Department and Forest City Ratner to light. FCRC initially asked for the financial restitution they were required to pay to be waived in lieu of the greater number of trees they said they were going to plant with the project. In the end the Parks Department reduced the cost of restitution by the value of 116 street trees they were told would be planted on the project perimeter.

While the Parks Department has confirmed recently updated this permit, it is not currently known to what extent it has been modified to take into account the changes to the project construction timeline, construction sequence, and phasing of property ownership made in 2009. The area where the trees on Pacific Street are located was originally anticipated to be the first area of the second phase of the project to be constructed. However, in October 2012, FCRC Executive Vice President MaryAnne Gilmartin told investors that second phase construction would begin first on block 1129 (between Vanderbilt and Carlton Avenues, and Dean and Pacific Streets). Further, at the time the 2008 permit was granted, it was assumed the air rights over the rail yard would already be owned by FCRC. Now MTA still retains those rights and FCRC is not obligated to purchase them.

This means FCRC has been given permission to cut street trees lining MTA property they do not control, and because the construction timetable for this area is indeterminate, they may leave a now green area denude of trees for a long time. With the information currently available, the neighborhood character of the northside of Pacific Street is likely to join nearby 6th Avenue as victim of construction delay-induced blight at Atlantic Yards.

The arena block loses trees, too

The "temporary" loss of the trees on Pacific Street will be added to a recent reduction in the permanent number of trees on the Barclays Center block. In December, approximately five recently planted trees near the arena were removed, apparently at the request of NYPD due to concerns about pedestrian safety.

Eleven street trees and an empty bed are all that remain along Atlantic and Flatbush Avenues. Landscape architect Laurie Olin's original arena block plans details 34 trees along those two Avenues. Even taking into account the areas where construction is incomplete, there appears to be a significant reduction in viable locations for street trees adjacent to the arena. A representative from the Parks Department has confirmed with ATW it will allow FCRC to meet their permit obligations by planting trees on blocks near the arena where the number of trees have been increased. It is unclear how this will be implemented. It is also unclear if the new trees will be fast growing varieties to make up for the lost time.
green area to 100% and extended construction schedule means residents of the arena block will wait longer for fewer "green" amenities than planned in 2006 when the project was approved.

The removal of the street trees on the arena block due to concerns about pedestrian safety may be a sign project planners are being forced to confront the unanticipated consequences of changes to the arena block they made in 2009. The areas where at least some of the trees were removed is close to an exit at Dean Street and Flatbush which was never disclosed in project plans and never studied in any pedestrian analysis. Following events, this area has often been crowded. Besides changes to arena entrances and exits, other changes include narrower permanent sidewalks (especially along Dean Street), and the later construction of buildings on the arena block from the construction of the arena itself, forcing the closure of sidewalks and travel lanes. Each of these changes alters the behavior of pedestrians. Unless project planners adapt their plans to positively address these changes, there is a risk pedestrian safety and neighborhood character will continue to be pitted against each other with depressing consequences for the quality of life in the vicinity of the project.

What of the rest of the project perimeter?

The 2008 Parks Department permit allowing FCRC to remove street trees was based upon Mr. Olin's plan. Following changes to the project made in 2009, many of the 116 street trees in the plans now lie in areas FCRC does not control and is in the position to choose to not develop. In the only area where construction is underway—the arena block—the number of street trees has already been reduced from what is shown in those plans. Many of the areas where the Parks Department has given permission for trees to be cut may not see construction for up to 25 years.

Neighborhood character

Submitted by robertjames on February 27, 2013 - 3:37am.

There should be a solution to

There should be a solution to this. If you are cutting a tree, you need to plant 4 more trees in place of that to compensate and save the environment. This should be made a rule.

activities for kids in nyc

Log in or register to post comments
Traffic barriers and signs on Pacific Street are restored

Submitted by Peter K. on November 13, 2013 - 10:34am

After nearly six months, missing traffic barriers, parking regulation signs and traffic signs have been restored to Pacific Street between 6th and Carlton Avenues. The "MPT" (Maintenance and Protection of Traffic) measures were the victim of the heavy use of that block by Atlantic Yards related construction trucks. The parking regulation signs were apparently removed to enable illegal construction workers parking.

The barriers and signs are "temporary" measures implemented for the period the Carlton Avenue Bridge is closed. They are designed to delineate for drivers the current mid-block shift of Pacific Street from a westbound one-way to a two-way between 6th Avenue and the entrance to the LIRR ramp into Vanderbilt Rail Yard. LIRR vehicles must enter the ramp from the west due to its angle to the street. With the re-opening of the Carlton Avenue Bridge, Pacific Street between 6th Avenue and Carlton Avenue will be returned to a two-way for the full-length of the block.

These measures have had to last longer than anticipated because the Carlton Avenue Bridge, originally anticipated to be closed for two years, will have been closed for four and a half years if it opens on the current schedule. They were restored because a community member raised the issue with NYCDOT. Although NYCDOT approves MPT measures associated with Atlantic Yards, it is PSC's contractors who install and maintain them.

The photo on the right from July 19 shows most of the MPT measures missing (note the knocked over sign at the bottom of the picture). The westbound vehicles to the left are using the eastbound lane for westbound travel. In addition, all the westbound traffic is ignoring the stop line east of the LIRR ramp and proceeding directly to the intersection at 6th Avenue.

Without the MPT measures eastbound drivers were only given a subtle warning the travel lane created for them ends. The barrier in the photo was moved to the north sidewalk soon after the photo was taken, (where it remains today).

Adding to the mix, with the barriers removed the eastbound lane was turned into a place for buses to park while waiting for entry into the Barclays Center work area or elsewhere on the site. And construction workers took advantage of the missing parking regulation signs to increase the area they could park.

In the past, the barriers have not been well maintained. They have filled with trash, much of it from construction workers who take breaks nearby. Forest City Ratner has agreed to clean litter in this area, but has not generally cleaned the trash from the traffic barriers.

The photos below show the barrier in the July photo in its current condition and from the period preceding the rodent-related DOH inspection in late June.
October 8th showing the traffic barrier laying on the northern side of the Pacific Street sidewalk. It has been in this location since the summer. FCRC picks up the trash in this area.

Food waste garbage inside the barrier October 8th.

The same traffic barrier June 19th before DOH's inspection of the project site and its environs.
Drill spews dirt into Vanderbilt Avenue injuring two and damaging seven cars

Submitted by Peter K. on June 23, 2011 - 12:05pm

Thomas Tracy reports today in the Brooklyn Paper that a drill driving piles immediately adjacent to Vanderbilt Avenue in block 1121 "sent egg-sized chunks of packed dirt and small stones raining down on unsuspecting pedestrians and commuters at the corner of Vanderbilt and Atlantic Avenues on June 21 - leaving two injuries and more than seven damaged cars."

The drill in question is of the same type and doing the same type of work reported to be spewing dust several months ago on this website. These types of drills at the site have been the source of community complaints for some time, particularly for the dust and noise they cause. A video in our report from April 6th shows a malfunctioning Casagrande drill spewing dust one block west from the most recent incident.

The AY Construction Alert from June 20th to July 21st describes the work as taking place to install a line of 17 drilled piles located in what used to be the BP gas station at the intersection of Atlantic and Flushing Avenues. The work taking place is over a tunnel leading into the LIRR rail yard at the southeastern part of the project. The work is anticipated to take place for two months.

For approximately three weeks a travel lane and sidewalk on Vanderbilt have been closed, and a bicycle lane moved, to accommodate the affects of the drill that caused the accident. Workers have been observed sweeping the lane and sidewalk over the last week. The photo to the left was taken June 8th. The two cones to the right in the photo delineate the temporary path of the bicycle lane.

The effort to shift cars, bicycles and pedestrians out of harm's way by moving the lanes on Vanderbilt may be part of what is referred to as the MPT or Maintenance and Protection of Traffic Plan for the project which is particularly important during the construction period. Although lane closures for construction work are generally detailed to the public in the AY Construction Alerts or related supplements, this writer can find no details of these particular changes outlined in the documents.

The ESDC's environmental monitor HDRM has a role in overseeing traffic changes, as does NYC DOT. Questions about this incident will be forwarded to the ESDC's Project Director Arana Hankin.

Photos taken June 5th on Vanderbilt in the area of the drill that caused the accident yesterday show that dust, mud and debris had flowed through the fence onto the sidewalk and Vanderbilt Avenue previously. The photos were taken on a Sunday when no work was taking place in that location, therefore the changes to Vanderbilt lanes to accommodate the work were also not in place. The photos can be found below:
Signs mud had flowed through the construction fence onto the Vanderbilt sidewalk from the drill, Sunday June 5th.

More signs of sprayed mud onto the construction fence and Vanderbilt sidewalk from the drill, Sunday June 5th.

Dirt pattern extends into the Vanderbilt bicycle lane, Sunday June 5th.
Cones and dirt on Vanderbilt Avenue, Sunday June 5th.

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Construction  Traffic and pedestrian safety

* Login or register to post comments
Barclays Center contractors place a mostly uncovered mound of dirt on block 1129 close to homes; there appear to be numerous violations of the Amended Environmental Commitments Memo (updated)

Submitted by Peter K. on July 2, 2011 - 3:29pm
(The text in italics has been updated since the original post).

Barclays Center contractors have created a large stockpile for dirt at the intersection of Dean Street and Carlton Avenue. The photo on the right was taken Friday, July 1st. The mound, mostly uncovered for much of last week, is across the street from homes on Dean Street and Carlton Avenue. As of Sunday, July 3rd the covering has been extended to cover the top of the pile. The issue was first brought to the attention of this website by an incident report filed Tuesday, June 28th.

A second smaller pile on block 1129 has been left uncovered as of Sunday, July 3rd.

It is unclear why this stockpile and the procedure it is associated with are located so close to residences.

The pile appears to violate numerous commitments as detailed in the Amended Environmental Commitments Memo. Dirt was visibly blowing off the pile on Friday, July 1st.

The pile is one element of a multi-step process which apparently involves sifting gravel from the Barclays Center construction site in order to clean or reuse it. Dirt is brought from the arena block to block 1129 via Dean Street, unloaded and eventually sifted at the location of the pile. It is then removed by truck, possibly back to the arena block for reuse. No wetting was visible during this process July 1st. If the pile was sprayed with a suppressing agent, it was inadequate to the purpose.

The Amended Memorandum of Environmental Commitments states "all stockpiled dry materials (e.g., sand, aggregate) shall be water-misted; sprayed with non-hazardous, biodegradable suppressing agent; covered; or otherwise enclosed." It also states "loading of any dry material which may release dust from trucks shall be accompanied by manual water spraying of the material," and that "a washing station shall be constructed for all truck exits." None of these commitments appear to be met in this case.

This process may also be the reason construction trucks associated with Laquila filled with gravel have been leaving the construction site and traveling down Dean Street past Dean Playground. Dean Street and Carlton Avenues are not designated truck routes.

View from Carlton Avenue, Friday July 1st
Construction vehicle on Carlton Avenue, Friday July 1st

Dust on windshield on Carlton Avenue, Friday, July 1st

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Air quality  Public health

»  Login or register to post comments
As trucks continue to violate Atlantic Yards environmental commitments and NYC law, signs emerge that methods for coordinating trucks are changing.

Submitted by Peter K. on August 6, 2011 - 3:07 pm

Construction trucks at the Atlantic Yards construction site have repeatedly violated the Amended Memorandum of Environmental Commitments, Barclays Center Truck Rules and Requirements and NYC Law. Clarification of truck routes and enforcement were on the Atlantic Yards District Service Cabinet agenda July 14th, but the meeting ended before the subject was covered.

Since Saturday July 30th, this website has received ten more incident reports, (all public here), related either to trucks driving the wrong route, driving against traffic, waiting in travel lanes or bus stops, leaving the construction site uncovered, or idling. Among the streets documented on this website impacted by insufficient coordination of delivery trailers and trucks are Atlantic Avenue, Pacific Street between Carlton and 6th Avenues, Carlton Avenue between Dean and Pacific Streets, Dean Street, South Portland Avenue, and Clermont Avenue.

The photo above shows cement trucks with mud covered wheels adjusting their positions inside the arena block by shutting traffic down on Atlantic Avenue. The picture below shows a dump truck likely associated with Carlton Avenue Bridge work because it originated at the railyard entrance on Atlantic Avenue near Carlton, turning down Clermont Avenue. Clermont Avenue is not a designated truck route.

Empire State Development, (ESD), previously stated to Atlantic Yards Report that an incident report on Atlantic Yards Watch documenting uncovered dump trucks leaving the construction site was an "isolated incident." Now, following similar documented incidents on this website, ESD has told AYR that "once it was brought to ESD’s attention by our environmental consultant that this was not an isolated incident, ESD required FCRC [Forest City Ratner Companies] to work with the contractor to develop a more stringent review and disciplinary process which would result in immediate removal from the site if truckers leave the site with their load uncovered."

Perhaps through pressure from ESD, discernible changes are being made to the way trucks are coordinated at the site. The changes appear to have been in place for several weeks, but to date have not altered the pace or types of truck violations occurring at the construction site.

The last two construction alerts detail a dispatch center being added to block 1129 to coordinate delivery trailers and trucks...
to the arena site. This appears to exclude work on the LIRR railyard, Carlton Avenue Bridge, and likely the contractors' staging areas on block 1129.

The Barclays Center Truck Rules and Requirements has always specified that the "flagger/radio operator at the intersection of Carlton Avenue and Pacific Street will dispatch trucks on an as-called for basis from the Arena site radio operator." Until approximately two weeks ago, no flagger of that description had been at that location for a long period, if ever. Now a worker for the security firm Securitas apparently coordinates traffic at that intersection.

In addition, new signs for many of the entrances on the arena block have been posted. Most arena block gates now have a number, (1-6), and a letter, (either A or B). The image below is a gate located on Atlantic Avenue at 6th Avenue. There are no new signs on the entrances for the railyard or the staging areas on block 1129.

The Amended Memorandum of Environmental Commitments states that at each exit trucks will be inspected to ensure covering before they are allowed to leave the construction site. Also at each exit there is to be a wheel washing station in which water is to be contained and recycled to ensure mud is not tracked from the site. The construction alerts prepared by FCRC and released by ESDC have long not accounted for the true number and locations of truck entrances at the site; whether connected or simply a coincidence, many of the unidentified entrances, (such as the one in the photo to the left), were also not equipped to meet the commitments spelled out in the Memo. Time will tell if at least those entrances identified by sign will now be equipped in the way the Memo promises.

With more coordination of delivery trailers and trucks, ESD and FCRC should now be able to detail to the community the routes in and out, and the protocols, for each of the arena block entrances. That information has never been satisfactorily provided the community before. Are Atlantic Avenue entrances supposed to be active during rush hour? Is the route from the Dean Street entrance in the arena block to the contractors' staging areas in block 1129 Dean Street?

ESD and FCRC should also provide the routes and protocols associated with truck entrances like those for the construction of the Carlton Avenue Bridge that may not be part of the new dispatch center system. For example, what is the route out of the railyard entrance on Atlantic Avenue near Carlton?
As trucks continue to violate Atlantic Yards environmental commitments and NYC law, signs emerge that methods for coordinating trucks are changing

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Clermont Truck.jpg | 50.83 KB
_MG_0634.jpg | 133.39 KB
IMG_0624.jpg | 103.38 KB
Gate 6.jpg | 803.52 KB

Construction  Traffic and pedestrian safety
Barclays Center contractor Laquila regularly sends trucks down local streets and past Dean Playground

Submitted by Peter K. on July 2, 2011 - 3:07 pm

Illegal Atlantic Yards construction truck on Dean from tracy collins on Vimeo.

In the last week construction trucks have been sighted regularly on Dean Street between 6th and Vanderbilt Avenues. A resident of Carlton Avenue from Dean to Pacific Streets also states trucks have lined up there early in the morning.

The trucks on Dean Street largely appear to be associated with Laquila, a contractor working on Barclays Center. Many trucks are loaded with gravel and travel past Dean Playground, down Dean Street to Vanderbilt, turn left on Vanderbilt and left again into the former Pacific Street. They may be delivering gravel to a site on block 1129 where the gravel is sifted and loaded back on trucks.

According to a driver interrupted mid-trip at the intersection of Dean Street and Carlton Avenue on Friday July 1st, no information has been provided to Laquila drivers about the routes to take from the arena block.

Likewise, no information has been provided the public by the ESDC or FCRC outlining the route construction trucks are meant to take leaving the arena block. Barclays Center Delivery Truck Rules and Requirements posted on the ESDC website specify, "All trucks shall be required to use NY CDOT-designated truck routes for traveling to and from the construction site, which include primarily Atlantic Avenue, Flatbush Avenue, 4th Avenue and the Brooklyn-Queens Expressway except as required for movement between construction staging and construction areas."

NYC truck regulations require the driver to take the route that results in the shortest trip on local streets to the designated truck route. In the case of Barclays Center-related trucks leaving the arena block on Dean Street, this would appear to mean using 6th Avenue as a conduit to either Flatbush or Atlantic Avenues. Revised truck routes described in recent construction alerts are now out of date, so they provide little guidance on the subject. They never detailed exit routes from the arena block.

The video above and below were taken by cell phone on Dean Street while the Dean Street Block Association began set-up for their block party Saturday, June 25th. A third truck was stopped by a policeman posted on the block in anticipation of the block party. The first occurred at approximately 10:30 in the morning. The next two came within an hour. The policeman stated that to his understanding the 77th Precinct has not been notified about truck routes in relation to Atlantic Yards construction, so enforcement is not possible.

Note the video above contains footage of a construction truck without a Laquila logo but of the same type and on the same route, carrying an uncovered load of gravel. It was actually the second of the three trucks that morning. If as is likely it is a Barclays Center related construction truck, it is in violation of the commitments in the Amended Environmental Commitments Memo and the Barclays Center Delivery Truck Rules and Requirements. The Truck Rules and Requirements state 'trucks leaving site with loose material are required to be covered and properly sealed. Trucks will not be allowed to leave site until the load is covered and properly sealed.' It also notes, "Failure to comply with these requirements will result in the non-compliant driver, and or/firm, being denied access to the site for the duration of the project."
Illegal Atlantic Yards construction truck on Dean from tracy collins on Vimeo.
Canadian truck carrying prefabricated Barclays Center seating blocks local street’s bike lane while idling

Submitted by Peter K. on July 6, 2011 - 1:42pm

2011-07-05 Truck parked in Bike lane & idling @...

A Canadian truck carrying prefabricated Barclays Center seating blocked the Dean Street bicycle lane at Vanderbilt Avenue for over an hour last night. The truck was headed to block 1129 where the seating is stored before being installed in the arena. According to the local resident who supplied the video above, he first encountered the truck in the location shown in the video around 6:00 pm. The video was filmed over an hour later when he returned from dinner. At both times the truck was idling and sitting in the same place in the bicycle lane.

The truck was apparently violating NY Claw. Not only is Dean Street not a NYCDOT designated truck route, in NYC trucks are only allowed to idle for 3 minutes. Blocking a bicycle lane is also not allowed.

The truck with Ontario license plates was associated with Active Transport Incorporated. According to the company, which is located in Milton, Ontario, it ships Barclays Center seats from Canada where they are prefabricated to Brooklyn. The company specializes in transporting large, difficult to move objects and equipment.

In a related story, the construction alert forwarded to the community yesterday by the ESDC states Hunt has now "demobilized" the access ramp at Dean Street and Flatbush Avenue. It was opened earlier this year to accommodate trucks while the Pacific Street ramp was temporarily closed. In the last construction alert Hunt detailed they would both remain open at the same time for an indeterminate period.
Having a problem related to Atlantic Yards? Log in or register for a free account to submit a report to AYW.

Latest reports
- 27 illegally parked cars in one small area - Cher concert
- Limos at hydrants on Carlton Avenue

Live cameras
- Arena block from east
- Block 1120/6th Avenue from north
- Block 1129 from south

Submit a report

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Construction workers park illegally on Pacific Street at 6th Avenue

Submitted by Peter K. on September 2, 2011 - 8:52am

Location:
Pacific Street at 6th Avenue

When:
September 1, 2011 - 8:36pm

This report is for two construction worker cars parked in "No Standing Anytime" zone on the south side of Pacific Street.

While filing the 311 the car owners appeared. I asked them to move so they would not cause inconvenience for the community and the police. I offered not to file the 311. They refused. I continued filing the 311.

Later I received a notice from 311 stating, "The Police Department responded to the complaint and with the information available observed no evidence of the violation at that time."

Note: Another car was parked ON the north sidewalk of Pacific Street at 6th Avenue and inside a "No Standing Anytime" zone. While filing this 311 the construction worker/car owner appeared. He stated that he had been told parking anywhere on Pacific Street was allowed. He offered to move his car, so I did not report his illegal parking which would have been in another precinct. He easily found legal parking within a minute or two.

Severity:
The nature of the threat posed by the incident or impact.

People:
Local community

Frequency:
Ongoing

Submitted by dkim on October 12, 2011 - 12:40am.

Priority: -> normal
State: -> Pending
Client: -> Public

Assigned: unassigned -> dkim
will record into forum topic.

Login or register to post comments
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Early morning violations of truck protocols contrast with FCRC statements at Atlantic Yards District Service Cabinet

Submitted by Peter K. on September 23, 2011 - 4:38pm

The protocols for construction trucks described "as significantly improved" yesterday by FCRC's Adam Schwartz at the Atlantic Yards District Service Cabinet are documented being repeatedly violated earlier yesterday morning and today by multiple incident reports filed on this website.

Only hours before Schwartz spoke at Brooklyn Borough Hall, project-related trucks were advancing before the receiving gate was ready, idling, standing in no-standing and no parking zones, ignoring a stop sign, driving the wrong way on a one-way street, and not obeying NYCDOT designated truck routes.

At the District Service Cabinet FCRC's Schwartz stated, "the guard does not release trucks from our site until the gate is ready to receive them." The guard is located at Pacific Street and Carlton Avenue. In following this protocol the trucks enter the project site from Vanderbilt Avenue and line up inside the project footprint on the former Pacific Street between Carlton and Vanderbilt Avenues. This is apparently done in the hope of lessening impacts on the residents who live along the stretch of Pacific Street between Carlton and 6th Avenues that would not ordinarily be a truck route.

But this protocol was not followed. Instead, the incident reports document trucks lining up on the public portion of Pacific Street at 6th Avenue as well as on 6th Avenue. Trucks are also shown entering one-way Pacific Street the wrong way from 6th Avenue. Although the camera did not pivot in time to capture it, the filer reports 5 trucks enter from Carlton Avenue. Carlton Avenue is not a truck route. The videos also capture trucks driving north on South Portland Street.

The early hours yesterday are documented in incident reports 309 and 310. Both are titled "The Attack of the Dump Trucks." The reports include three well-indexed videos, and document a half hour of truck activity that include multiple apparent truck protocol violations. An indexed video included with an incident report today also shows similar violations.

At the time and from the single location the videos were all filmed, more trucks were associated with railyard than arena-related work and therefore committed more violations. But trucks associated with arena work do not appear to proportionately conform better to the rules and requirements outlined on the ESDC website than railyard-related trucks and only two of the many arena block entrances are visible from the location of the camera.

The incidents occurred around 6 AM which is earlier than the construction hours normally allowed in NYC of 7 AM to 6 PM. The most recent construction alert provides notice that the contractor of the arena, Hunt, has been issued a permit to have deliveries occur between 6 AM and 7 AM in order to "reduce congestion and interference with local traffic." The permit is issued on a week-by-week basis, but the intention is to use this time-frame until the arena is complete.

To flow the traffic smoothly

To flow the traffic smoothly and regularly, it's most important to follow the traffic rules properly each and every one whether it is by small vehicle driver or of the Big Trucks one. It traffic rules are followed properly then meany of the accidents are saved.
Incident Report Saturday documents steel deliveries to Barclays Center that ignore ESDC's published truck regulations and appear to violate NYC law

Submitted by Peter K. on July 31, 2011 - 9:52pm
Atlantic Yards rig runs a red light barely miss...

The video above from Saturday shows a Barclays Center construction-related truck disobeying both NYC traffic laws and the ESDC's published truck rules on Pacific Street between 6th Avenue and Carlton. The truck crosses the 6th Avenue intersection while the north/south traffic on 6th Avenue has a green light, attaches a load waiting in the travel lane and then drives against traffic to block 1129.

This one truck trip is part of a series of steel deliveries on Saturday that were not consistent with either the Barclays Center Truck Rules and Requirements made public by the ESDC, or NYC traffic law.

Besides the type of violations shown in the video above, two incident reports filed on this website supported by video and photography state the trucks idled on Pacific Street for "hours." Driving against traffic, using a travel lane as a staging area without permission from DOT, and idling for more than 3 minutes are all against NY Claws.

The Barclays Center truck rules require trucks to enter Pacific Street from Vanderbilt Avenue and wait on Pacific Street between Vanderbilt and Carlton until signaled by a flagger to advance. On Saturday no flagger was present at that intersection and the trucks entered against the traffic into Pacific Street from 6th Avenue.

There was also no delivery dispatch center in operation as was promised would be installed during the two week period covered in the Construction Alert distributed July 18th. In one video a person with a yellow construction vest is shown guiding the truck into a position blocking the entrance of LIRR railyard.

Contractors may have changed the delivery method for arena construction for this weekend due to construction on Pacific Street between Vanderbilt and Carlton. According to the Supplemental Construction Alert distributed July 26th, a large excavator was to be mobilized there Saturday. If so, no public notice was given of the changes, and in executing the deliveries multiple NY Claws appear to have been violated. In addition, the Supplemental Construction Alert states "no work is anticipated in the public thoroughfare."

Another possibility is that Barclays Center contractors changed their delivery method because Pacific Street between 6th and Carlton was originally to be part of several street closures to facilitate Newswalk construction. Those street closures were apparently postponed due to inadequate public notice.

The incidents Saturday fit into a pattern of problems with truck operations at Atlantic Yards, including improper and undisclosed routes, failure to inspect for covering, and long-term idling. As this website has stated previously, the information the ESDC provides the community does not align with actual truck activity. The link labeled "Atlantic Yards Truck Rules and Requirements" on the ESDC website leads to the Barclays Center rules which cover only arena construction, and apparently do not include the truck procedures of the other project construction elements.
Incident Report Saturday documents steel deliveries to Barclays Center that ignore ESDC's published truck regulations and appear to violate NYC law

Submitted by Peter K. on July 31, 2011 - 9:52pm

Atlantic Yards rig runs a red light barely miss...

The video above from Saturday shows a Barclays Center construction-related truck disobeying both NYC traffic laws and the ESDC's published truck rules on Pacific Street between 6th Avenue and Carlton. The truck crosses the 6th Avenue intersection while the north/south traffic on 6th Avenue has a green light, attaches a load waiting in the travel lane and then drives against traffic to block 1129.

This one truck trip is part of a series of steel deliveries on Saturday that were not consistent with either the Barclays Center Truck Rules and Requirements made public by the ESDC, or NYC traffic law.

Besides the type of violations shown in the video above, two incident reports filed on this website supported by video and photography state the trucks idled on Pacific Street for "hours." Driving against traffic, using a travel lane as a staging area without permission from DOT, and idling for more than 3 minutes are all against NY Claws.

The Barclays Center truck rules require trucks to enter Pacific Street from Vanderbilt Avenue and wait on Pacific Street between Vanderbilt and Carlton until signaled by a flagger to advance. On Saturday no flagger was present at that intersection and the trucks entered against the traffic into Pacific Street from 6th Avenue.

There was also no delivery dispatch center in operation as was promised would be installed during the two week period covered in the Construction Alert distributed July 18th. In one video a person with a yellow construction vest is shown guiding the truck into a position blocking the entrance of LIRR railyard.

Contractors may have changed the delivery method for arena construction for this weekend due to construction on Pacific Street between Vanderbilt and Carlton. According to the Supplemental Construction Alert distributed July 26th, a large excavator was to be mobilized there Saturday. If so, no public notice was given of the changes, and in executing the deliveries multiple NY Claws appear to have been violated. In addition, the Supplemental Construction Alert states "no work is anticipated in the public thoroughfare."

Another possibility is that Barclays Center contractors changed their delivery method because Pacific Street between 6th and Carlton was originally to be part of several street closures to facilitate Newswalk construction. Those street closures were apparently postponed due to inadequate public notice.

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Is the law finally going to be enforced in relation to illegal construction worker parking on Pacific Street? Answer: Not for the moment

Submitted by Peter K. on May 30, 2011 - 6:31pm

NYPD issued "no parking" signs were posted on Pacific Street from the Newswalk parking garage to 6th Avenue on Pacific Street for Tuesday, May 31st. This led some to hope construction workers would no longer be allowed to park illegally on Pacific Street and its sidewalks.

Instead, the signs were to make way for TechCorp., a company that apparently repairs sewers. The Barclays Center construction workers parked on the sidewalks around the work.

The amount of illegal parking by construction workers on Pacific Street has reduced since our last post on the subject. Still, it persists. As has been commented on by community members on this [website](http://www.prospectheightsneighborhooddevelopmentcouncil.org), the parking regularly blocks sidewalks and the travel lane, as well as makes street cleaning impossible. It also contributes to a sense that parking regulations in the area are enforced selectively.
Lack of clarity about truck routes, rules and requirements may lead to unnecessary impacts for the local community

Submitted by Peter K. on July 3, 2011 - 3:40pm

Besides recent complaints about truck traffic on Dean Street, this website has received multiple truck related complaints in the last two weeks including a flat bed truck idling twice in two consecutive days on Pacific Street between Underhill and Vanderbilt Avenues and cement trucks lining Dean Street between 5th and Flatbush Avenues. Another complaint located a stationary truck near an accident at Flatbush and Atlantic Avenues.

Lack of clarity about truck routes, rules and requirements may lead to unnecessary impacts for the local community. Current Barclays Center Delivery Truck Rules and Requirements rule out queuing anywhere except Pacific Street from Vanderbilt to Carlton.

For months the truck requirements on the ESDC website have been out of date, and the information in the construction alerts released every two weeks has had little use relationship to the actual configuration of truck entrances around the perimeter of the project. This is true because the information provided is narrowly focused on Barclays Center work, (not transit work, infrastructure work, the rebuilding of the Carlton Avenue Bridge, or work inside the railyard), and even in that case no information has been provided about routes out of the arena block. There are now roughly eleven entrances to the site, and 24 hour deliveries. Even details about flaggers are out of date.

In the narrow case of the work on the Barclays Center, a revised truck route was announced months ago due to the temporary closure of the ramp into the arena block at Pacific Street. This revised route was anticipated to be used until June with the reopening of the Pacific Street ramp. The Pacific Street ramp has now been reopened, but Barclays Center contractor Hunt has extended the period the Dean Street entrances are to be used, therefore expanding and extending the dispersal of construction trucks in the neighborhood.

The punitive measures detailed in the requirements posted on the ESDC website in the Barclays Center Delivery Truck Rules and Requirements sound significant: "Failure to comply with these requirements will result in the non-compliant driver, and/or firm, being denied access to the site for the duration of the project." However, if the routes, rules and requirements do not reflect actual conditions on the site they will leave those responsible for enforcement confused, and as a result the requirements will become toothless.
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More coverage of the illegal parking of Atlantic Yards construction workers

Submitted by Peter K. on July 9, 2011 - 9:10am

The press continued coverage of local concerns about construction workers who violate parking regulations in the vicinity of Atlantic Yards following Erin Durkin's story in the Daily News Thursday. Numerous complaints about illegal parking have been filed at this website by members of the community.

The illegal parking is apparently enabled by selective enforcement of parking regulation law in the area by NYPD. The illegal parking occurs in violation of posted parking regulations, in bus stops, no standing zones and on sidewalks. For the community near the project the issue is important because the sidewalks in the area are less walkable and streets often cannot be cleaned.

Plus, there is a perceived double standard. While construction workers and city employees who live elsewhere openly park illegally, those who live in the community are given tickets for far less bold transgressions of parking regulation law.

Here are links to news coverage of the story:

Liz Wagner's report on News 12 Brooklyn Atlantic Yards Neighbors Fuming Over Illegal Parking includes a reference to this website.

Monica Morales' report on WPIX11 Atlantic Yards Double Parking Double Standard identifies the car with both an iron worker local sticker and a funeral director placard.

Ti-Hua Chang's report on MYFOXNY Parking Violations Around Atlantic Yards Site includes an interview with Paul Steely White of Transportation Alternatives and with a construction worker who says he's glad parking regulations aren't enforced.

Norman Oder of Atlantic Yards Report has reported on the story twice:

Daily News follows up on "rampant" illegal parking around Atlantic Yardsconstruction zone: AY R video shows NY PD placards on Sixth Avenue

Fox News, WPIX follow up, find illegal parking at site; Atlantic Yards Watch shows Atlantic Avenue "hot" and "funeral director"; will AY District Service Cabinet address parking issue?
Nine violations by trucks of the Amended Memorandum of Environmental Commitments, Barclays Center Truck Rules and Requirements and/or NYC law are documented today before noon

Submitted by Peter K. on August 12, 2011 - 10:20pm

Nine violations by trucks of the Amended Memorandum of Environmental Commitments, Barclays Center Truck Rules and Requirements, and/or NYC law were documented before noon today. The filer was stationary and only captured those incidents within the visual range of his/her location. The times below are from the incident reports.

1). 5:50 am
A flatbed truck delivering steel idles under the windows of Newswalk's residences on Pacific Street between Carlton and 6th Avenues. The Barclays Center truck rules require trucks to wait on Pacific Street between Carlton and Vanderbilt and advance under the guidance of a flagger at Carlton and Pacific Street. They are not allowed to wait in this location.

The report states the truck idled for over an hour and that the driver ignored a request to move from a resident. The photo below apparently shows an Atlantic Yards worker documenting the truck with a cell phone camera.

2 and 3). 8:44 am
Two trucks, one red and one white, travel Pacific Street between 6th and Carlton Avenues uncovered. ESD has told Atlantic Yards Report that starting August 5th trucks associated with McKissack, (the contractor they identify as the source of the uncovered trucks previously reported at Atlantic Yards Watch), will be removed from the construction project if they leave the work site uncovered. However, a later incident detailed below documents uncovered trucks like these, (possibly even these same trucks), entering the Barclays Center work site which is supervised by Hunt.

The trucks shown in the photo below either left the site uncovered at Carlton Avenue and Pacific Street, or reached this location by traveling a route not designated as a truck route by NYC DOT like Carlton Avenue and/or Dean Street.
4 and 5). 9:00 am

Two flatbed trucks delivering steel wait, (and the incident report states idle), on Pacific Street between 6th and Carlton to enter the arena block. They are not allowed to wait in this location. Note that one is parked in the travel lane of Pacific Street near the main arena entrance gate. This has happened before.

At around the 4:50 point in the video an empty flatbed truck leaves the arena block entrance, making room for the forward steel truck to advance. As it moves to the gate a pedestrian pushing a baby carriage is in the crosswalk. The pedestrian is forced to walk around the steel delivery while a green van, which the incident report states is also associated with construction, moves forward without stopping at the designated stopping area roughly 150 feet from the stop light. Note how the operation of backing the steel trailer into the arena block ties up the 6th Avenue/ Pacific Street intersection.

Mostly westbound Pacific Street is currently designed to accommodate eastbound vehicles heading to a LIRR railyard access ramp located east of the 6th Avenue intersection. A "two way traffic ahead" sign and a "do not enter" sign providing instruction to drivers in this location were knocked down around a while ago, possibly by construction, and have not been replaced despite 311 calls.
6). **11:06 am**

A truck leaves the railyard entrance on Atlantic Avenue near Carlton and turns onto Clermont Avenue. Clermont appears to be regularly used by trucks from this entrance gate, but it is not a designated truck route. The following is the second of a sequence of four photos. McKissack is the contractor for work in the railyard.

7). **11:15 am**

Either the same red truck, or another, travels Pacific Street uncovered.
The same red and white trucks, or two more, travel down Pacific Street between Carlton and 6th uncovered. The first video shows them traveling down the street and the second entering the Barclays Center site. These trucks either left the construction site uncovered, or reached this location by traveling down a street that is not a designated truck route like Carlton Avenue or Dean Street. Hunt, not McKissack, is the supervising contractor for the arena work.

Atlantic Yards 2 uncovered trucks @ 1 time

Atlantic Yards uncovered trucks into arena
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More than a dozen videos, taken over the course of a single week, document repeated illegal use of Clermont Avenue by fully loaded dump trucks leaving the project site from the Carlton Avenue bridge exit. As the videos show, trucks exiting the Carlton Avenue bridge site on to Atlantic make the first left on to Clermont, departing from NYC's designated truck route. Clermont Avenue is a residential street of three story townhouses and a public housing complex and is the location of two public playgrounds (one is part of the Atlantic Terminal Housing; the other, the Cuyler Gore playground, is at intersection of Clermont and Lafayette).

The videos were recorded on three days - August 15, 18 and 19. (There is an AY Watch incident report for each day; while each day's report documents multiple violations.) Most of the trucks had 'LMC Trucking - USDOT: 1501837' as vehicle identifiers.

The use of a residential street as a truck route violates NYC City law as well as the Barclays Center Delivery Truck Rules and Requirements, which is part of the project's of Amended Memorandum of Environmental Commitments, to be enforced by ESD and Forest City Ratner.

The issue of trucks on residential streets was to be discussed at the July 14 Atlantic Yards District Service Cabinet meeting, but the meeting ended before the subject was covered. While Forest City Ratner has made some improvements in enforcement of truck requirements, particularly in wheel washing before trucks exit the site, the issue of trucks using residential streets may require coordination with NYPD. NYPD has yet to send a representative to a district service cabinet meeting.
The next meeting of the Service Cabinet will take place on September 15.

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Public health

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NYPD apparently continues to selectively enforce the law; Illegal construction worker parking expands to Atlantic Avenue

Submitted by Peter K. on July 8, 2011 - 10:03am

Today the Daily News story Illegal Parking Rampant Around Atlantic Yards Construction Zone in Brooklyn covers the long on-going problem of illegal construction worker parking in the vicinity of the project site.

Construction workers piggyback on the illegal parking of city employees associated with the NYPD 78th Precinct, FDNY 105 Ladder Company and HPD in the vicinity of the 78th Precinct. This is possible due to the apparent selective parking regulation enforcement of the NYPD in the area around the precinct.

Numerous 311 complaints from community members have been filed at this website about the issue. The pattern of the dispositions of the 311 complaints seem to show the police not finding a problem at the time they go to the locations reported in the complaints. In one case in which the disposition stated the police had corrected the problem, follow up from the filer showed the problem still in place.

Construction workers park illegally on sidewalks, in bus lanes and ignore parking regulations on Pacific Street, 6th Avenue, Dean Street and Atlantic Avenue. An estimated 20 to 30 construction worker cars parked illegally in the immediate area daily during the work week. Free parking for up to 40 construction worker cars is already provided inside the footprint by FCRC to construction workers on several locations on block 1129 and at the former location of the Carlton Avenue Bridge between blocks 1121 and 1120.

A month ago, Dean Street Block Association, 6th Avenue to Vanderbilt did a survey together with Transportation Alternatives of parking in the vicinity of the 78th Precinct primarily focused on precinct employees. Of the 87 cars observed, all but four were parked illegally. (Those three were legal placards used legally). Of the other 83, 12 had some form of construction gear (a hard hat, goggles, a vest, etc) in the dashboard; 11 or so had a phony placard, and around 35 had nothing at all -- they were just illegally parked. The remainder had placards, but were parked illegally (on the sidewalk, in fires zones, in front of hydrants, etc).

The survey paints a picture of current illegal parking conditions, but it also has implications for planners of Atlantic Yards as they determine solutions for removing city employee parking from sidewalks as is anticipated at the time Barclays Center begins operation. Among their choices are creating parking for city employees, (many without legal placards), or getting the NYPD to enforce parking regulations in the area.

Since the time of the survey, construction workers have actually expanded the locations they park illegally onto Atlantic Avenue, apparently closing off part of a travel lane to create their own free parking lot as the photo to the right from yesterday shows.

The Amended Environmental Commitments Memo details "FCRC shall provide on-site parking for construction workers at levels appropriate in light of the number of workers employed at the site during different stages of construction, to a maximum of 800 spaces. FCRC shall monitor the work force levels throughout the construction period and shall report to ESDC on a quarterly basis as to the number of on-site spaces and the utilization of such spaces. The parking facilities shall have perimeter fencing and shall be accessible only during work hours. Parking fees at rates comparable to commercial off-street facilities in the surrounding area shall be imposed for these spaces. FCRC shall consult with and obtain the approval of ESDC, such approval not to be unreasonably withheld, prior to reducing the number of construction worker spaces at the Project site as the number of workers changes and permanent parking locations within the Project site become
available for construction worker parking."

At a joint meeting of the Dean Street Block Association and Carlton Avenue Association on June 28th covering traffic and pedestrian issues, the ESDC and FCRC responded to complaints about illegal construction worker parking by saying a formula is being used to determine when the commitments detailed above are to be put in place.

The formula apparently associates FCRC's obligation to meet their commitment to provide construction worker parking, with the availability of on-street parking in the vicinity of the project as outlined in a study from 2005 included in the project's FEIS. The ESDC and FCRC committed at the meeting to providing this formula to the meeting organizers.

During the meeting the ESDC and FCRC said the formula shows not enough workers are on site to necessitate the creation of a construction worker parking lot. This seems contradicted by the fact construction workers are creating their own illegal on-street parking spaces instead of parking in the available spaces the environmental analysis from 2005 says should exist, and that FCRC is already providing free parking.

It may be the case the free parking FCRC is providing on site for construction workers may not conform to, or even violates, what is outlined in the Amended Environmental Commitments Memo. FCRC is meant to provide parking at rates commensurate with nearby parking garages in order to avoid creating an artificial incentive for workers to drive to the site.

If FCRC created parking for a fee and the NY PD provided parking regulation enforcement, the illegal construction worker parking would likely significantly diminish.

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Photos show locations and strategies for illegal construction worker parking on July 7th

Submitted by Peter K. on July 8, 2011 - 5:44pm

The following photos show the locations and strategies of Atlantic Yards construction workers who park illegally in the vicinity of the project. All of these photos were taken between 1 pm and 2 pm on Thursday, July 7th.

Construction workers apparently piggyback on the illegal parking of city employees in the area of the Barclays Center which happens to be virtually across the street from the 78th Precinct. There is apparently little or no enforcement of parking regulations in the vicinity of the 78th Precinct by the NYPD. A more complete description of the problem can be found here.

Is it a funeral director or an iron worker? If it is a construction worker he or she has found an inventive way to get around parking regulations. This car was parked in a no standing zone on 6th Avenue immediately adjacent to the Barclays Center site.
This is a rear view of the same car which is sprayed black. An iron worker union sticker also appears in the rear windshield.

Construction worker parking blocks the B65 bus lane on Dean Street at Flatbush Avenue daily, adding a hurdle for passengers trying to board the bus. The construction worker car parked behind the bus is from New Jersey.
In a relatively recent development construction workers have apparently expanded a lane closure associated with Atlantic Yards construction on Atlantic Avenue to make additional room for parking.

Construction worker cars in a no standing zone along Pacific Street. The condition on Pacific has improved somewhat from the late spring. At that time cars were parked three lanes deep including on the sidewalk and in the travel lane.

This view of Pacific Street toward the arena construction entrance on 6th Avenue includes illegally parked cars.
One of a number of construction worker cars intermingling with 78th Precinct employee cars on 6th Avenue. They all park with two wheels on the sidewalk. Many construction workers leave their vests or hats visible through their windshields.

A homemade sign doesn't deter construction workers from parking on 6th Avenue. That is an iron workers local sticker on the side window of the car in the left of the photo.
Thanks to illegally parked 78th Precinct employee cars and Barclays Center construction workers cars there is often quite a squeeze for pedestrians on 6th Avenue.

The 78th Precinct employee and Barclays Center construction worker cars are all parked illegally on the 6th Avenue sidewalk shown here. According to Transportation Alternatives, even the few 78th Precinct employees parked with legal placards are not legally allowed to park this way on sidewalks.

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The Daily News reports the NYPD is now ticketing construction worker cars parked illegally

Submitted by Peter K. on July 27, 2011 - 10:30pm

Erin Durkin in the Daily News has followed up on her article from earlier this month about illegal construction worker parking. She reports the police have issued 69 summonses in the last two weeks in the blocks around the site. She quotes a NYPD spokesman as saying the violations "run the gamut," of the type of violations this website has highlighted.

Regular visitors to Pacific Street or 6th Avenue will see a discernible difference with few cars parked on sidewalks or in violation of parking regulations. Illegal construction worker parking has largely been cleared away from those areas. Other areas such as inside the MPT zone on Atlantic Avenue continue to be used by construction workers. Illegal city employee parking, especially related to the 78th Precinct, also continues.

As part of what will be an ongoing initiative Atlantic Yards Watch will post a review of existing construction worker parking strategies in a few weeks.
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Truck deliveries procedures are revised at the site; a new system is introduced with a colored ticket required for entry at some truck entrances

Submitted by Peter K. on September 12, 2011 - 10:23pm

Following months of reports on Atlantic Yards Watch about trucks driving illegal routes, idling, and traveling with uncovered loads in the neighborhoods around Atlantic Yards, a new system of organizing truck deliveries appears to have been put in place by Forest City Ratner this week.

The new system involves a colored ticket which is picked up by drivers on Pacific Street at Carlton Avenue. The drivers then proceed to the gate with the sign that matches the color of their ticket. The ticket is required to enter the gate. The gate associated with the pink delivery ticket is shown to the left.

In August we reported that some truck entrances had been given a letter and number and that an employee of Securitas had been located at Pacific at Carlton to act as a dispatch. That system seems to have been further refined with the addition of the colored tickets that are now picked up by the drivers from the dispatcher.

Last week Atlantic Yards Report posted that ESD had plans to issue a notice of violation to FCRC stating that they were not complying with the Amended Memorandum of Environmental Commitments in relation to truck protocols. FCRC was reportedly to be given 30 days to comply. If still in non-compliance they would then be required to pay a fine of $1,000 per day. According to the ESD's spokesperson Elizabeth Mitchell, it would be the first notice of violation in the history of the project.

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Truck violations increase while enforcement stays away

Submitted by Peter K. on September 16, 2012 - 11:29pm

Over the last month changes to the way truck deliveries take place at Barclays Center have increased meaningfully the number of violations of NYC law, the Amended Memorandum of Environmental Commitments and Barclays Center Truck Delivery Rules and Requirements. With apparently no enforcement taking place, the consequence is a wide range of adverse impacts on the community: trucks idling for long periods; use of unauthorized truck routes; and blocking of bus lanes, bike lanes, no standing zones and travel lanes. Travel and the quality of life on Dean Street between Flatbush and 6th Avenue is particularly affected.

The violations have steadily increased through the summer, first as the method for processing construction trucks became impractical and at times impossible, and second with the introduction of truck deliveries to facilitate arena operations. Although no new rules for truck behavior have been posted on the ESDC website or listed in the bi-weekly construction alerts, trucks now queue and stage on a public street with residences instead of the privatized section of Pacific Street between Carlton and Vanderbilt Avenues.

A key change occurred a week or so ago when FCRC took control of the arena from construction contractors and began operating the loading dock. The photos above and to the right from Thursday, September 12th show On-site Environmental Monitor Adam Schwartz directing a delivery truck backward into the arena site while an ambulance with flashing lights waits. ESDC’s environmental monitor HDR was also at the scene. The truck moved out of the way as fast as it could. Several minutes later two ambulances were seen at a residence on Carlton Avenue between Dean and Bergen Streets.

Dean Street between Flatbush and 6th Avenues is currently being used both for construction truck staging and arena deliveries. The result has been chaotic for at least three weeks with the bus stop and no standing zones on the block frequently (illegally) obstructed by queueing vehicles associated with both the contractors and arena operators. Bicycle and travel lanes have also often been blocked.
In the photos above most of the vehicles on the left side of the street are waiting to make deliveries to the arena. Before FCRC took control of the arena there were only nominal signs of construction trucks in the vicinity being managed, but for the last several days at least, Barclays Center's white shirted security guards and a loading dock facilitator with a clipboard have been present. Even so, trucks have continued to block the bus stop, queue in no-standing zones, slow traffic and go off designated truck routes.

NYPD officers appear not to be ticketing trucks idling or parked illegally, and one traffic enforcement officer elsewhere on the site, shown a truck parked in a bike lane, challenged this writer to tell her exactly what trucks are supposed to do: “after all, the area is under construction.”

**Arena construction contractors fail to schedule deliveries and educate drivers**

Before the staging area was moved, trucks already were regularly disobeying the law, largely because arena contractors are often unprepared to receive deliveries when they arrive. As a result, drivers either wait near the arena or drive to the closest location they can find to pull over, regardless of its proximity to residences. They then sit in their trucks to wait, sometimes with their engines idling. To the right is a photo from September 3rd shot from inside Dean Playground of a truck driver adjusting the load of his truck on Dean Street, which is not a designated truck route.

The change in the location of truck staging has brought the arena's scheduling problem closer to residents at a time when the number of deliveries has no doubt increased. In addition, with the arena completion deadline looming, the ESDC has allowed Hunt to receive deliveries for one extra hour from 6 AM to 7 PM.

In interviews over the last three weeks with AYW, truck drivers consistently say they are given little or no instruction before they come or once they arrive. They are just told to wait. Several construction personnel noted the obvious: there is no capacity for trucks to queue while waiting to enter into the site. However, queueing would not be necessary if trucks were being scheduled and managed as anticipated.

The failure to schedule trucks is in violation of both the Amended Memorandum of Environmental Commitments and the Barclays Center Trucks Rules and Requirements, which state that if deliveries are untimely, they are to be turned away. Both documents use virtually the same language to describe the required management of truck behavior:

- Truck deliveries shall be scheduled, and untimely deliveries shall, in general, be turned away or reassigned with different delivery times. (All) Trucks shall be required to use NYCDOT-designated truck routes for traveling to and from the construction site, which include primarily Atlantic Avenue, Flatbush Avenue, 4th Avenue, and the Brooklyn-Queens Expressway except as required for movement between staging and construction areas.

In addition, the Amended Memorandum describes the following measures intended to protect residents from noisy delivery trucks:

- A minimum 8 foot high perimeter barrier (constructed of 3/4” thick plywood), with a 16 foot high barrier (of 3/4 ” thick plywood) adjacent to sensitive locations, including locations along Pacific Street, Dean Street, and Flatbush Avenue opposite residences and the Brooklyn Bear's Pacific Street Community Garden, and, where practicable, truck deliveries shall take place behind these barriers. Noisy delivery trucks, such as concrete trucks, are to be operated behind the barriers.

**Loading dock operation**

The operation of the loading dock is sensitive because large trucks require a wide turning radius and there may be tight squeezes at several intersections leading to the loading dock, entering and exiting the loading dock itself, and at Dean Street and 6th Avenue where trucks are required to turn. In addition, there is no legal or appropriate place for trucks to queue, and the operation of elevators and a turnstile requires precise scheduling to avoid adverse impacts on nearby residents. A plan to stage trucks heading to the loading dock in the Navy Yard is untested so far.
The elevators and the shorter turning radius are the product of changes to the arena in 2009, when the footprint of the arena was moved closer to Dean Street and the loading dock's area was reduced. Arena management recently described the loading dock as unique and challenging.

AYW has documented southbound trucks reaching Dean Street where the loading dock is located by making an illegal left turn off of Flatbush Avenue. In order to obey NYC truck regulations, trucks bearing south will enter Dean Street from Flatbush via 5th Avenue, meaning they will have to turn around the triangle in that location. Some truck drivers have told AYW that they have driven down Dean Street from 6th Avenue to Vanderbilt (illegal for trucks) because they have difficulty making the turn at 6th Avenue. Likewise, at least at this time some trucks have difficulty making the turn out of the loading dock without passing over the sidewalk. To the right is a large truck on September 15th passing over a sidewalk a few feet from residences. The fresh damage to the tree was not caused by this truck, but likely another truck doing the same maneuver. Some, but not all of these problems may be because construction of the arena is still ongoing while arena preparations are underway.

**Non-compliance has been an escalating problem for months**

Three weeks ago, even before the closure of Pacific Street, the conditions were poor enough that AYW began conducting informal surveys of the area, interviewing drivers and other construction personnel, and photographing violations. Because of the number of violations, it has not been feasible to file individual incident reports for each. For example, during the course of a one hour survey on August 26th, we witnessed and documented 10 illegal acts by trucks. Conditions have deteriorated significantly since then.

The following are select examples of AYW's documentation of truck violations, much of it not posted here previously. Trucks have often been sighted driving down illegal routes on Carlton Avenue between Bergen and Pacific Streets, Dean Street between 6th and Vanderbilt Avenues, and Bergen Street west of Vanderbilt Avenue apparently as far as 3rd Avenue. Among the locations AYW has documented trucks illegally standing in the last three weeks are the south side of Pacific Street at 6th Avenue and at Carlton Avenue, Vanderbilt between Dean and Pacific Streets, the south side of Dean east of the Carlton intersection, the south side of Atlantic Avenue west of Vanderbilt, and the east side of Flatbush south of Dean Street. The highest concentration of violations is undoubtedly Dean Street between Flatbush and 6th Avenues. As often as not, trucks idle while waiting, no matter their proximity to homes.

**Photo August 24th:** The capacity of the original "queueing area" on Pacific Street between Vanderbilt and Carlton Avenues has been reduced significantly for some time, first by narrowing due to the construction of the Carlton Avenue Bridge, then by the addition of construction staging onto one lane for much of its length, and finally by construction of the parking lot on block 1129. Construction staging newly located along the north side may have rendered it less useful for
staging trucks because there is less room for trucks to pass each other.

Photo September 12th: As of last week, the street has been regularly closed to put in place drainage from the parking lot. The last several construction alerts have stated that Pacific Street would be closed at times for water main work. They have not stated what provisional plans exist to reroute trucks associated with the project. The closure is one source of the dispersal of trucks into areas of the neighborhood they do not belong.

Truck drivers also must contend with construction in roadways. Work on 6th Avenue, whether associated with the arena or the satellite uplink parking lot, sometimes blocks a critical route to and from the arena site. Bergen Street is a convenient alternative route in many circumstances.

Photo August 25th: For months, many trucks have taken an unauthorized route along Bergen Street between Carlton and 6th Avenues to access the arena or points across Flatbush to the west. AYW has a large backlog of documentation of trucks associated with Atlantic Yards construction traveling the unauthorized route along Bergen Street between Vanderbilt and Flatbush. The trucks are either heading to the arena or leaving the site to points west along Bergen Street. Trucks break the law when they cross a designated truck route like Flatbush without joining it. Above three construction trucks on Bergen Street next to Dean Playground are visible caught in the afternoon traffic snarl produced by street closures to implement the project.
Video September 6th: This truck parks in a lane against traffic on 6th Avenue, then drives against traffic onto Dean Street between 6th Avenue and Flatbush in order to back into the arena (7:15). There is no flagger visible. At 1:15 another truck drives down residential Dean Street where trucks are banned.

Photo September 6th: Trucks looking for a place to wait regularly stand on Dean Street and Carlton Avenue in a B65 bus stop adjacent to homes. According to truck drivers, the required turn north or south from Dean Street onto 6th Avenue can be a physical challenge. Sometimes the driver makes the choice to avoid traffic.
**September 12th:** Across the street from the previous photo, and with the construction barriers gone, a truck stops in the bus lane. As is a common occurrence, the truck driver is leaving his truck in order to try to find instructions. Dean Street is not a legal truck route and it is illegal to block a bike lane.

**September 6th:** A truck on Dean Street near the Carlton Avenue intersection. Like Bergen Street and Carlton Avenue, AYW has documented an uncounted number of truck violations on Dean Street.
Photo August 24th: A truck in the bike lane is unloaded while other trucks queue on the south side of Dean Street. In the meantime another truck squeezes through the travel lane that remains. At this stage in the project many drivers are one-time visitors to the arena, and some are unfamiliar with driving in an urban setting. All drivers interviewed in the last three weeks state they are not given much information beyond the 620 Atlantic Avenue address.

Complicating matters, construction impacting sidewalks and travel lanes is now taking place throughout the 22 acre footprint of the project. As a result, traffic already compressed into fewer open travel lanes than has ever existed in the area, is compressed further by construction barriers that narrow streets, confuse visibility, and make turns more difficult.

Photo August 24th: A driver uncertain of his instructions was found first idling in a no standing zone. In an attempt to do the right thing he then took his truck down Dean Street. Later he was seen going down Bergen Street to reach the arena.
**September 6th:** This video is one of a sequence attached to an incident report showing how poor coordination from Barclays Center led to an idling truck being left by a driver seeking assistance. The truck in the foreground did pass through the Pacific Street staging area, but it left the authorized queueing area to park on the public portion of the street. One possible reason is that it had to get out of the way of another truck that had entered Pacific behind it. The video shows a Barclays Center truck squeezing by only to park further down the block in a no-standing zone.

**September 6th:** It is illegal to park in a bus stop or stand in "no standing zones." Delivery trucks have been sitting in this bus stop and in these no-standing areas during nearly every visit by AYW. Community-members must walk around the trucks to reach the bus which must stop in the travel lane. To AYW's knowledge there has been no enforcement by NYPD.

**Photo August 24th:** Through the summer trucks have often pulled over in this spot on Vanderbilt between Pacific and...
Dean Streets. In this case the truck also partially blocks the bike lane, forcing bicyclists to go around. Trucks parked in this location tend to then turn on to Bergen to reach the arena, as this truck did while AYW watched. Limited capacity in the Pacific Street "queueing area" or at the arena may have forced this expansion of the truck staging area.

**Photo August 24th:** Like Vanderbilt, an area on Atlantic Avenue just west of Vanderbilt has been used as a truck staging area when capacity on Pacific Street or in the arena is insufficient to absorb the truck when it arrives.

**Photo September 14th:** The construction alert two weeks ago (although not the most recent one) gives notice three parking spaces in front of residences across from the loading dock have been removed to facilitate construction. Note that one sign is posted on the tree apparently hit by a truck turning out of the arena site/loading dock. The alert states:

- The gate at Dean and 6th Avenue has been relocated to the position of the permanent truck dock for the arena. Approximately three (3) parking spaces along Dean Street directly across from this have been taken for construction purposes. The taking of these spaces continues to be necessary in order to maintain the turning radius for truck deliveries into and out of this gate. At completion a new fence will be installed in board of the new curb. It is anticipated that this condition will be in place for two months during which time all work will be completed, weather permitting and barring any unforeseen conditions.

The italics have been added. Time will tell whether the temporary construction condition becomes permanent in order to enable trucks to exit the loading dock.
Trucks at Atlantic Yards continue to violate site protocols, obstructing a public street

Submitted by Peter K. on November 20, 2011 - 2:28pm

According to incident reports 305 and 399, more violations of the Barclays Center Delivery Truck Rules and Regulations, the Amended Memorandum of Environmental Commitments and New York City law by Atlantic Yards-related construction trucks took place on Thursday 11/17/11 and Friday 11/18/11.

Trucks are shown idling for more than the 3 minutes allowed by NYC law, parking in travel lanes, and blocking traffic.

There are currently approximately eleven entrances to the project footprint used by construction-related vehicles. A system set up this summer and fall was designed so that a dispatcher prevents trucks from crossing Carlton Avenue on Pacific Street until the construction entrance designated to receive the trucks signals it is ready. This protocol apparently broke down, leading to numerous instances of trucks queueing and idling on the public section of Pacific Street between 6th Avenue and Carlton. This is a violation of the Barclays Center Truck Rules.

The incident reports describe the dispatcher allowing trucks into the public section of Pacific Street even though it was already obstructed by double-parked cars, one of which turned out to be the illegally parked car of a construction worker. The construction worker's car contributed to a one-hour blockage of the street.

The impacts described in the incident reports include less safe traffic and pedestrian conditions, blocked traffic, honking, and the air and noise impacts of idling engines. The reports illustrate a public street in essence turned into an extension of the construction site.

In September 2011, ESDC served FCRC with a "notice of violation" for non-compliance with truck protocols. Upon serving a notice of a violation, ESDC apparently allows the developer one month to resolve the violations before fines of $1,000 a day are imposed. The status of the resolution of the September violation is not known at the time of this writing.

In the past, ESDC has indicated LIRR railyard contractors are the source of the problem, but incident reports submitted to AYW have documented violations by both railyard and Barclays Center contractors. The reports submitted Thursday and Friday were associated with Barclays Center contractors.

In addition to the truck violations, one of the newly replaced traffic barriers installed last week is already pushed over. It is FCRC's responsibility to maintain the Maintenance and Protection of Traffic measures.
Two accidents occur within an hour on Dean Street Monday morning

Submitted by Peter K. on May 28, 2011 - 10:45pm

Two car accidents occurred inside one hour, and within two contiguous blocks on Dean Street Monday morning, May 23rd.

Amy Sara Clark reports in the Prospect Heights Patch that a four car accident took place at 7:30 a.m. on Dean Street between Carlton and 6th Avenues when a driver swerved to avoid a double parked car. The driver was taken to the hospital with unspecified injuries.

Only minutes later at 8:15 a.m., another accident occurred on Dean Street between Carlton and Vanderbilt when a street cleaner driving against traffic hit a car traveling with the traffic. The street cleaner works for Laquila who is a contractor on Barclays Center construction. It is unclear why the street cleaner was driving in the incorrect direction during peak driving time.

The role of double parking in the earlier accident is not a surprise. Above and beyond the double parking many residential blocks in Brooklyn experience, Dean Street between 6th and Carlton absorbs parking in the travel lane from Dean Street fire station, church-goers attending The Temple of Restoration, parents dropping off their children at Dean Playground, and a social service facility.

Traffic in the area has increased since the street closures took place that established the footprint of the Atlantic Yards Project. The increased traffic on Dean Street has been compounded by the extended reconstruction of the Carlton Avenue Bridge. Along with the increased traffic has come more accidents.

Local residents say the first accident associated with Atlantic Yards occurred in this same area of Dean Street in 2010. Pieces of broken tail light from that accident are currently part of an exhibit at Soapbox Gallery at 636 Dean Street from artist Elaine Angelopoulos that will start Sunday, May 29th.
Questions to be answered at Thursday's presentation of plans for B2

Submitted by Peter K. on November 27, 2012 - 10:47pm
According to an article in today's New York Times, Forest City Ratner Companies has chosen to build the first residential building at Atlantic Yards using modular construction. At 32 stories, B2 will be the tallest modular building in the world. Groundbreaking for B2 has been scheduled for December 18.

The use of modular construction has been chosen as a means to reduce costs not only on B2, but throughout the remaining Atlantic Yards buildings. The project's approval in 2006, as well as its revised plan of 2009, anticipated conventional construction techniques would be used when considering Atlantic Yards' use of public subsidies and overall feasibility. In the Times article Thomas Hanrahan, dean of Pratt Institute's architecture school states, "The question is: Will the savings be passed on to the public in some form?"

With a presentation on the design of B2 scheduled for Thursday of this week, other outstanding questions about the building may finally be answered a short three weeks before the building's groundbreaking.

What are the construction plans for B2?

The 2006 Modified General Project Plan (MGPP) left B2 without publicly-disclosed construction plans. The original arena block plans anticipated office and residential towers integrated with the arena and built in quick succession. B2 was to be complete one month after the arena, with the entire block complete about a year after the arena opening. Now to construct B2 FCRC must contend with traffic and pedestrian demands generated by an operating arena next door. And because of the use of much of the remaining area FCRC controls for arena patron and broadcast uplink surface parking, there are fewer locations available for construction staging than anticipated when the plans for construction were originally approved in 2006. This may mean sidewalk and lane closures are more likely at the same time that demands on local streets and sidewalks have increased.

With the use of modular construction, the method and timing for getting modular components to the site is not known. If the modular units are large, will delivery have to take place at night? Numerous complaints have been filed at this website because of the regular use of extended hours construction work during the last construction phase.

How will sidewalk use be affected by B2 construction?

The two stretches of sidewalk where B2 is located have appeared stretched beyond capacity after events at the arena. Below is a video of the area near B2 following a sold out Nets/Celtics game November 15th. The blue construction fencing follows the property line and apparently also the future building wall of B2. The sidewalks are full and some pedestrians move into the street.

Barclays center post Nets game 11/15/12
AYW reported previously the permanent sidewalk along B2 on Dean Street will have a 3.5-foot effective width if B2 is built to the property line, instead of the 11.5-foot effective width anticipated by the 2006 EIS. The narrow width may not be sufficient for a location adjacent to a 32-story residential tower with retail on the ground floor squeezed in between two arena entrances/exits. One of those exits was not anticipated in any public project documents.

There are questions related to temporary construction closures for sidewalks as well—temporary closures that may last as long as twelve years on the arena block. Originally all of the construction on the block would have been completed within a year of the arena opening. Adding to the challenge, the construction of 215 Flatbush directly across Dean Street from B2 may be underway at the same time. That developer is likely to ask for sidewalk closures as well, raising the possibility both sidewalks will be closed at the same time.

Where will B2 residents park?

On-street parking is scarce for residents near the project site. Not only do local car owners compete with arena patrons, they now compete with arena employees, an increased number of city employees, and visitors to the Atlantic Center mall. When the IFA facility at 470 Vanderbilt is opened next spring it will have 1,800 staff and 1,500 visitors daily, generating additional parking demand.

If City zoning had not been overridden by Atlantic Yards, FCRC would have had to provide parking spaces equivalent to 40% of the number of residential units in B2. Assuming there are 250 units in B2, that would mean FCRC would have to supply 100 parking spaces. In the 2006 plans 250 permanent were included below grade in B2. In 2009 that permanent parking was moved to later in the development of the arena block, and 100 of those spaces were "moved" to block 1129. The 1,100 parking space on block 1129 described in the 2009 MGPP were later reduced to 541 after difficulties in managing the larger number of spaces using stackers became apparent; the change was presented as a traffic management measure in the Barclays Center Transportation Demand Management Plan.

At a meeting in the summer of 2011, FCRC’s Executive Vice President Jane Marshall acknowledged the shortfall in parking spaces for B2 residents. She described the solutions available as “temporary facilities, license agreements with operators that are existing, or spaces that can be shared because there isn’t a conflict in timing.” Ms. Marshall stated a parking plan would be presented to ESDC in the future. The only parking area designated in project documents not currently used for something else is the surface lot in block 1129, and that lot has been nearly full several times during arena events, leaving few existing spaces for future B2 residents.

How will problems with noise escaping from the arena be addressed?

At the time of Jay-Z’s third concert reports of concert noise entering into homes as far as two city blocks from the arena were filed on AYW. So far the bass heavy performances of Jay-Z and Sensation have generated the most complaints.

NYCDEP and FCRC’s consultants are apparently determining the scope of the problem. Regardless of their conclusions, many residents nearby are certain bass is entering their homes. It isn’t known how FCRC plans to address this issue. Presumably, hearing sound from arena events would affect the desirability of apartments in B2.

Where will B2 residents find open space?

Most of the public outdoor open space promised for the Atlantic Yards project is in the second phase, destined to be developed years if not decades after B2 is complete. Originally, the arena was to have a green roof available for private use. Now that green roof has been replaced by a Barclays logo.

Currently arena-related storage, generators, buses and VIP parking are located near B2 along Dean Street. B2 itself has arena storage located in it. No use of the at-grade area of the arena block in the temporary or permanent condition has ever been included in public project documents and they are undesirable to live near. Karrie Jacobs in Metropolis writes about the general project plan of Atlantic Yards that “the publicly available site plan indicates nothing about the quality of the space between the buildings. It is little more than a napkin sketch.” If the spaces in the arena block are filled by generators, buses and cars rather than plazas for the public, it will be less desirable to live nearby.

What are the plans for affordable housing in B2?

The Empire State Development Corporation and FCRC promised to deliver 2,250 units of affordable housing as part of the Atlantic Yards project. The vast majority of those units are in the project’s second phase, which ESDC in 2009 agreed to extend for up to 25 years.

FCRC has long claimed that its first residential tower would be built with 50% affordable apartments, or 182 units. However, documents submitted to the NYC Housing Development Corporation as part of FCRC’s application for affordable housing bond financing in the summer of 2012 show only 33 two-bedroom apartments suitable for families included in B2's affordable component. Of those apartments, only 9 are intended for families making at or below the median income for Brooklyn. More than half of the “affordable” two-bedroom apartments are intended for families earning more than $100,000 per year.

The Times’ Charles Bagli writes today that, “Half of the 365 apartments in the first building will be for poor and working-class
Will Brooklyn residents finally be able to get construction work at Atlantic Yards?

The Atlantic Yards project claimed it would create thousands of construction jobs for Brooklynites, but local residents seeking jobs building the arena were largely disappointed. The 2005 Community Benefits Agreement required FCRC to hire an independent compliance monitor to oversee the agreement’s benefits, including job training and placement. The compliance monitor has never been hired. FCRC’s most recent commitment was to hire a monitor for the residential development now beginning with B2.

However, the group responsible for job training under the CBA, BUILD, closed its doors a few weeks ago. Perhaps of greater importance, the decision to use modular construction means fewer construction jobs. And under a deal negotiated with the city’s construction unions, workers in the modular factories will make 25% less than members who work on-site. The reduced number of jobs for less pay may make it more difficult to launch the type of apprenticeship program described in the CBA.
Reports of noise from Jay-Z and Sensation circled Barclays Center

Submitted by Peter K. on February 5, 2013 - 1:36am

During the bass-heavy Sensation show at Barclays Center it was observed by residents, and confirmed by NYC Department of Environmental Protection, that noise at the arena was audible and disruptive in nearby homes.

Numerous incident reports about noise from the arena were filed on AYW during Sensation and Jay-Z’s concerts. The diagram above shows the approximate locations complaints were submitted to AYW for those two events. Jay-Z’s music was heard as far away as the surface parking lot on block 1129. Jay-Z’s performances ended by 11:30 PM. Complaints received regarding Sensation extend to 1:30 AM; according to some reports the event continued until 5:00 AM.

One resident writes about Sensation:

After both Jay-Z and Sensation, residents reported not only hearing sound, but feeling low frequency vibrations. The NYC Noise Code notes at some levels bass not only resonates, it is physically felt. In an acknowledgement of its unique character the Code assigns bass a lower acceptable decibel limit than higher frequencies.

After a Jay-Z concert one resident whose home is hundreds of feet from the arena writes:
Disposition of community complaints

The illustration to the right is an aerial view of Barclays Center with the red area encompassing the 23 complaints triggered by the bass sound filed with Atlantic Yards Watch during the Jay-Z concerts and the Sensation performances. Slightly less than half of the reports were accompanied by 31 complaints. All of the complaints were forwarded to the NYPD. Two were closed with the note that action was taken to fix the condition. The remaining complaints were closed because NYPD found no violation at the time they responded or determined no police action was necessary. In one case a complaint was forwarded to the 77th Precinct. The 77th closed the complaint by noting the area is no longer in its jurisdiction.

During Jay-Z’s concerts DEP did make a site visit and take decibel readings in 700 Pacific, one of the sources of the complaints. A representative from DEP stated at the Quality of Life Committee meeting on October 16th that while DEP inspectors heard music, the levels did not exceed NYC standards. However at the meeting, 700 Pacific Street resident Wayne Bailey responded the measurements were taken by DEP before the concert began.

During a DEP visit to Newswalk for Sensation’s show on Saturday, October 27th a problem was identified by DEP and a summons was issued. DEP identified a 74 db reading. According to the NYC Noise Code: a 74 db(a) reading is equivalent to a midtown Manhattan traffic noise. Newswalk is one block from the arena.

DEP visited Newswalk again with Forest City Ratner executive Bob Sunna and their own consultants for Justin Bieber’s concert in November. Bieber’s music is not bass-heavy and no meaningful exceedences from concert noise were identified. At background, though, they did identify other noise conditions “in and around” Barclays Center including heavy traffic flow, horn honking, trucks passing, emergency vehicles sound signals, outside crowd occasion (sic) screaming, and DSNY street sweepers.

Photo credits:

Base photo for noise graphic: Tom Kaminski/CBS 880

Photo Jay-Z: Source Associated Press

Attachment

Locations of AYW Concert Noise Complaints.jpg 187.38 KB

Neighborhood character Noise Public health
DEP cites FCRC for noise from "Sensation" concert that exceeds City regulations

Submitted by Gib on February 6, 2013 - 12:43pm

On October 27, 2012, inspectors from the New York City Department of Environmental Protection visited several apartments in the Nevenswalk building on Dean Street. The purpose of their visit was to measure the level of sound escaping from the Barclays Center arena during the evening's "Sensation"electronics concert.

The visit was prompted by complaints from residents filed during the week of Jay-Z concerts that opened the arena. Inspectors had visited during one of the Jay-Z concerts, too, but had not been able to measure sound escaping from the arena in excess of City regulations. Some residents insisted that the inspectors had taken their measurements before Jay-Z had started his performance, however.

"Sensation" was different. On October 27, the inspectors took measurements at 10:40PM and recorded a sound level of 74db in a Nevenswalk apartment. New York City noise control code allows a maximum of 65db to escape from a commercial establishment. FCRC received a violation, and was ordered to appear at a hearing of the Environmental Control Board on January 8, 2013. (The violation and the inspector's notes are here.)

The violation carried a fine of $3,200. The FCIFs issued indicate the complaint was "dismissed." The New York Post reports that the complaint was technically inaccurate because it was served to Forest City Ratner instead of the subsidiary responsible for arena operations. A new ticket has been issued, and another hearing is to be scheduled for April.
Violations with Hearings at the Environmental Control Board (ECB)

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Noise
Building #2 announcement raises questions about construction plans, parking and open space

Submitted by Peter K. on November 18, 2011 - 1:34am

The New York Times has unveiled pictures of what may be the first residential building to be built at Atlantic Yards. If this design is used for what is called Building #2, the 390-unit building will be the tallest using modular construction in the world.

At the last several District Service Cabinet meetings FCRC Vice Presidents Jane Namnishi and Bob Sanna have stated alternative plans using modular and conventional construction are being prepared by FCRC. The Times notes that "the developer ultimately may instead decide to build the first tower conventionally."

According to the Wall Street Journal, FCRC will build using modular techniques if an agreement can be reached with the construction unions. The Journal cites Bruce Ratner that existing incentives for developments where half the units are priced for middle and low income tenants "don't work for a high-rise building that is union-built." Norman Oder in Atlantic Yards Report calls this a "stunning contention" and "astounding admission" because in both 2006 and 2009 the State found plausible the developer's argument it could build the residential development with existing incentives within ten years. Evidence to the contrary was ignored when those findings were made.

The Times states FCRC hopes to begin construction early next year. This information is consistent with statements made by FCRC at the November 3 District Service Cabinet meeting. The start date for construction has been delayed several times by FCRC. When the 2009 Modified General Project Plan was approved, Building #2 was expected to start in the fall of 2010. In the fall of 2010, FCRC stated they hoped to start construction in early 2011.

A lot may have to be accomplished to start construction in the spring of 2012. The Wall Street Journal states that FCRC does not yet have construction financing in place. The developer is negotiating with union leaders who had anticipated members would receive higher hourly rates associated with on-site construction. In order to build using modular techniques, FCRC apparently intends to build a factory to manufacture components, but a location for that factory has not been chosen yet. And other questions with implications for the existing community and the future residents of Building #2 remain unanswered.

Uncertain construction plans

According to the Daily News, Ratner claims the use of modular building techniques will be greener and less disruptive to the neighborhood: "less dust, less gasoline, less trucks." But no construction plans have been provided for the public to review, and the use of modular techniques at the height proposed is untested, meaning judgments about the degree of impact of the use of modular building techniques on the adjacent neighborhood are speculative.

This is especially true given changes to the phasing of the construction of the different components of the project in 2009. The excavation of the foundation of Building #2 was accelerated in the 2006 iteration of the project to be executed at the same time as the excavation of the arena. With the change of the project plans in 2009, the foundations of Buildings #1, #2, #3 and #4 were separated from the arena and much of the excavation was postponed.

Now the excavation and the construction of the building will have to occur next door to an operating arena. Originally, Building #2 was anticipated to be constructed in two years (excluding excavation) and completed two months after the arena opened. Curbed reports it will now be built in 18 months, apparently including the excavation of the foundation. This means in a best-case scenario the construction of the building will overlap with an operating arena for at least a year. The other non-arena buildings will follow on an as-yet uncertain schedule.

The staging for the non-arena buildings in the arena block was originally located on block 1129. No significant amount of staging can be located on block 1129 in the future when the arena parking is located there. This appears to increase the likelihood staging will be located on sidewalks and in travel lanes in the vicinity of the arena, which involves impacts that haven't been analyzed yet.

Missing parking

Because Atlantic Yards was approved under New York State law, buildings in the footprint are able to override most New York City zoning regulations. The developer of any other building the size of Building #2 would be required to provide parking for 40% of the building's units, which for a 390 unit building is 156 spaces. In the original plans, the arena block's 350 space underground parking garage was located under Building #2. In the amendments to the environmental analysis that followed in 2009 and 2010, the number of spaces was reduced to 250 and the garage was moved under Buildings #3 and #4. As a result, the location of parking for the residents of Building #2 is unknown.

Because FCRC has delayed taking control of a large portion of the project footprint originally anticipated to host surface parking at the arena block, those units in the area will be built on top of underground parking garages, which will be located under Buildings #3 and #4.
No open space (for now)

As with parking, zoning regulations in NYC require developers to create open space in tandem with residential buildings like Building #2. But with Atlantic Yards, city zoning was replaced by a project plan in which the only permanent outdoor open space is in the second phase of the project. Building #2 is therefore being constructed without the developer creating any open space for the residents who will live there. At the joint meeting of the Dean Street and Carlton Avenue Associations in June, Marshall acknowledged that the arena block does not have open space, only "plaza areas." The plazas are primarily located in the footprint of future buildings.

Most of Atlantic Yards' open space is located in the eastern part of the project, several blocks from the location of Building #2. The development of that area may be delayed for 25 years or longer. And for the open space to be complete, the developer has to proceed with the purchase of the air rights over the remainder of the LIRR railyard. Any development over the railyard requires the additional cost of building a platform.

In the space of time before the second phase open space is constructed, the residents of Building #2 will rely on the open space that already exists in the area. The three closest public open spaces are Dean Playground, Bear's Garden and South Oxford Playground, all three of which were found to be adversely impacted in Atlantic Yards' 2006 environmental analysis. There is no additional mitigation being provided nearby open spaces at this time for the increased use the development of Building #2 is likely to cause.

With the 2009 change to the project's build-out from 10 to 25 years, Atlantic Yards' delivery of public open space was pushed far into the future. This differs from projects like Battery Park City where permanent open space was provided as part of the initial development.
Did Dean Street Block Association hold its last block party?

Submitted by Peter K. on September 7, 2011 - 9:08 pm

Dean Street Block Association, 6th Avenue to Vanderbilt has held block parties on Dean Street between 6th Avenue and Carlton for years. That block will soon be sandwiched between the future Barclays Center and its anticipated 1100 space accessory parking lot.

The community near the project, much of it with roots that go back decades, is now wondering if the block association will be allowed to close the street for block parties in the future. Barclays Center operation may prevent the annual celebration. The quintessential Brooklyn block party has always been one of the highlights of the summer for neighborhood families. Among the popular activities that take place on the street are grilling, dancing, volleyball, basketball and of course catching up with neighbors.

Already anticipated to be impacted significantly by the project plans announced in 2006, the quiet and mostly residential Dean Street, Carlton Avenue and Pacific Streets will likely be further impacted by changes to the plans in 2009 that increased the concentration of arena patrons walking and driving to the east of the arena.

Photographer, (and block association Secretary), Tracy Collins has posted more photographs of this year's [block party](http://www.ayw.org) on the Dean Street Block Association blog "Our Streets - Our Stories."
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Video interviews put a face on the existing neighborhood around Atlantic Yards

Submitted by Peter K. on June 4, 2011 - 11:13am

The subject of the first of a series of one minute interviews with people who live and work in the vicinity of the Atlantic Yards Project is Abdul, one of the owners of Dubai Mini Mart at 486 Dean Street at 6th Avenue. The store sits diagonally across from the southeast corner of the Barclays Center.

The video interviews are an initiative called "One Minute Voices" by photographer Tracy Collins and the the Dean Street Block Association, 6th Avenue to Vanderbilt.

In his interview, Abdul reports the neighborhood has improved in the last five years, but that "construction is irritating my establishment" and his business is off 20 to 30%.

Construction
One Minute Voices, Episode 2: Doug

Submitted by threecce on June 11, 2011 - 12:47am
This is the second episode in a series of one-minute, casual interviews with people who live and work in the neighborhood of the Dean Street Block Association (DSBA), 6th to Vanderbilt Avenues, in Prospect Heights, Brooklyn, New York.

This episode is an interview with Doug, a 17-year resident of Dean Street.

Do you live or work in the area? Would you like to add about 60 seconds of your voice to the conversation? If so, contact Tracy Collins.
Atlantic Yards Ombudsman Forrest Taylor leaves his post

Submitted by Peter K. on June 13, 2011 - 7:45pm
Atlantic Yards Ombudsman Forrest Taylor has left the ESDC for a job at New York State Homes and Community Renewal, (JCR). Will the ESDC simply refill his seat, or will they reform oversight to improve the way they address impacts from the project?

Forrest Taylor was personally liked by community leaders, who found him sincerely interested in resolving problems. But Mr. Taylor's position was a difficult one. He was an advocate for the community within an oversight structure that is not transparent and lacks the staff and independent board of other ESDC projects smaller than Atlantic Yards. Until the appointment of Project Director Arana Hankin in the fall of 2010, Taylor was the only public employee ever to work full-time on the project. And in an agency that has had six leaders under four governors since Atlantic Yards was announced, Mr. Taylor's three and a half years with the project represents an unusual example of continuity.

Mr. Taylor's potential often seemed constrained by his situation because his position had little authority or decision-making capacity within the ESDC. Despite his availability, he was often frustrated by his inability to resolve problems in a way that was satisfactory to the community. In October 2009, Assemblyman Hakim Jeffriss stated "... the ombudsman system ... is nonfunctional because the higher-ups at ESDC aren't interested in empowering the ombudsman in a manner that would benefit the community."

Forrest Taylor's departure now presents the ESDC with an opportunity to remake the role so the next ombudsman has authority and resources to responsively address community concerns, and is a partner in decision-making on Atlantic Yards going forward. How Governor Cuomo and Chairman Adams fill this role will be an indication of their sincerity in engaging constructively with the communities surrounding the project and their elected officials.

In April of 2007, 200 feet of the Ward Bakery parapet fell onto Pacific Street during asbestos abatement. The next month, ESDC announced a series of oversight measures to be instituted, including the hiring of a project ombudsman. Mr. Taylor was appointed eight months later; an owner's representative was also eventually hired. The other announced measures were never implemented.

(Photo Tracy Collins)

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Street closure, construction and amplified sound timetable for the MTV Video Music Awards

Submitted by Peter K. on August 23, 2013 - 8:44pm
The 2013 MTV Video Music Awards (VMAs) will take place on Sunday, August 25th at Barclays Center. Below is a timetable for street closures, construction work, amplified sound and pedestrian access. The list is based on information provided by the 78th Precinct Community Council and the 78th Precinct. It has been updated to include detail about amplified sound and view access.

6th Avenue from Dean Street to Flatbush will also be closed to traffic partially or in total starting at noon Friday. Some of the time amplified sound is scheduled will be used for intermittent sound checks.

Access inside the restricted area for residents will be allowed with ID. Guests of residents can gain access by being met at a checkpoint by their host or by being escorted to their destination by security.

Friday, August 23rd

- Set construction - 8:00 am - 12:00 am midnight
- Street closure 6th Avenue (Atlantic Avenue to Dean Street) from 12:00 pm to MONDAY, 8/26 12:00 am midnight - WILL PERIODICALLY INCLUDE PEDESTRIANS

Saturday, August 24th

- Set construction - 10:00 am - 9:00 pm
- Street closure 6th Avenue (Atlantic Avenue to Dean Street) ALL DAY - WILL PERIODICALLY INCLUDE PEDESTRIANS
- Street closure Pacific Street (6th Avenue to Carlton Avenue) 7:00 am - MONDAY, 8/26 12:00 am midnight
- Street closure Dean Street (Flatbush Avenue to Carlton Avenue) 7:00 am - MONDAY, 8/26 12:00 am midnight
- Red Carpet rehearsals with crew (no celebrities) 6:30 pm - 9:00 pm
- MTA Bus re-routed - B45 (Dean Street) will be re-routed around street closure TBD
- AMPLIFIED SOUND: 12 PM - 3 PM and 6 PM - 9 PM

Sunday, August 25th

- Street closure 6th Avenue (Atlantic Avenue to Dean Street) ALL DAY - INCLUDING PEDESTRIANS
- Street closure Pacific Street (6th Avenue to Carlton Avenue) ALL DAY - INCLUDING PEDESTRIANS (Residents must show ID)
- Street closure Dean Street (Flatbush Avenue to Carlton Avenue) ALL DAY - INCLUDING PEDESTRIANS (Residents must show ID)
- Street closure Pacific Street (4th Avenue to Flatbush Avenue) 2:00 pm - MONDAY, 8/26 12:00 am midnight
- MTA B45 Bus re-routed - B45 (Dean Street) will be re-routed around street closure TBD
- MTA B45 & B67 will bypass Barclays Flatbush Avenue stops. B45 will bypass Barclays Atlantic Avenue stops times TBD
- Sidewalk closure of perimeter of Barclays Center (including partial closure of plaza) Subway exit into plaza will remain open. 2:00 pm - MONDAY, 8/26 12:00 am midnight
- AMPLIFIED SOUND: 12 PM - 4 PM and 6:30 PM - 9 PM

In addition to the information above, the 78th Precinct Community Council and the 78th Precinct have provided the following information:

- Traffic will remain open on Flatbush Avenue and Atlantic Avenue.
- Viewer pens may be set up on Pacific Street at Flatbush Avenue; Flatbush Avenue between 5th Avenue & Dean Street; the plaza in front of Target; and the north east sidewalk of Atlantic Avenue near south Portland.
- Barclays Center subway access will remain open.
- Variable Message Signs (VMS) will be installed on local arterial roads and significant intersections.
- Dean Playground will be closed; the scheduled basketball tournament will proceed with access from Bergen Street.
Atlantic Yards Ombudsman Forrest Taylor leaves his post

Submitted by Peter K. on June 13, 2011 - 7:45pm

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(Photo Tracy Collins)

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(called “Keys to the City”) requires producers to notify neighbors how, when and for what duration they will be impacted. However,

MTV did not adopt many of the protections for residents in the Keys to the City, like those related to noise, lights and trash.

When pressed by a reporter for CBS Radio about the lack of notice for a "concert," an unnamed source associated with a city agency

overseeing the event stated, “There will be a DJ playing music during the red carpet and a singer briefly performing... To call it a

concert would be inaccurate, and it is the policy of our office that these types of events are not pre-announced to prevent crowds from

forming. It is the best interest of public safety that this so-called concert is not publicized as it would be imprudent for crowds to gather

for a non-existent concert.” In the end the efforts to minimize crowds on the part of city officials were not effective. Crowds of girls

collected outside the perimeter of the event, and may in some cases have infiltrated inside, trying to catch a glimpse of celebrities like

Austin Mahone, one of several performers they had heard were performing on the red carpet.

In order to create a controlled environment for the MTV red carpet, NYPD closed streets and sidewalks starting Friday at noon. The

area, bounded by Bergen Street on the south, Atlantic Avenue on the north, Flatbush Avenue on the west and Carlton Avenue on the

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the red carpet to serve as an area to pen fans.

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The red carpet was located on 6th Avenue from Pacific Street to mid-block between Dean and Bergen Streets, and on Dean Street from arena entrance extending east past the intersection of 6th Avenue. The frozen area hosted a large set. Buildings along the red carpet
The photo above shows a quiet view of the red carpet area from Atlantic Avenue looking south up 6th Avenue on the night before the event, Saturday August 24th.

In total, 6th Avenue from Bergen Street to Atlantic Avenue was closed for four days. Dean Street between Flatbush and Carlton and Pacific Street between 6th Avenue and Carlton were closed for two days. Pacific Street between Flatbush and 4th Avenue, while largely unused, was closed for one day as was the southern sidewalk of Atlantic Avenue from 6th Avenue to Carlton Avenue. The 6th Avenue closure was more than 12 hours longer than announced. The Atlantic Avenue sidewalk closure was not announced.

A frozen zone makes it hard to access streets, stores and even some roofs

An outdoor red carpet in New York necessitates significant security so that crowds the celebrities draw can be controlled. The VMAs security plan had to address the ticketed audience, a huge cast, unticketed curiosity seekers, residents and their guests with legitimate access, as well as security threats such as occurred at the Boston Marathon. As a result, access for residents to and from their own homes proved to be one of the most contentious issues of the production.

In the video below a resident argues with a private security guard for access across the street.

Although it was never announced by MTV or the city, on Sunday the length of Dean Street between 6th Avenue and Carlton was bounded by barricades on both curbs and additionally blocked in multiple locations on the south side. In order to get to a store or reach the subway residents were asked to walk several blocks out of their way instead of to the store they could see across the street. These restrictions were in place most of the day of the event, even when there was no activity on the street itself. In the circumstance above, the private security guard is courteous. Some residents reported how nice behavior on the part of security and many reported frustration with the number of times they had to show their ID.

In order to gain access to their homes residents needed to show identification and pick up their guests at checkpoints. Additionally, on Sunday residents were stopped for identification or asked to move away from trailers housing Ariana Grande, Austin Mahone and others on the north side of Dean Street near Carlton Avenue even though those trailers were parked in front of their homes. While residents were kept from the celebrities, the celebrities did occasionally show themselves to the fans collected on Carlton Avenue.
Security and access for each block inside the restricted area was treated differently, creating different experiences for residents. The 6th Avenue block where the 78th Precinct is located appeared to have the greatest level of security; a resident host had to argue for a minute or more to get this writer through the checkpoint at Bergen Street. Dean Street between Flatbush and 6th Avenue was also highly regulated, with at least one area only accessible to residents, their guests and NYPD families.

Although residents were promised escorts for guests at each checkpoint, none appeared, and as a result guests had to be picked up at checkpoints by residents. Parents reported having to pick up their teenagers at the checkpoints because their school IDs do not have their home address on them. Nannies had difficulty gaining access. It was difficult or impossible for delivery persons to reach their customers.

During the event, NYPD was stationed on some roofs and on those roofs access by residents was not allowed. It is unclear if NYPD received permission from property owners to enter buildings, be on roofs, or restrict access to roofs.

Information about access was inconsistent and hard to come by

According to the Mayor's Office of Media and Entertainment's Code of Conduct the responsibility for providing information about events falls to the production, in this case MTV. The Code of Conduct states, "When filming in a residential neighborhood or business district, proper notification is to be provided to each merchant or neighbor who is directly affected by the company... The filming notice should include... type of activity and duration."

However, information about the locations of checkpoints and the form of identification to get access into the restricted area were inconsistent and hard to come by. On the Monday before the event MTV released its final letter to residents, which did not detail how to access homes at all and stated small restricted zones would be located on 6th Avenue between Atlantic and Dean, and Dean Street between Flatbush and 6th Avenue. On the same day, Barclays Center Community Liaison Terence Kelly attended a Dean Street Block Association meeting with over 35 residents from each of the blocks in the anticipated restricted area and provided information consistent with MTV's, additionally adding credentials provided by the 78th Precinct would be necessary in the restricted area. At exactly the same time Kelly was speaking on Dean Street, the 78th Precinct Community Council sent an email describing a larger restricted area and stating that residents throughout the restricted area would need identification to enter. Neither source detailed information about access that applied to residents on 6th Avenue where the Precinct House is located.

In the end the 78th Precinct's information was far more useful overall to residents, but it was only distributed by email. James Vogel from State Senator Velmanette Montgomery's office personally went out and posted some print-outs of the information on lightposts inside the restricted area.

1000 to 2000 cast audience members are brought into restricted area by MTV

Neither MTV nor the Mayor's Office told the production's neighbors to anticipate the one to two thousand young people who appeared inside the restricted zone on the day of the red carpet. At the time of this writing it is not clear if all the young people inside the event were let in as appears likely, or evaded security, but they all appeared to fit the demographic sought in a casting call by MTV prior to the production.

When asked by this writer, several young people standing on a stoop prior to the event on Dean Street stated they were from Queens and New Jersey and that they were “waitlisted” by MTV. The number of visitors inside the restricted zone appeared to be the number required to line the red carpet with cheering crowds. The cameras filming the red carpet for MTV photographed crowds in each of the areas the crowds were situated.
members were located on bleachers on 6th Avenue between Pacific and Dean Streets. Shortly before the event MTV and the Mayor’s Office privately told community leaders in a 20 minute meeting under the arena occlusus that 550 paid cast would be placed in the bleachers which are located on property controlled by FCR below the arena. The red carpet ran down the western 6th Avenue sidewalk. An additional unknown number of people lined the east side of the red carpet, and yet more (out of the frame of the above photograph) were located near a stage set up on the east sidewalk of 6th Avenue.

700 Pacific Street residents report fans attempted to reach the red carpet on Dean Street through the Pacific Street entrance of their building, which itself is located on a street that had restricted access. Whether by plan or because of a security breach, on Dean Street between 6th and Carlton Avenues young people mixed with residents along the north and south sidewalks along the red carpet. They lined the sidewalk and in some cases sat on stoops. On this block one resident reported being threatened when she asked people she did not know to leave her stoop.
The photo above shows what appears to be cast members standing on a Dean Street stoop east of 6th Avenue. They were lit from the side and photographed with the camera. In answers to written questions submitted by community members to MTV, the Mayor's Office and city agencies when it became clear no public meetings would be held on the event, the Mayor's Office stated clearly that, "The production will not impact any private stoops or fenced in areas." Stoops are private property and the primary egress for buildings. The MTV cast did not have the approval of the property owner and were trespassing on this stoop.

At the request of the property owner this writer contacted the VMA hotline (an answering machine) during the event and asked for the stoop to be cleared. There was no response. The person identified as the primary responder to calls on the hotline was clearly visible assisting the production on the red carpet at the time.

This photograph shows crowds at the Dean Street and Sixth Avenue intersection. The view is looking southwest. The crowd lining the red carpet extending up Sixth Avenue is primarily MTV cast with some residents mixed in along the higher level of crowd outside.
Most of the cast was channeled through the Dean Street and Carlton Avenue intersection, although one resident reports a large group being let through on Boren Street at 6th Avenue as well. None of the crowd shown here is standing in Carlton Avenue itself, which was not closed. MTV provided a parking lot on Dean Street normally used by HPD to screen the cast and train them how to behave in front of the camera.

This parking lot was the sole location of portable toilets inside the restricted area. Once the cast was fed into their locations, it was nearly impossible to return to the parking lot due to barricades inside the frozen area. As a result residents on their stoops were asked by cast members to make their bathrooms accessible and the Dubin Mini-Mart received numerous bathroom requests.

The photo above taken at 6 AM on the day of the red carpet shows the HPD parking lot turned into a kind of training school. Residents report the cast was taught how to cheer, and that they were screened for logos on their clothing.

Production lights and noise

Although tracks began loading the show into the arena on August 6th, the first real impacts from the production were generators brought in to supplement and back up the arena's power. Five generators arrived on the evening of August 14th via the LIRR rail yard, which required the use of flood lights that have been the source of community complaints since the time of arena construction. The five generators were placed in the footprint of Building 4 on the arena block and eventually were joined by two more on August 27th. The decibel level of the generators was reported to be 89 - 91 decibels as measured from 6th Avenue by a community resident. The noise was
The event itself had amplified sound, which was not announced until the week of the performance. Although the Keys to the City stipulates that productions must inform each neighbor of impacts, their time and their duration, information released to the public by MTV did not describe the time and duration of the amplified sound in any way. AYW published hours for amplified sound on the Friday before the event that were provided informally by the production on Thursday. Music was first played over the sound system on Friday afternoon, which also had not been announced by MTV in advance.

One spin-off event by the Versailles clothing store on Flatbush Avenue also used outdoor amplified sound, likely without a permit. A description of the party and a photo of an outdoor fashion show by the retailer can be found here.

One resident with a decibel meter tweeted a decibel reading of 87 at 5:19 PM on Sunday from the red carpet's amplified sound.

A DJ started playing in the afternoon on Sunday in order to keep the crowd's spirits up, and during the red carpet show two singers, some dancers and BMX performers also used amplification. Below, Ariana Grande takes the stage on the red carpet. The noise level of the crowd screaming sometimes eclipses the amplified sound. Austin Mahone’s performance was similar in this respect. The video was captured on a roof using a cell phone with limited audio capabilities.
The Code of Conduct states, "Do not park generator trucks or campers with running generators in front of residential buildings if possible." On the day before the red carpet a production trailer with a generator was set up directly outside 523 Dean Street, a residential building, and stayed there until 11 PM even though a resident from the building complained and asked for it to be removed. On the night of the event five production trailers with running generators were placed in a line on the north side of Dean Street near Carlton Avenue, a number of them directly beneath residential buildings. The video below (shot with an iPhone and limited recording capabilities) shows the production trailer with generator running beneath 523 Dean Street.

Camper with generator under residences @ 9 pm

Lights from the production were bright and pointed directly at homes because a key part of the production was showing the "Brooklyn" context. Prompted by a Forest City Ratner executive, MTV provided a black out cloth to a resident with a young child living in a building illuminated by the production on 6th Avenue. The child has a street facing bedroom. The resident reports the cloth proved too small and too coarsely woven to cover the window properly. The view below shows the lights illuminating the 6th Avenue facades.

The Keys to the City requires productions to provide blackout material to residents' windows for night exterior shots before the shoot.
Construction extends longer than anticipated

Five days of after hours construction work outdoors was required to build the red carpet set which included a version of a Brooklyn Bridge tower. The most disruptive night of work was Sunday following the event itself, when work took place all night on 6th Avenue, Pacific Street and Dean Street. A Dean Street resident complains in the video below about the noise from the breakdown.

Dean Street resident says nighttime dismantling...

MTV did warn residents about the days and duration of the event. However the construction work hours appear to have been underestimated. MTV warned residents to anticipate construction until 9:00 PM on Saturday night. AYW’s webcam shows lights going down on the construction site in phases between 2:00 AM and 2:30 AM Sunday morning. On Friday night construction was anticipated to extend until midnight, but the construction lights extended until between 1:00 and 1:10 AM.

The photo below from an AYW webcam shows the dismantling of the set underway Monday morning August 26th at 4:20 AM. The Brooklyn Bridge tower is visible in the right center of the photo. 6th Avenue was anticipated to be open at this time in the notices provided the community.

Gridlock and idling from black cars

Black cars parking and idling at fire hydrants and in no standing zones occurs during nearly every Barclays Center event. For the VMAs, the area normally assigned (but rarely used) by TLC vehicles on Atlantic Avenue between 6th and Carlton was re-tasked for emergency vehicles and NYPD parking.

In a written answer to a question from community members, Barclays Center Community Liaison Terence Kelly stated, “The red carpet program outside is highly-controlled, with all vehicles mustering in an off-site parking area, entering the restricted zone for drop-off, returning to the off-site parking area, and coordinating with MTV on pick-up times. A rush of guests to their vehicles would not be a good look from a production and quality control standpoint. In all we can anticipate approximately 120 vehicles.”
During the VMAs, residents reported numerous instances of illegal parking from limos. One resident reported 16 illegally parked limos found in a 20 minute walk in the North Slope around 8:45 PM, and additional problems at 11 PM. The resident posted twelve 311 complaints documented with photos on this website associated with the 8:45 walk. The resident also reports that no TRAs were seen throughout the entire evening and that there were none assigned to patrol, according to FCN. The file does state two officers responded positively when asked to address a specific problem.

The red carpet program apparently was not as well coordinated or highly controlled after the event as was anticipated. The plan was apparently for the red carpet celebrities' limos to come down Carlton Avenue and enter Dean Street to reach the arena westbound (against the normal direction of traffic on Dean). A rush to the arena is apparently what happened. In an incident report titled "Illegally Parked Limos Crumble," a Prospect Heights resident states that Carlton Avenue was so blocked with vehicles that only the bike lane was open. The resident took the time to copy 56 license plate numbers, many of them issued by TLC, of the illegally parked cars.

On Dean Street both sides were lined with idling limos between Carlton and 6th Avenues. The photo above shows the view of Dean Street looking east toward the arena. All the limos were parked and idling, many of them next to residences. The street was closed.

The limos exiting Dean Street at Flatbush were met with a crowd of fans hoping to catch a glimpse of the celebrities they believed to be inside.

MTV leaves trash, debris and damaged trees behind

The Code of Conduct is clear on the subject of trash. It states productions must: "Clean up after your shoot. Make a clean sweep of the area to ensure that nothing is left behind, including equipment, garbage, all resident letters, NO PARKING signs, VU signs (and tape) that your production posted." The Code also states that productions "cannot use Dept. of Sanitation trash cans or leave bags curbside with residential or business trash."

Some children from Dean Street, (styled the "Dean St. Kids"), wrote signs across several blocks on the sidewalk welcoming the VMAs and asking those attending to "Please keep it neat!"
In flyers released by MTV, it acknowledged responsibility to clean "the streets closed for event activity." However, the area outside the perimeter, much of it full of crowds of fans, was not cleaned by MTV, so responsibility was shifted to the property owners and businesses nearby. The photo below shows garbage left on Carlton Avenue south of the Dean Street intersection the day following the event, outside the restricted area but near where crowds had gathered.
taken following the event, but before the production cleaned up during the night.

The following photo shows a residential building's garbage can filled with trash from the VMA crowd immediately following the event.
While a cleanup inside the restricted area took place, there was plenty of room for improvement. The tree beds along Dean Playground were not cleaned, and a blackout cloth that ran the full length of Dean Playground along Dean Street was not removed until Thursday. The photo below was taken around noon on the day following the event on Dean Street next to the playground after the production had left the area.
cleaning up may have been prohibited from entering private property to clean the trash caused by the production.

In a thoughtful incident report on this website, a resident from Carlton Avenue with a garden that was crushed on the day of the event writes of her garden, "There was a gaggle of fans at the intersection of Dean and Carlton last night, August 25, 2013, hoping for a glimpse of this or that celebrity exiting from the make-up trucks during the MTV Video Awards at the Barclays Center. At that same intersection there is a small garden, separated from the sidewalk by a low concrete curb. The crowd felt no compunction about throwing garbage into that garden, stepping over the curb and standing in it, breaking and trampling plants, many of which were completely destroyed."

She continues, "the MTV Awards was not a festival that understood itself to be taking place in the context of a neighborhood. It was thus mounted at the expense of fragile interstitial areas, such as this garden, that help to sustain this particular neighborhood. This can happen with minor consequences a couple of times but before long such an attitude will render the area surrounding the Barclays Center a barren, subservient landscape. -"

The photo below shows garbage and pieces of red carpet caught under the fence delineating the 6th Avenue sidewalk from the private front garden on the Monday following the event.

Along Pacific Street and 6th Avenue a surprising amount of garbage and debris was left behind. In those locations, including directly across from the arena, the debris and garbage was not cleared until days following the event. One resident reports seeing DSNY workers picking up garbage left curbside on Pacific Street Thursday. The photo below shows Pacific Street east of 6th Avenue Tuesday at 8:30, two days following the event, and long after the production had left the neighborhood.
Some minor street tree damage also occurred during the event and the evidence was left behind on the street. The photo below shows a damaged tree on Dean Street following the event.

Additional photos of garbage and debris left behind can be found on incident reports from Monday and Tuesday following the event.
collected at all the locations where a glimpse of a celebrity may have been possible. When fans (mostly girls) chased Justin Bieber's bus down Dean Street in 2012, a camera person who would not identify himself and could have been associated with Justin Bieber was there to capture it. The crowds on Carlton Avenue were aware Austin Mahone was in a production trailer located just west of the Dean and Carlton intersection and calls for Austin to leave his trailer were audible on Dean Street and Carlton Avenue throughout the day.

NYPD anticipated many fans and set up pens on Pacific Street at Flatbush Avenue, Flatbush Avenue between 5th Avenue and Dean Street and the plaza in front of Target. Overall, the capacity of the pens was more than enough to absorb the number of fans who turned up, but the fans didn't always go where they were expected or told.

In the video below which shows cast members being fed into the HPD parking lot on Dean Street from Carlton Avenue, chants of "Austin come back!" can be heard from Carlton Avenue. Austin Mahone, like at least one other celebrity entering through Carlton Avenue, had been seen near the intersection earlier in the day. At the end of the video, a security guard asks the videographer to move away from the production trailers. The person taking the video lives immediately adjacent to where he is shooting the video.

Crowds stood in travel lanes in some intersections, blocked crosswalks, and crowded some sidewalks to the point they were not passable. In the photo below curiosity seekers stand on Bergen Street at 6th Avenue to see if they can catch a glimpse of the action. This photo, like the ones that follow, was taken between 5:30 and 6:00 for an event that began at 8:00.

On Flatbush Avenue crowds developed on the southeast side of the intersection because the sidewalks surrounding the arena were closed. A crowd also developed here after the event in the hope that they could catch views of celebrities leaving the arena.
Pedestrians trying to pass the crowds blocking the sidewalk spilled out into the travel lane along Flatbush Avenue.

On the north side of Atlantic Avenue from Fort Greene Place to South Portland the largest crowd gathered. The video below shows
The photo below shows the same area later in the early evening from a distance. The crowd has spread in front of Atlantic Terrace. In the foreground the area normally tasked as the TLC parking area for lines during Barclays Center events has been turned into NYPD parking for emergency vehicles and official cars. The south sidewalk of Atlantic Avenue between 6th Avenue and Carlton Avenue was closed to pedestrians.

Several injuries occur on Dean Street over two days

The change of a residential block with a playground into a set for a television production is radical and requires adjustment both for residents as well as cast and crew because it is both less controlled and less hospitable. A normal set has bathrooms and water fountains, but no residents walking through and stepping over equipment.

On the day before the event a local resident tripped on covered cables and cut her face on Dean Street in front of the fire station.
On the day of the event a young girl collapsed across the street from the first accident, apparently from dehydration. She was treated by ambulance and the production distributed a bag of water to the cast and residents standing in the area she collapsed.
Follow up questions remain about FDNY emergency response times

The FDNY 105 Ladder Company was located immediately adjacent to the red carpet. In a written answer to a question from community members asking if FDNY's emergency response times would be affected by the event, the Mayor's Office and MTV answered, "We are working with the FDNY to ensure they will not be affected in any way due to the MTV set up. They will have full access to all surrounding streets for ingress & egress throughout the live Red Carpet."

This answer proved true in a literal sense. Although the fire trucks would have had to disrupt the red carpet -- in fact drive over the red carpet -- to respond to an emergency call, emergency lanes were maintained on 6th Avenue and on Dean Street. However, the fire station itself appeared to be absorbed into the on-camera production and the firemen brought their friends and families to the event. The video below shows a fire station with the red lights of the fire trucks flashing.
Many failures to contain garbage in the vicinity of Atlantic Yards can be seen in photos

Submitted by Peter K. on June 21, 2011 - 9:25am

"Rats can be a property, block or neighborhood problem and require a coordinated response: property owners, tenants, businesses and government need to work together. Everyone has a part to play."

New York City Department of Health, Pest Control Services

The following is a photo essay from Sunday June 19th showing current potential sources of food for rodents inside and in the vicinity of the Atlantic Yards Project footprint:

The 6th Avenue entrance to the arena block construction site at Pacific Street, Sunday June 19th
Debris under a parked car on Dean Street between Flatbush and 6th Avenues Sunday June 19th. Street cleaning is impossible in this area because Barclays Center construction workers park illegally here on weekdays.

Construction workers park illegally around this can located on Pacific Street between 6th Avenue and Carlton on work days. They often eat and change in their cars. Note the can in this picture from our report on illegal parking in this location April 17th.
One of the Barclays Center construction site entrances on Atlantic Avenue on Sunday, June 19th.

Garbage on Dean Street between 6th and Flatbush across the street from the Barclays Center construction site. Forest City Ratner has agreed to provide cleaning of the sidewalks in this area.

The entrance of the 78th Precinct on Sunday, June 19th.
Dumpster adjacent to the 78th Precinct on Sunday, June 19th.

Debris under Precinct cars Sunday, June 19th. Street cleaning occurs irregularly in the areas Precinct related vehicles park.
Uncontained residential garbage on 6th Avenue between Dean and Bergen Streets Sunday, June 19th.

Uncontained garbage on the sidewalk adjacent to the city owned HPD parking lot on Dean Street.
Pile of garbage bags between FDNY Ladder Company 105 and Dean Playground.

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<td>28th Precinct.jpg</td>
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Atlantic Yards District Service Cabinet focuses on rats; FCRC commits to providing vouchers to residents for garbage cans

Submitted by Peter K. on July 16, 2011 - 12:26am
The Atlantic Yards District Service Cabinet Thursday, July 14th was largely dedicated to the rodent problem in the vicinity of the project. At the meeting, Forest City Ratner committed to providing community residents a voucher to get a free garbage can.

More details of the program, including the type of can and the specific area the program will be available, will be made public in a week or so.

In addition, at the instigation of Council Member Letitia James, the NYC Department of Health, the NYC Department of Sanitation and ESDC Project Director Arana Hanks are working together to identify a strategy to address the full range of problems in and around the project site.

Further details on the Atlantic Yards District Service Cabinet can be found at the Prospect Heights Patch and Atlantic Yards Report.
Some steps directed to addressing the rodent problem are underway; in the meantime stories in the press continue

Submitted by Peter K. on August 14, 2011 - 11:30am
Forest City Ratner Company will begin its distribution of garbage cans with lids to local residents this week. The [BrooklynPaper](#) reports 172 Rubbermaid wheeled cans will be distributed at a cost to FCRC of $32 each. At the last District Service Cabinet FCRC also said they would add 16 new trash receptacles to the construction site for worker’s food waste, and add four new workers to empty those receptacles regularly and do a limited perimeter sweep. In addition contractors have apparently added between 180 to 220 bait traps inside the construction site.

Based on regular observation, the construction site is generally cleaner than before attention was drawn to the rodent problem, such as when this linked [photo portrait](#) was taken June 21st. But garbage can still be found in the 22 acre footprint of the project. The photo below from August 4th shows trash including food waste located mostly inside the rail yard work area just east of the 6th Avenue Bridge.

At the District Service Cabinet, (and following an inspection that seems to have occurred several weeks after the photos linked above were taken and press focused on the problem), [Atlantic Yards Report](#) quotes NYCDOH rodent expert Robert Corrigan saying, "Two of three (segments), had very high rates of sanitation pick-up." Assuming the three segments of the project referred to are the arena block, the LIRR rail yard, and the construction staging on block 1129, it may be speculated the area without a high rate of sanitation pick-up is the rail yard. NYCDOH has no authority and provides no oversight on MTA property, and the Atlantic Yards contractors there are different than in the other two "segments." ESD, however, does have authority and should be providing oversight.

The New York City Department of Health and Mental Hygiene has begun inspections in the area in the vicinity of the project site. Those properties that fail will receive a notice with inspection result, followed by a compliance inspection. For properties that are non-compliant, DOH will eventually fine.

The Department of Sanitation, (DSNY), may also have started inspections. When further information is available, it will be posted here.

In the meantime, stories in the press continue.

- [MyFox NY, (channel 5): Rats Invade Neighborhood Near Atlantic Yards Project](#)
- [CBS News, (WABC 830): Brooklyn Residents Cry Foul Over Rate at Atlantic Yards](#)
- [AtlanticYards Report: Ratner’s trash can bill = $3500? (surely the new employees cost more)](#)
- [BrooklynPaper: Bruce Ratner -- Taking on Rats!](#)
- [AtlanticYards Report: Forest City Ratner finally announces free garbage can plan, with limited boundaries (no Fort Greene); educational forum will be held August 17](#)
An area of Fort Greene is now to receive rodent-proof trash cans

Submitted by Peter K. on October 9, 2011 - 9:34am

Patch reports the area eligible to receive rodent proof trash cans has been expanded into a portion of Fort Greene. This news follows Council Member James’ request at the last District Service Cabinet that the distribution area for cans be expanded into Fort Greene as a response to complaints from community members.

Previously distribution was confined to the area from the east side of 4th Avenue to the east side of Vanderbilt Avenue south of the project site. During the last distribution of cans in August, they were available to residents of buildings with 12 units or less. According to Patch 150 trash cans will be distributed as early as this weekend to residents in the vicinity of South Oxford Street.

One [link] of an incident report living in Fort Greene at Fulton Street and South Portland Avenue wrote, "We have never had such a severe rat infestation in the 28 years I’ve been around."

In the meantime, within the area that lidded cans were distributed over the summer residents raised the issue of rodents again at the Carlton Avenue Block Association and the Dean Street Block Association (DSBA) meetings in mid-September.

At the Carlton Avenue meeting it was reported that rats were still seen on Carlton between Dean Street and St. Marks Avenue.

At the DSBA meeting residents reported Dean Street near Carlton Avenue is improved but not rodent free. They reported problems continue on Pacific Street near 6th Avenue with multiple sightings in September from people leaving Newswalk. Problems also continue across the street from the fire station on Dean (the photo of a dead rodent was taken at that location 9/18).

A resident of 6th Avenue between Dean and Bergen Streets says conditions are better, but not resolved.

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*Login or register to post comments*
FCRC to offer free lidded garbage cans to a set of residents near the project footprint; a rodent forum is scheduled for August 17th

Submitted by Peter K. on August 9, 2011 - 10:33pm
Forest City Ratner Companies is to provide lidded garbage cans to tenants, property owners, and superintendents of buildings near Atlantic Yards. The area the cans will be provided extends from the south side of Atlantic Avenue to the south side of Bergen Street, and from the east side of Vanderbilt Avenue to the east side of 4th Avenue. Only buildings with 12 units or less are eligible.

The map below shows the distribution area which is located largely to the south of the project. The “pick up site” for the free cans is Forest City Ratner’s Community Liaison Office.

In addition, Empire State Development and the New York City Departments of Health and Sanitation will host an educational forum at the Pacific Branch of the Brooklyn Public Library on Wednesday, August 17th from 6-8 pm. At the forum experts will offer strategies for rodent prevention and answer questions.

The distribution of free garbage cans was first proposed by FCRC at the Atlantic Yards District Service Cabinet July 14th following community complaints and press reports about problems with rodents in the vicinity of project construction. The cans are one component of a multifaceted approach to reducing the rodent population outside the project footprint. Along with encouraging prevention inside the project footprint, the Departments of Health and Sanitation will be inspecting the community to identify existing problems.

The Department of Health has identified catch basins in the area that have active rodent signs. Baiting is scheduled there this week. In addition, they have begun inspecting the area around the construction site. This is a process that takes a few weeks. For those properties that failed the initial inspection, they will receive a notice with inspection results, followed by a compliance inspection. For those properties that are non-compliant, DOHMH will eventually bait.

At a meeting June 29th hosted by Council Member Letitia James and Dean Street Block Association, residents complained to Empire State Development and the Departments of Health and Sanitation about rodents in the vicinity of the project. A list of problem locations assembled at that meeting and given to ESD, NYCDOH and DOHMH included St. Marks Avenue, Park Place, Prospect Place, Greene Avenue and South Portland Street. The list also included Bear’s Garden, an open space across the street from the future arena and directly over project-related transit construction.

Residents outside the distribution area mapped above, as well as the custodians of Bear’s Garden, will likely be disappointed by FCRC’s distribution guidelines. At the Atlantic Yards District Service Cabinet, District Manager Robert Perri of Community Board 2 and Council Member James mentioned that rodent complaints had been received north of Atlantic Avenue. Free garbage cans will not be distributed north of Atlantic Avenue.

FCRC will have more staff on hand and extended hours to distribute the cans next week. They will accommodate those who cannot pick up their can during the published schedule.

The following are instructions from Forest City Ratner Companies describing how to get a free garbage can:

1. Make sure your building is located within the eligible boundaries and has 12 units or fewer.
3. Visit the Atlantic Yards Community Liaison Office, located in a trailer on Carlton Avenue (between Pacific and Dean Streets).

Cans will be available during the following hours:

- Monday, August 15th 10 am - 4 pm
- Tuesday, August 16th 10 am - 3 pm & 6 pm - 8 pm
- Wednesday, August 17th 10 am - 4 pm
- Thursday, August 18th 10 am - 3 pm & 6 pm - 8 pm
- Friday, August 19th 10 am - 1 pm

FCRC provides the following contact for questions: communityliaison@atlanticyards.com or 1-866-923-5315.

Attachment

can_distribution request.jpg

Size

113.37 KB

* Dropbox sharing link to post comments
Atlantic Yards District Service Cabinet focuses on rats; FCRC commits to providing vouchers to residents for garbage cans

Submitted by Peter K. on July 16, 2011 - 12:26am

The Atlantic Yards District Service Cabinet Thursday, July 14th was largely dedicated to the rodent problem in the vicinity of the project. At the meeting, Forest City Ratner committed to providing community residents a voucher to get a free garbage can.

More details of the program, including the type of can and the specific area the program will be available, will be made public in a week or so.

In addition, at the instigation of Council Member Letitia James, the NYC Department of Health, the NYC Department of Sanitation and ESDC Project Director Arana Hankin are working together to identify a strategy to address the full range of problems in and around the project site.

Further details on the Atlantic Yards District Service Cabinet can be found at the Prospect Heights Patch and Atlantic Yards Report.

Login or register to post comments
Council Member Letitia James joins irate residents in demanding action on rat problem from State, City and Forest City Ratner

Submitted by Peter K. on June 24, 2011 - 3:30pm

A meeting held Thursday night to address the rodent problem in the vicinity of Atlantic Yards sponsored by Council Member Letitia James and the Dean Street Block Association, 6th Avenue to Vanderbilt drew between 60 and 70 residents.

Also attending were representatives from the NYC Departments of Health and Sanitation and the ESDC's Atlantic Yards Project Director Arana Hankin.

Although flyers for the meeting were focused in the area of Prospect Heights that is close to Atlantic Yards, residents from Fort Greene and Boerum Hill also attended and spoke of increased rodent problems in areas of their neighborhoods near the project.

A list of of approximately 30 problem locations was assembled collectively during the meeting. Besides those already reported on this site like Dean Street, 6th Avenue and Carlton Avenue, other locations included St. Marks Avenue, Park Place, Bergen Street, Greene Avenue, Pacific Street/Dean Garden, and South Portland.

Based on the discussion among residents, elected officials and agency representatives present, solving the problem is going to take coordinated work from all of those in the community including residents and businesses, NYC Parks and Recreation, FDNY ladder company 105, NYPD 8th Precinct, LIRR, NYC Transit and the developer Forest City Ratner.

Council Member James called for a task force to address the problem. The Department of Health identified an existing interagency task force that could potentially be used. Council Member James also suggested addressing the issue at the upcoming Atlantic Yards District Service Cabinet currently scheduled for July 14th.

Among the wide range of strategies to address the problem raised at the meeting were installing metal containers with lids at street corners such as are used in some commercial districts, garbage containers with lids for residents, better coordination between the time garbage is picked up and the time residents put their garbage out, further baiting in the construction site, and control of construction worker related waste. Regular cleaning of trash from sidewalks and street cleaning were also mentioned.

In a story from the New York Times on the meeting, reporter Liz Robbins writes, "Arana Hankin, the director of the Atlantic Yards Development, said that she had not received any direct complaints. That was because, residents said, they have been directed to call 311. It took time, Ms. Hankin conceded, for her to call 311 and retrieve those complaints. At the meeting, she gave people her direct phone number."

Residents throughout New York City rely on 311 to alert city agencies to problems and create a public record of their concerns. Many residents at the meeting reported calling 311 with specific problems. Since its inception several months ago, this website has been forwarded eight rodent related complaints. Dean Street Block Association, 6th Avenue to Vanderbilt which has a membership that lives and/or works on three blocks immediately adjacent to the southern side of the project, has kept a log of 311 calls since 2007. It includes over 20 rodent related complaints, many associated in some way with project construction.

Additional coverage of the meeting:

- Atlantic Yards Report
- Prospect Heights Patch
- New York Times
- News 12
- Channel 11 News interviews Councilmember Letitia James
- The Brooklyn Paper

Additional photos of the meeting by Tracy Collins can be found [here](#).
New television coverage of the Atlantic Yards vicinity rat infestation

Submitted by Peter K. on June 22, 2011 - 8:55am
In a second WPIX channel 11 report on rodent problems in our neighborhood, reporter Monica Morales interviews residents, a construction loss and shows some problem areas.
More stories of rats in the area of arena construction come forward; Community continues to believe the source of rodent infestation is project construction

Submitted by Peter K. on May 29, 2011 - 3:21pm

Since the Atlantic Yards District Service Cabinet several weeks ago, more complaints about rodents have reached this site, been voiced at the monthly Dean Street block association meeting and posted on Atlantic Yards Report. Rodents have been an ongoing problem in the area since work on Atlantic Yards began in 2007.

On Friday Atlantic Yard Report published photographs and complaints from Dean Street resident Larry Schwartz. His complaints about rodent infestation near the Dean and Carlton Avenue intersection parallels concerns filed in incident reports and comments earlier in the week on this site.

On Monday the 23rd, a resident of 6th Avenue between Dean and Bergen Streets attended the monthly meeting of Dean Street Block Association and relayed those in attendance with stories of rats attempting to chew through an exterior door and expressing anxiety about walking home alone after dark due to the infestation. This area is only a few feet from a area excavation.

Three weeks ago, this website located the rodent infestation primarily on Dean Street at 6th Avenue. With further input from area residents, we now locate the area of current problems to 6th Avenue from Bergen to Dean Street, Dean Street from 6th Avenue to Carlton, and Carlton between Dean and Bergen.

Many community members place the blame for the rodent infestation with the construction of the project. Supporting their arguments, rodent infestation has been synchronized to areas in close proximity to active demolition, excavation and construction inside the footprint. The first significant infestation occurred in the immediate vicinity of the excavation of the rail yard in block 1121 in 2007. Later infestations occurred immediately near demolition and grading of block 1129, and then near the dormant lots left during the stasis of construction in 2009. Now infestation has moved near excavation of the arena block.

At the District Service Cabinet May 10th, ESDC Project Director Arana Hankin stated that ESDC's job is to ensure the adverse affects of construction are contained inside the project site. Rodents are mobile, raising a challenge for ESDC and their environmental monitor HDR in this respect. During a coordinated inspection of the site by 14 community members in November 2011, the photograph at the lead of this article was taken in the middle of the intersection of 6th and Atlantic Avenues. It shows a dead rat squashed in mid-route only a few feet from the future areas, but outside the perimeter of the footprint.

Intermittently over the last four years the community near the project has had to wrestle with the complex problem of addressing rodent infestation through coordinating affected stakeholders without the assistance of the Empire State Development Corporation or Forest City Ratner. Rodents appear to move where they can feed, meaning the location of their homes and the sources of their food have to be addressed in tandem.

The recent complaints about rodent infestation resemble those that took place in 2009. With the help of NYCDOH, rodent coverts and burrows were identified within block 1129 inside the project site directly across from residents and commercial businesses where food was available. The rodents expanded into the basements and backyards of homes nearby. The problem was addressed when the footprint was baited, (something that had apparently been neglected at the time), property owners put in place improved trash receptacles, and holes in buildings were sealed. The cost of addressing the infestation outside the footprint was absorbed by property owners and tenants.

The problem is now more complex given the variety and types of stakeholders and the apparent geographic expanse of the problem.

Comment

Construction  Public Health  Sanitation  Vermin
When rats are a neighborhood problem, a coordinated response is required

Submitted by Peter K. on June 4, 2011 - 9:09am
Whatever triggered the problem of rodents in the vicinity of Atlantic Yards, the community will have to work together to address the circumstances that sustain it.

Construction adds to the problem of controlling rodents because the homes of existing rodent populations are disturbed and new sources of food are created on an ongoing basis. Recent complaints about the impossibility of doing street cleaning in the vicinity of illegal construction worker parking is one example.

Setting construction aside, the Department of Health [website] has useful information describing how neighbors must work with government to fight against rodents, all of which are relevant to the community around the project:

Rats can be a property, block or neighborhood problem and require a coordinated response: property owners, tenants, businesses and government need to work together. Everyone has a part to play.

- Property owners and businesses must maintain their garbage — the number one source for rats to get their essential food — in containers that are rodent-proof until it’s picked up.
- Tenants must do the same in the houses and apartments, and also ensure that they do not litter their yards or the street.

Rats seek out places to live that provide them with everything they need to survive: food, water, shelter and safe ways for them to get around. Rats like to build nests or burrows in the earth and prefer traveling along the same paths over and over—often using building foundations walls, fences and bushes to find their way. To keep rats out of your property or neighborhood, you and your neighbors can take steps to make life more difficult for rats:

- Clean up: Garbage and clutter give rats a place to hide.
- Store all garbage in hard plastic rat-resistant containers with lids. Rats eat your garbage.
- Provide enough trash containers for all of the occupants of your building. Any exposed trash will attract rats.
- Keep landscaped areas around your property free of tall weeds and trim shrubs that are close to the ground.
- Check for cracks or holes in the foundation of your building, sidewalk, and under doors and repair them by filling and sealing them.

To download the Department of Health's Rat Guide in English or Spanish, [click here].

Comment

Public health  Sanitation  Vermin
Atlantic Yards rats make TV news

Submitted by ayw on May 31, 2011 - 12:31am
Mario Diaz of PIX11 was named Friday with several of Atlantic Yards' neighbors concerned about the increasing number of rats infesting the streets surrounding the project.
Many failures to contain garbage in the vicinity of Atlantic Yards can be seen in photos

Submitted by Peter K. on June 21, 2011 - 9:25am

"Rats can be a property, block or neighborhood problem and require a coordinated response: property owners, tenants, businesses and government need to work together. Everyone has a part to play."

New York City Department of Health, Pest Control Services

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Debris under a parked car on Dean Street between Flatbush and 6th Avenues Sunday June 19th. Street cleaning is impossible in this area because Barclays Center construction workers park illegally here on weekdays.

Construction workers park illegally around this can located on Pacific Street between 6th Avenue and Carlton on work days. They often eat and change in their cars. Note the can in this picture from our report on illegal parking in this location April 17th.
One of the Barclays Center construction site entrances on Atlantic Avenue on Sunday, June 19th.

Garbage on Dean Street between 6th and Flatbush across the street from the Barclays Center construction site. Forest City Ratner has agreed to provide cleaning of the sidewalks in this area.

The entrance of the 78th Precinct on Sunday, June 19th.
Dumpster adjacent to the 78th Precinct on Sunday, June 19th.

Debris under Precinct cars Sunday, June 19th. Street cleaning occurs irregularly in the areas Precinct related vehicles park.
Uncontained residential garbage on 6th Avenue between Dean and Bergen Streets Sunday, June 19th.

Uncontained garbage on the sidewalk adjacent to the city owned HFD parking lot on Dean Street.
Pile of garbage bags between FDNY Ladder Company 105 and Dean Playground.

**Attachment**

- Baby Sign and Arena entrances.jpg
- Residential Garbage.jpg
- Pile of Garbage Under 6th Avenue Bridge.jpg
- Nestled Bags in front of HPD.jpg
- Garbage and Garbage Bags Atlantic and 6th.jpg
- Fire House + Parks Dept. Garbage.jpg
- Dumpster and Garbage near 58th Precinct.jpg
- Debris Under 78th Precinct Car.jpg
- Debris Caught Under Construction Worker Car on Dean St.jpg
- Dean Town Hall architects and LDA.jpg
- Construction Worker Car.jpg
- 78th Precinct.jpg

**Size**

- 140.24 KB
- 120.42 KB
- 64.95 KB
- 68.22 KB
- 92.71 KB
- 69.11 KB
- 78.03 KB
- 71.98 KB
- 79.16 KB
- 81.87 KB
- 77 KB
- 78.02 KB

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Rodent infestation is an ongoing problem near Atlantic Yards construction

Submitted by Peter K. on April 30, 2011 - 1:15pm

A significant cluster of rodents is located in the front yards of homes along the north side of Dean Street near 6th Avenue. These are among the homes closest to Barclays Center construction.

Rodent sightings and holes also exist along 6th Avenue near the site. In addition, complaints have been received recently from the intersection of Bergen Street and Carlton Avenue.

Since work began in early 2007, complaints about rodents along the perimeter of the Project footprint have been brought to the attention of local civic organizations and community groups. Particular spikes in problems have been tied to demolition work and excavation work at the site.

On the eastern side of the Project those problems started around the time of the initial abatement and demolition work of the Ward Bread Bakery and the excavation of block 1121 to make way for the temporary rail yard. Despite community requests, the Empire State Development Corporation, (ESDC), has never provided confirmation that rodent abatement occurred preceding excavation work inside the rail yard. There was a significant spread of infestation in the community nearby at the time that work began.

On the western end of the Project, rodent problems reached the ears of community groups around the time of the abatement and demolition work of the buildings lining Dean Street inside the arena block. Problems with rodents continued to be reported throughout last summer and fall in the children's play area of Dean Playground, the area near FDNY Engine 219/Ladder 105, and the homes across the street.

So what can be done? Community members should call 311 and forward Atlantic Yards Watch the complaint number. The Department of Health has visited our area numerous times on the basis of the 311 calls the community has made. However, in order to succeed in eradicating the problem all stakeholders need to be involved and coordinated. This is particularly challenging in circumstances like the area near the arena block where, along with Forest City Ratner's contractors, there are multiple city agencies as well private property owners who need to be coordinated.

It is believed in at least one circumstance, the infestation of the 94 family for-profit Pacific Dean Annex shelter at 603 Dean Street located immediately across the street from the excavation of the rail yard in 2007, Forest City Ratner took financial responsibility for the rodents their construction work apparently caused.

Comment

Construction  Public Health  Sanitation  Vermin
FCRC to offer free lidded garbage cans to a set of residents near the project footprint; a rodent forum is scheduled for August 17th

Submitted by Peter K. on August 9, 2011 at 10:33pm
Forest City Ratner Companies is to provide lidded garbage cans to tenants, property owners, and superintendents of buildings near Atlantic Yards. The area the cans will be provided extends from the south side of Atlantic Avenue to the south side of Bergen Street, and from the east side of Vanderbilt Avenue to the east side of 4th Avenue. Only buildings with 12 units or less are eligible.

The map below shows the distribution area which is located largely to the south of the project. The “pick up site” for the free cans is Forest City Ratner’s Community Liaison Office.

In addition, Empire State Development and the New York City Departments of Health and Sanitation will host an educational forum at the Pacific Branch of the Brooklyn Public Library on Wednesday, August 17th from 6-8 pm. At the forum experts will offer strategies for rodent prevention and answer questions.

The distribution of free garbage cans was first proposed by FCRC at the Atlantic Yards District Service Cabinet, July 14th following community complaints and press reports about problems with rodents in the vicinity of project construction. The cans are one component of a multifaceted approach to reducing the rodent population outside the project footprint. Along with encouraging prevention inside the project footprint, the Departments of Health and Sanitation will be inspecting the community to identify existing problems.

The Department of Health has identified catch basins in the area that have active rodent signs. Baiting is scheduled there this week. In addition, they have begun inspecting the area around the construction site. This is a process that takes a few weeks. For those properties that failed the initial inspection, they will receive a notice with inspection result, followed by a compliance inspection. For those properties that are non-compliant, DOHMH will eventually bait.

At a meeting June 23th hosted by Council Member Letitia James and Dean Street Block Association, residents complained to Empire State Development and the Departments of Health and Sanitation about rodents in the vicinity of the project. A list of problem locations assembled at that meeting and given to ESD, NYCDOH and DSNY included St. Marks Avenue, Park Place, Prospect Place, Greene Avenue and South Portland Street. The list also included Bear’s Garden, an open space across the street from the future arena and directly over project-related tunnel construction.

Residents outside the distribution area mapped above, as well as the custodians of Bear’s Garden, will likely be disappointed by FCRC’s distribution guidelines. At the Atlantic Yards District Service Cabinet, District Manager Robert Perris of Community Board 2 and Council Member James mentioned that rodent complaints had been received north of Atlantic Avenue. Free garbage cans will not be distributed north of Atlantic Avenue.

FCRC will have more staff on hand and extended hours to distribute the cans next week. They will accommodate those who cannot pick up their can during the published schedule.

The following are instructions from Forest City Ratner Companies describing how to get a free garbage can:

1. Make sure your building is located within the eligible boundaries and has 12 units or fewer.
3. Visit the Atlantic Yards Community Liaison Office, located in a trailer on Carlton Avenue (between Pacific and Dean Streets). Cans will be available during the following hours:

- Monday, August 15th 10 am - 4 pm
- Tuesday, August 16th 10 am - 6 pm & 7 pm - 9 pm
- Wednesday, August 17th 10 am - 4 pm
- Thursday, August 18th 10 am - 6 pm & 8 pm - 9 pm
- Friday, August 19th 10 am - 1 pm

FCRC provides the following contact for questions: communityliaison@atlanticyards.com or 1-866-923-5315.

Attachment

can_distribution_map.jpg

Size
113.37 KB

* Leave a comment to post comments
Who is responsible for taking care of the project sidewalks?

Submitted by Peter K. on May 10, 2011 - 9:20pm

Even though construction at the Project site has begun, regular passers-by know cleaning and snow clearing in some areas of the Project is still erratic and that in some cases the sidewalks are in poor repair. Conditions have improved since the most recent rain, the blizzard in late December that wasn't cleared from some Project sidewalks for nearly a week. But even now, over four years after Atlantic Yards was approved by the ESDC, there are vacuums in responsibility for custodianship at the site and Forest City Ratner is doing significantly less than it originally committed to do in 2006.

With the project agreements approved by the ESDC in 2006 Forest City Ratner was given responsibility for the custodianship of all sidewalks lining the perimeter of the site. In the new project agreements approved by the ESDC in 2009, the vacuums in regulations covering the sidewalks lining LIRR/MTA property that existed prior to the Project remains in place. The product of the changes to the project agreements is that it is still unclear who will improve and maintain those sidewalks, clean litter or remove snow.

Some steps have been taken in recent months to clarify what entities are responsible for which sidewalks. The issue of sidewalk custodianship was raised by elected officials with FCRC and ESDC at the second District Service Cabinet February 10th. Since that meeting, an updated map showing responsibility for specific sidewalks has been provided by the ESDC. It details the locations Forest City Ratner's contractors and the Atlantic Yards Development Company will pick up trash and clear snow. The map does not detail who is responsible for replacing and maintaining sidewalks.

Brooklyn Arena and Atlantic Yards
Property Maintenance as of February 3, 2011

In the map Atlantic Yards Development Corporation/FCRC does take responsibility for trash and snow removal in some areas not required according to the logic of NYC property regulations like Pacific Street between 6th and Carlton Avenues and the south side of Dean Street between Flatbush and 6th. However those locations are an integral part of the Project’s construction plan and heavily visited by construction workers.

Significant questions remain. Who is going to repair the many sidewalks lining LIRR/MTA property? When Barclays Center opens, and the anticipated interim surface parking lot is established, the project plans will lead to radically increased pedestrian traffic on many of the sidewalks that do not have clear custodianship now. Is the arena opening the point FCRC/Atlantic Yards Development Corporation will take on the responsibility of maintaining them?

Currently, there are three types of outstanding custodianship issues:

1). Sanitation and Trash Pick-up

- Clean up has been irregular and is not consistently applied across all sidewalks.
- The worst area in recent months has been Pacific Street at 6th Avenue.

2). Snow Clearing

- Snow clearing has been irregular and is not consistently applied across all sidewalks.
- LIRR clears its entrance ramp snow by placing it on Pacific Street sidewalks.
• Multiple sidewalks lining the project perimeter are in poor condition, either through neglect or the affects of Project construction. Most patches by Project contractors are asphalt, even though many have been in place for years. The sidewalks in particularly poor shape include those along Atlantic Avenue for which there is no clear replacement schedule.
Overestimated sidewalk widths may spell trouble for arena patrons and residents alike

Submitted by Peter K. on April 24, 2012 - 9:36pm

Unlike nearly every other arena and stadium in the country, Barclays Center is fit tightly inside residential neighborhoods. It is largely surrounded by one way local streets and residential-width sidewalks, not the highways and commercial-width sidewalks that serve most other facilities of its kind.

Changes to the project have resulted in less capacity for travel lanes, lay-by-lanes and sidewalks than was originally analyzed in the project’s environmental impact statement. Now, a survey by AYW confirms the sidewalks in the vicinity of Atlantic Yards also have less capacity for pedestrians than the project's environmental analysis anticipates. The study finds that a critical measurement used in the formula to assess sidewalk capacity by the State was regularly used incorrectly in the FEIS. As a result, the capacity of more than 86% of the sidewalks in the 2006 Final Environmental Impact Statement (FEIS) are overstated, often by significant margins.

This is a concern because sidewalks created to accommodate local residents and patrons of small scale retail businesses will now have to handle the surging crowds of an 18,000-seat arena. Narrower effective widths mean a higher risk of vehicle/pedestrian accidents on the streets surrounding the project exists than the FEIS identifies. And the sidewalks will simply be less desirable to use.

Where the sidewalks come up short: almost everywhere

We surveyed the expected condition of the sidewalks at the time Barclays Center opens in September 2012, but in cases where enough information is available, our results also include some permanent sidewalk effective widths. Among the sidewalks AYW found to have less capacity than disclosed in the FEIS are those near the Dean Street arena entrance (the McGee’s Loopyway into Barclays Center), those leading to transit, and those leading to arena patron parking. Many sidewalks do not even meet NYC DOT's standard for a commercial sidewalk—an unobstructed clear path of eight (8) feet.

For example, the width of the sidewalk adjacent to B2—the first residential building scheduled to be built—may now have a permanent effective width of 3.5 feet, hardly substantial enough for a busy sidewalk supporting a large arena entrance, a loading dock and a lay-by lane.

But the sidewalk in front of B2 is far from the only cause of concern. As first highlighted by Atlantic Yards Report, the sidewalk on Dean Street that will be used by arena patrons to walk from the arena parking lot to the arena has an effective width of 3.2 feet instead of the 11.5 feet disclosed in the FEIS. Patrons can choose instead to walk from the lot to the arena along Pacific Street, but the sidewalks there are also narrower, with an effective width on the north side of 1.3 feet instead of the anticipated 6.5 feet. Or they can walk on Atlantic Avenue, where the disclosed (and narrow) 3.5 foot effective width is really only 1.5 feet.

Below are AYW's results compared to those in the FEIS. They do not include likely additional narrowings and closures due construction. They show the effective width of the sidewalks at the time of the arena opening in September with those incorrectly assessed and overstated highlighted in red.
The map below identifies the sidewalks that were surveyed first by the FEIS and then again by AYV. Lines in red highlight sidewalk segments that were incorrect and overstated in the FEIS. All but one of those in red will have less capacity at the time of the arena opening than the State disclosed in the FEIS. Black shows sidewalk segments that were understated at the closest comparable state in the FEIS to the arena opening. Purple shows sidewalks with effective widths we could not identify with the information available.

Comparative Map Showing FEIS Effective Sidewalk Widths that are Incorrect and Overassessed at Arena Opening

Although the sidewalks of 6th Avenue between Dean and Pacific Streets are anticipated to have effective widths greater than disclosed in the FEIS, there is a possibility that the east sidewalk of 6th Avenue from Pacific Street to Dean Street will still have the illegally parked City employee cars currently there, and that the activity associated with the adjacent "satellite uplink parking lot" may infringe on pedestrians in that sidewalk segment. The street corners of the sidewalk on the eastern side of Fourth Avenue are tight for the capacity they are likely to have to accommodate. In fact, the routes from transit and arena parking all have less capacity than disclosed. Note also that many sidewalk segments certain to be traveled by arena patrons such as some on the arena block and those to the Bergen Street 2/3 and Lafayette Avenue C subway stations were not analyzed in the FEIS. We took a look at those sidewalks, too, and while they are not on the map above, most are narrow sidewalks that do not meet NYC DOT's commercial sidewalk standard.
We are not advocating for the removal of the things that lessen sidewalk effective widths like attractive window displays or obstructions, many of which are tree pits and light posts that benefit both the community and arena patrons. However, operational plans must take into account the conditions that will actually exist at the time of its opening. AYW's goal with this initiative is to highlight the need for a thorough and professional analysis of sidewalk conditions now to guide plans that ensure pedestrian routes are safe for arena patrons, while keeping the residential community and local retail vital. What's required is genuine environmental analysis used to shape prudent plans rather than expedient work not calibrated to identify problems.

Video, photo and illustrations: D.P.

Photos:

A pinch point only a few feet from Barclays Center on Pacific Street between 6th Avenue and Carlton Avenue. This sidewalk is one of a few leading from Barclays Center to its arena patron surface parking lot.

A simulated crowd scene at a pinch point on Dean Street between 6th Avenue and Carlton Avenue. Like Pacific Street this sidewalk is one of a few leading from Barclays Center to its arena patron surface parking lot.
6th Avenue near Flatbush Avenue.

**Traffic and pedestrian safety**

Submitted by sarah week on April 25, 2012 - 7:24am. #

**sidewalks**

I am 1000% percent on your side, but I wish you didn’t label the tree bed an obstruction. Trees are a crucial part of our landscape, and the trees around the arena are at huge risk from crowds when the thing opens. I hope that the neighborhood, working with the Parks department, will find ways to protect the trees against the expected crowds.

Login or register to post comments

Submitted by Peter K. on April 25, 2012 - 8:02am. #

**obstructions**

We followed the guidelines for assessing obstructions set by RSDC’s environmental monitor HDR. The guidelines are [here](#). Street trees, street lights and attractive window displays (all of which reduce the “effective” width of sidewalks) are obviously indispensable. There should be more trees, not less. They should be protected, not eliminated.

The short-term goal is to get planners to acknowledge there is a problem with the capacity for pedestrians in the area so that crowd control is shaped intelligently while leaving room for the existing community. The core of the problem is that the arena was placed in the middle of a residential area and residential sidewalks are narrower than commercial ones.

Login or register to post comments

Submitted by sarah week on April 25, 2012 - 3:54pm. #

**I understand**

Thanks for clarifying.

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Will the TDM plan be only a half a plan?

Submitted by tunobozo on May 14, 2012 - 10:32am

Community groups learned from Empire State Development Corporation CEO Kenneth Adams on May 2 that less than half of the 1,100 parking spaces required for arena patrons in ESDC's 2006 and 2009 development agreements with Forest City Ratner Companies (FCRC) would be available at the opening of Barclays Center. FCRC and ESDB appear to believe their Transportation Demand Management (TDM) plan will be effective enough to revise expected demand for arena patron parking on-site down by 50%.

Robust TDM plans include both incentives and disincentives to discourage driving and parking. We'll know more about the TDM plan for Barclays Center on May 22 when FCRC, its transportation consultant, NYCTA and LIRR present it. But the details of the TDM plan in the 2009 Agreement and Memorandum of Environmental Conformance include only incentives, and the draft scope of the TDM plan FCRC's consultant presented to community groups in January did not include some effective disincentives.

Barclays Center still appears to guarantee reserved parking to all suite-holders. Its web site includes the following information on its FAQ page:

Where will I park as a Suiteholder at Barclays Center?

You will have a reserved spot within a one to two block radius from the premium entrance. Important to note that our parent company controls parking both on the Arena site and surrounding areas that will enable us to deliver the most convenient parking access possible to our suite customers.

How many patrons are guaranteed reserved parking? According to the Barclays Center December 2009 fact sheet, the arena will have capacity for 3,759 persons in 83 standard luxury suites, 12 court side suites, 6 conference suites, 4 party suites and 40 box suites. These are only 7% of total potential ticketholders. This means that there will be many fans coming to the Brooklyn neighborhoods surrounding the arena -- and a lot of them will be looking for parking spaces. Moreover, the reduction in arena patron parking provided on-site may push non-reserved arena patrons to look for "free" parking spaces in the residential neighborhoods near Barclays Center.

FCRC has committed to demand management incentives like remote parking lots and free round trip subway fare for Nets games. The principal TDM disincentive tools are parking management and pricing.

Parking Management

Arena patrons' incentive to search for "free" parking spaces in Brooklyn residential neighborhoods can be eliminated by the State of New York authorizing and The City of New York implementing a Residential Parking Permit (RPP) program like those that successfully operate in many other major cities in the United States. Washington DC and Chicago provide two relevant examples:

- **Washington DC:** The District of Columbia operates an enhanced RPP program in neighborhoods near Nationals Park (where the MLB Washington Nationals play), which also has on-site parking garages adjacent to the stadium. The District Department of Transportation notes that its enhanced performance based parking program is designed to "protect resident parking," "protect businesses," and "promote non-automotive transportation and reduce congestion." It does this in part by being in effect for most hours of every day, not just during baseball games. DC's RPP hours of operation near Nationals Ballpark are 7:00 AM - midnight Monday-Sunday on one side of the stadium and 7:00 AM - 9:30 PM Monday-Saturday on the other side. As of 2011, these hours could be extended to 2:00 AM through a petition by the neighborhood's Advisory Neighborhood Commission.

- **Chicago, IL:** Chicago has a robust citywide RPP program which includes residential neighborhoods near Wrigley Field (where the MLB Chicago Cubs play). In 2008 Chicago increased enforcement of RPP rules near Wrigley Field -- an absolutely essential element of any RPP program -- with additional City towing of illegally parked vehicles between 5:00 PM and 10:00 PM. The City has reported that, for the 29 night games in 2010, it issued an average of 75 parking violations per night and towed 41 vehicles per night.

Pricing

TDM plans also include driving and/or parking pricing disincentives. A RPP program effectively increases the "price" of street parking -- as long as the parking rules are enforced and the program has ticketing and towing fees. In addition, the price of parking in both private and public parking garages near Barclays Center, and on-site, could be increased through an arena zone parking tax surcharge, which again would need to be authorized by the State and implemented by the City. A relevant example is just across the Hudson River. In 2008 the State of New Jersey authorized and the City of Newark imposed a 7% special event parking tax surcharge on all parking within a defined area of downtown Newark after 6:00 PM on weeknights and during daytime on weekends. The impetus for the surcharge was the opening of Prudential Center (NHL New Jersey Devils, WNBA NY Liberty). The tax revenues go to the City of Newark, obviously, so including the cost of parking in the price of tickets is a relevant example.
Unlike the incentives expected to make up the Atlantic Yards TDM plan which can be implemented unilaterally by FCRC, disincentives would require action by State and City government. Unfortunately, State and City legislatures and Departments of Transportation have been largely out of the loop with respect to demand management strategies for Atlantic Yards, whose traffic planning has been almost wholly privately contracted by FCRC to Sam Schwarz Engineering. Now, with less than six months remaining until the opening of Barclays Center, the people of Brooklyn will likely be asked on May 22 to accept a TDM plan that contains only a portion of the available strategies: all incentives and no disincentives.

Attachment

Size

53.23 KB
ESDC's flawed analysis of sidewalk widths highlights risk in privatizing arena planning and oversight

Submitted by Peter K. on October 13, 2011 - 3:02pm
(Based on research by Peter Krashes and Dana Orłowski)

In response to an AVW story showing the effective sidewalk widths on the arena block are going to be narrower than ESDC's 2006 environmental analysis has assessed, the agency's environmental monitor HDR submitted a Technical Memorandum to the Department of Transportation revising effective sidewalk widths and reassessing the sidewalks' level of service.

HDR's Technical Memorandum about the arena block’s sidewalks is flawed. It incorrectly applies its own formula for assessing effective sidewalk widths. As a result of that mistake the Technical Memorandum overstates the effective widths of numerous sidewalks on the arena block by several feet. And HDR uses outdated pedestrian numbers from the 2006 FEIS even though the sidewalk conditions being analyzed should be based on the 2009 Modified General Project Plan.

As a result, the level of service calculations (which relate the number of pedestrians anticipated to use a sidewalk in a period of peak use to the sidewalk's capacity) are invalid and should not be accepted.

The newly narrow arena block sidewalks were disclosed to the public for the first time in the summer when FCRC submitted a plan to NYC DOT for security bollards. Besides the bollards, the narrowing is caused by changes to the construction plan of the arena block which separates and delays the construction of the non-arena buildings, and the failure to rebuild and widen the 6th Avenue Bridge which was originally part of the project plan, among other factors. There is no announced construction plan for the non-arena buildings, so the Technical Memo does not assess the impact of sidewalk and lane closures that may occur during building construction.

The mistakes in the Technical Memorandum are the most recent in a series of errors related to the review of the bollard plan. Initially, the plans were only sent to Community Board 8 for review even though the arena block is exclusively within Community Board 2 and 6. Then it was discovered that the plans had not highlighted in red a security fence as was required because it was new. That fence is located in the area with the narrowest effective width on the arena block and further narrows the sidewalk.

The Technical Memo

The Technical Memo is structured to compare its own analysis with ours. And it agrees with our conclusion that the effective widths on many sidewalks on the arena block will be substantially narrower than analyzed in the 2006 environmental analysis.

It argues, however, that the level of service for pedestrians will stay the same on the sidewalks, a position undermined by mistakes and exclusions in the analysis. This has real-world ramifications because the level of service (LOS) is the single method the Technical Memo uses to measure the degree of community residents and arena patrons face from the more crowded sidewalks in the arena plan as revised in 2009. For example, the Technical Memo does not adhere to guidelines in the NYC DOT Street Design Manual which state commercial sidewalks in NYC must, "beyond the ADA minimum, provide an unobstructed clear path of 3 feet or one-half the sidewalk width (whichever is greater)" (NYC DOT Street Design Manual, p. 62).

The formula to achieve LOS is the number of pedestrians (divided by) the effective width (divided by) 15 (minutes). LOS level “A” is good; LOS level “F” fails. The Technical Memo finds all arena block sidewalks have a level of service “A.”

Effective sidewalk width

It is easiest to understand the problems in the analysis in the Technical Memo by examining one sidewalk as an example. The narrowest sidewalk on the arena block at the time of the arena opening is the sidewalk on Atlantic Avenue from 6th Avenue to Fort Greene Place.

In our original story, we used a U.S. Department of Transportation formula that subtracted a shy distance of 2 feet from each the outside curb and the interior of the sidewalk. In articles since (like our article on the fewer travel lanes and narrower sidewalks on 6th Avenue) we have used a formula that subtracts for obstructions and their "shy distances" (the comfortable passing distance for a pedestrian). The Technical Memo also outlines it uses an effective width formula that removes obstructions plus a "shy distance" of 1.5 feet. Here is the formula as described in the Memo:
analyzing sidewalk sections as follows:

\[ W_i = W_t - W_{sh} \]

- \( W_t \) = Effective sidewalk width (ft)
- \( W_t \) = Total walkway width (ft)
- \( W_{sh} \) = sum of widths and shy distances from obstructions on the walkway (ft)

Shy distances utilized in the calculation are as follows:

- shy distance from object line (wall/fence) = 1.5 ft
- shy distance from building face with window display = 3.0 ft
- shy distance from curb line = 1.5 ft
- shy distance from bollard = 1.5 ft
- shy distance from tree pit = 1.5 ft
- shy distance from light pole = 1.5 ft

In our original study (using a formula that does not subtract for obstructions) we pointed out that the east end of the sidewalk on the south side of Atlantic Avenue between Fort Greene Place and Sixth Avenue appeared to have an effective width of 5.5 feet versus an analyzed effective width of 13.5 feet in the FEIS. HDR did its own calculations for the Tech Memo, and came up with an effective width of 5.2 feet, slightly lower than what we calculated.

### Table 1 - HDR Effective Sidewalk Width Calculation

<table>
<thead>
<tr>
<th>No.</th>
<th>Location</th>
<th>Total Walkway Width (( W_t ))</th>
<th>Obstruction + Shy Distance (( W_{sh} )) (ft)</th>
<th>Effective Sidewalk Width (( W_{e} )) (ft)</th>
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<tr>
<td>S5</td>
<td>Flatbush Av btwn Atlantic Av &amp; Pacific St</td>
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<td>=3+1.5+1.5=6.0</td>
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<td>18'-0&quot;</td>
<td>=3+1.5+3=4.5</td>
<td>=18.0-4-5=13.5</td>
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<td>6th Av btwn Atlantic Av &amp; Pacific St</td>
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<td>=11.0-4-5=6.5</td>
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<tr>
<td>S18a</td>
<td>Dean St btwn Flatbush Av &amp; 6th Av</td>
<td>13'-11&quot;</td>
<td>=3+1.5+1.5=4.5</td>
<td>=13.9-4-5=9.4</td>
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<td>Dean St btwn Flatbush Av &amp; 6th Av</td>
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<td>=3+1.5+4.5</td>
<td>=20.9-4-5=16.4</td>
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<td>S19</td>
<td>6th Av btwn Pacific St &amp; Dean St</td>
<td>21'-0&quot;</td>
<td>=3+1.5=4.5</td>
<td>=21-4-5=16.5</td>
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### Table 2 - Sidewalk Width Comparison

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<tr>
<th>No.</th>
<th>Location</th>
<th>HDR Calculation (ft)</th>
<th>PHNDC* Calculation (ft)</th>
<th>Build in FEIS upon Completion of Phase 1 Buildings (ft)</th>
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</thead>
<tbody>
<tr>
<td>S5</td>
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<td>S7</td>
<td>6th Av btwn Atlantic Av &amp; Pacific St</td>
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<tr>
<td>S18a</td>
<td>Dean St btwn Flatbush Av &amp; 6th Av</td>
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<td>9.0</td>
<td>11.5</td>
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<tr>
<td>S18b</td>
<td>Dean St btwn Flatbush Av</td>
<td>16.4</td>
<td>-</td>
<td>11.5</td>
</tr>
</tbody>
</table>

The problem with this analysis is that it doesn’t appear to take into account the obstructions and shy distances evident on the bollard plans. As an example, looking at the area called S6a in the top chart (Atlantic Avenue between Fort Greene Place and 6th Avenue) the plans show from left to right bollards, a fire hydrant, a light post, and a signal light post. The areas pedestrians are presumed to pass near the obstructions are highlighted with red arrows on the bollard plans below.
Looking at S6a in the top chart, the Tech Memo appears to identify either one obstruction of 1.5 feet and a shy distance of 3 feet, or the other way around. This does not appear consistent with the methodology outlined. It says it applies that the sum of obstructions and shy distances will be removed from the total walkway width. In the example of a lightpost which typically can be 3.5 feet in width from the curb in NYC, the 3 1/2 foot width should be added to a shy distance of 1 1/2 feet AND a shy distance from the interior fence of 1 1/2 feet. The effective sidewalk is the "actual" width of 9 feet 8 inches subtracted by 6 1/2 feet, or 3 feet 2 inches. Note the bollards reduce the sidewalk to a passage of 4 feet and an effective width that is marginal at best.

HDR's own formula produces an effective width of 3 feet 2 inches, not 5 feet 2 inches as the analysis in its Tech Memo erroneously discloses.

The number of pedestrians on the sidewalks

HDR's analysis of sidewalks uses pedestrian numbers from the 2006 FEIS even though the sidewalk conditions being analyzed are based on the 2009 Modified General Project Plan. The 2009 MGPP outlined changes to the project that effect pedestrian movement around the arena site. Among the changes, the 2009 MGPP relocated the VIP entrance from Dean Street to Atlantic Avenue, and also relocated 100 parking spots from the arena block to block 1129.

The 2009 Tech Memo that analyzes changes to the 2009 project plan provides little analysis of how moving the VIP entrance would impact sidewalk conditions on Atlantic Avenue. So HDR was forced to rely on an outdated number of pedestrians for its LOS calculation in its analysis. As an example, according to the 2006 FEIS, 510 parking spaces on block 1129 are reserved for VIP parking with a vehicle occupancy rate of 2.35 persons during weekdays. 1,775 VIP arena patrons will make their way from block 1129 to the VIP entrance now relocated to Atlantic Avenue, passing the constricted sidewalk on Atlantic between Fort Greene Place and 6th Avenue (S6a in the charts above). HDR's analysis of the bollard plan doesn't include these additional 1,775 pedestrians on the constricted sidewalk. And, 1,775 is not the upper limit of the number of pedestrians using the VIP entrance. The Nets have announced that they plan to sell up to 4,400 All Access ticket packages, which include use of the VIP entrance.

Nor does HDR's analysis include the impact of the Demand Management program on pedestrian concentrations on arena sidewalks. The location of shuttle buses to remote parking locations that are part of the Demand Management program will add to crowding along sidewalks around the arena.

Without additional quantitative information about sidewalks conditions created by the 2009 MGPP and the Demand Management program, there is no rational foundation for assessing sidewalk conditions in the bollard plan.

Problems of process

In arguing for the approval of FCRC's plans for bollards on the arena block at the JETT hearing October 4th, Assistant Vice President Sonya Covington stated that the plans followed two years of coordination with government agencies and that the Technical Memorandum had been produced to address changes to sidewalk widths from what was originally anticipated in 2006.

The reality is the opposite. At a critical time in which the operational, demand management and security plans for Barclays Center are being developed behind closed doors, the bollard plans provide a small window into how and who is shaping the plans.

Plan development has been done almost entirely by for-profit FCRC and its hired consultants. The 2009 MGPP was not reviewed by NYCDOT prior to its adoption by the ESDC board. ESDC has never implemented either the monthly meetings of an interagency working group to review plans or the transportation working group promised in 2007.

The plans being implemented are from the 2009 MGPP, but the analysis, data and mitigations substantiating them are cherry-picked from the 2006 FEIS. The scope of work of FCRC's private consultant Sam Schwartz excludes at least pedestrians and sidewalks, even though the FEIS does not anticipate the degree or duration of impediments due to construction, new information about errors in the FEIS analysis, or changes in pedestrian routes due to alterations in arena entrances and parking. In short, there does not seem to be anyone in oversight with the scope of work, or incentive, to locate problems that may exist in the gap between the 2009 and 2006 plans. Many, but not all, of those problems pertain to pedestrians.

Traffic and pedestrian safety
Arena block sidewalks proposed to be narrower than analyzed in 2006 environmental review

Submitted by Gib on August 18, 2011 - 8:33pm

In July, Forest City Ratner submitted to the NYC Department of Transportation plans to install 206 bollards on the sidewalks surrounding the Barclays Center arena. The plans appear to mirror the recommendations of Barclays Center submitted by BSHC in December 2010 with its response to a State Supreme Court demand letter. However, the plans reveal for the first time that several sidewalks surrounding the arena, including one in front of an arena entrance on Dean Street, will have narrower effective widths than were analyzed for the 2006 environmental impact statement under which the project was approved.

"Effective width" refers to the portion of the sidewalk used by pedestrians for travel after a buffer zone (or "sky distance") on each side of the sidewalk is subtracted from its design width. A 1999 study by the U.S. Department of Transportation describes the sky distance as two feet on each side of the sidewalk.

According to the FCR plans, among the sidewalks other than those next to the pedestrian plaza in front of Barclays Center, three of four have narrower effective widths than were analyzed in the project's 2006 environmental impact statement. (The 2006 figures below are from tables 15-10 and 15-30 in FEIS Chapter 14. The proposed effective widths were calculated by subtracting a sky distance of four feet from the minimum design width for each sidewalk as shown on the FCR plans.)

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<th>Effective widths of arena block sidewalks (ft)</th>
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</tr>
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The sidewalk along the south side of Atlantic Avenue east of the arena entrance has very narrow effective width in order to accommodate the site for Building 4 and a protective security wall and fence. The effective width of 5.5 feet is only 40% of the 13.5 feet anticipated in the 2006 FEIS, and is barely more than the U.S. DOT suggests for a sidewalk bordering a residential street. This sidewalk will presumably be traveled by large groups of arena patrons leaving the Atlantic Avenue exit on route to arena parking to the east, and borders busy Atlantic Avenue. No bollards are shown to be installed along this section of sidewalk.

On the other hand, due to the location of bicycle parking and "interim" public open space, the sidewalk on the west side of 6th Avenue between Dean and Pacific Streets has an effective width nearly twice that analyzed in 2006.

The FCR plans also highlight a potential challenge for cyclists traveling to arena events. Cyclists coming from the west and desiring to park in the arena bicycle lot would presumably travel on Dean Street in the bicycle lane. Because the bicycle lane separates the lay-by lane in front of the Dean Street arena entrance from the roadway, cyclists on their way to the bike lot will need to stay alert while dodging cars dropping off arena patrons. (The bike lane and lot are shaded in green in the plan excerpt below.)
The narrowing of the sidewalks and contention between the lay-by lane and bike lane on Dean Street resulted from modifications to the Atlantic Yards project plan that were approved by ESDC in 2009 without environmental study. The lack of a supplemental environmental impact statement for the 2009 Modified General Project Plan prompted a lawsuit by community organizations, local residents and elected officials. In July 2011, the New York State Supreme Court ruled in favor of the community, and ordered ESDC to prepare an EIS. ESDC has not yet said if it intends to appeal the ruling.

The FCR bollard plans can be downloaded here (9MB PDF file). DOT is accepting comments on the plans through Thursday, August 25. Thursday, September 22 by email to Emma Berenblit at cberenblit@dot.nyc.gov.

Traffic and pedestrian safety

» Login or register to post comments
"Surface" parking lot to have a modular second floor deck?

Submitted by Gib on August 21, 2011 - 10:12am

NetsDaily reports that a company called More Park is claiming its prefabricated parking system will be used by the "Brooklyn Nets." More Park's website describes its parking system as "the lowest-cost parking deck available," and a "green parking solution" that can be assembled (and disassembled) without heavy construction equipment.

A rendering of More Park's parking solution from its website appears above left. The design of the platform would appear to be consistent with the renderings that were supplied by the ESDC in December 2010, which show a second level of cars parking on block 1129 visible above a fence on block 1129 along Dean Street and Carlton Avenue (below left).

Chapter 13 of the 2006 Atlantic Yards Final Environmental Impact Statement describes parking on block 1129 as "an attendant-park facility with no stackers." In 2009, Forest City Ratner renegotiated the Atlantic Yards project plan with ESDC, which approved the new plan without further environmental review, prompting a successful legal challenge by community groups, elected officials and nearby residents. A Technical Memorandum submitting by ESDC during the litigation states with respect to parking on block 1129 that "stackers would be in use to allow for the parking of up to two cars per space," while continuing to describe the facility as a "surface lot." In July 2011, a New York State Supreme Court decision ordered ESDC to undertake a supplemental environmental impact statement and reconsider the 2009 Modified General Project Plan.

The use of modular parking platforms on block 1129 may affect not only the impact of the facility on the surrounding streets (which are located in the Prospect Heights Historic District), but also the opportunity to landscape the interior of the lot. Although interior landscaping of surface parking lots is required under New York City zoning, Forest City Ratner has stated publicly that it believes it is exempt from such requirements.
Lay-by lane capacity at Barclays Center to be less than analyzed in 2006 environmental review; change may increase congestion around arena block

Submitted by Peter K. on September 13, 2011 - 11:48pm

At the time the Sam Schwartz mitigation plan was detailed to the public in June, AYW reported that Barclays Center will have less in place at the time of the arena opening than anticipated in the 2006 FEIS: "fewer travel lanes for traffic, fewer lay-by lanes, and narrower sidewalks for pedestrians."

Thanks to the bollard plans before NYCDOT, it is now possible to see more clearly how this is so in relation to the arena block. In publishing the bollard plans several weeks ago, we wrote about the reduced effective widths of many of the sidewalks around the arena. The state of the lay-by lanes at the time of the arena opening will be similar, with one permanently changed and others with no construction schedule.

The function of lay-by lanes is to take traffic stopped for loading or unloading out of travel lanes. Fewer lay-by lanes mean there is a higher degree of risk for vehicle/vehicle and vehicle/pedestrian conflicts. It also potentially means increased congestion around the arena block.

The original 2006 project plan included lay-by lanes accommodating approximately 61 vehicle spaces on the arena block. This included 14 spaces in two lay-by areas on Flatbush, 7 spaces on Dean Street, 6 spaces on 6th Avenue, and 34 spaces on Atlantic Avenue. An additional lay-by lane was to be located on Pacific Street adjacent to Site 5 within one year. Soon thereafter, lay-by lanes were to appear nearby in the second phase of the project which was to be completed in ten years. But the timetable of delivery of lay-by lanes changed in 2009 when the project plans were renegotiated to provide the developer up to 12 years to complete its obligations on the arena block as part of the first phase of the project's development.

As a result, the only lay-by lanes certain to be in place at the time of the arena opening and be unimpeded by construction are located on Atlantic and Flatbush Avenues. The revised project plans also raise the possibility for sidewalk and lane closures in the event three or four buildings will now be constructed surrounding an operating arena over the course of the next 11 or more years, a situation analyzed in neither the 2006 FEIS nor the 2009 Technical Memorandum. No vehicular or pedestrian traffic analysis exists of the actual lay-by area condition that will be in place at the time of the arena opening and which will likely remain for years to come.

Now, instead of 61 spaces at the arena opening, there will be not more than 49, a 20% reduction. Capacity may be less than 49 if 7 spaces on Dean are blocked due to construction of building 2. Even if those spaces are restored, the next set of lost lay-by lane spaces will proceed if and when construction continues.

As AYW previously reported, the effective width of the sidewalk on the south side of Atlantic Avenue near 6th Avenue has been reduced from the 13.5 feet studied in 2006 to 9.5 feet or less in the drawings submitted to NYCDOT. Its narrower width may affect use of the lay-by lane planned for Atlantic Avenue. The lay-by lane on 6th Avenue is not shown in the current plans, and is affected by both the elimination of the rebuilding of the 6th Avenue Bridge, and the postponed construction of buildings 3 and 4. The sidewalk adjacent to the curbside area along the north side of Pacific Street (included in 2009 as a rationale for not finding an impact from the permanent elimination of one lay-by lane on Flatbush) has been reduced to an actual width of 5 feet (and an effective width of 1.5 to 3 feet depending on the standard used) making it less likely to be viable as a pull-over area at this time. Site 5 has no construction schedule, and neither does the lay-by lane associated with it on Pacific Street between Flatbush and 4th Avenues.
Diagram is modified from figure 4 of the 2009 AF Technical Memorandum
FES Arena Block Lay-By Lanes

Blue: Permanently eliminated
Red: No construction scheduled
Orange: Potentially impeded by construction and/or narrower sidewalks
Green: Open at arena opening

Attachment

Arema Block Lay-By Lanes.jpg

Size
270.57 KB

Traffic and pedestrian safety
Is a planted Atlantic Avenue median the latest design casualty at Atlantic Yards?

Submitted by Gib on May 19, 2011 - 11:19pm
At today's Atlantic Yards District Cabinet meeting, Forest City Consultant Sam Schwartz presented the traffic mitigation plan to be implemented prior to the opening of the Barclays Center arena in September 2012. The plan presented by Mr. Schwartz consisted of the same mitigations included in the Atlantic Yards Environmental Impact Statement prepared five years ago.

Well, almost. When asked about plantings on the raised median planned for Atlantic Avenue east of Flatbush, Forest City Ratner project manager Jane Marshall stated there would only be a poured concrete median. Ms. Marshall said that the existence of LIRR tracks beneath Atlantic Avenue made it impossible to include planting beds on the median. Councilmember Tish James pointed out that Park Avenue in Manhattan has railroad tracks running beneath it from Grand Central to north of 50th Street. Ms. Marshall quickly replied that the supports beneath Park Avenue were stronger.

A planted median certainly seemed possible at the time the EIS was issued. A rendering of Atlantic Avenue looking west from Sixth Avenue shows a row of shrubs and trees separating lanes of traffic on Atlantic Avenue. And an aerial landscape plan also shows trees on the median between Flatbush and Sixth.

Apart from some low shrub-like plants in the security bollards and on top of the planned subway entrance, the redesigned "interim" plaza doesn't have much green landscaping going for it. (Consider that landscape architect Laurie Olin, whose firm produced the renderings at the left, left the project more than two years ago.) Enhancing the Atlantic Avenue streetscape with a planted median as originally intended could not only soften the impact of the arena, but could also serve as a more effective barrier to discourage pedestrians from crossing Atlantic Avenue mid-block, thereby improving pedestrian safety.
Sam Schwartz traffic mitigation plan delivers less than was promised

Submitted by Peter K. on June 13, 2011 - 8:11pm

This Tuesday, June 14, Forest City Ratner will present to the public the long-awaited plan to manage traffic resulting from the 19,000 visitors anticipated to come to the Barclays Arena. The plan was created by traffic consultant Sam Schwartz and can be viewed [here](https://www.esdcweb.com) at the ESDC website. The public presentation will be held at Brooklyn Borough Hall, (209 Joralemon Street), from 6:30 to 8:00 pm.

Tuesday night will be an opportunity for the public to ask questions, and hopefully get answers, but it is not an opportunity for input from local stakeholders. The plan itself is a fait accompli, approved by ESDC and NYC DOT before the public - and even our elected officials - had a chance to weigh in.

What will you hear on Tuesday night? The plan largely focuses on untangling the knot of traffic at the triangle of Flatbush, Atlantic and Fourth Avenues. But for those living in the immediate vicinity of the project, many questions are left unanswered. The plan does not address many of the traffic and pedestrian impacts that will result from 19,000 arena patrons coming to the site. Many of the roadway and sidewalk changes outlined in the FEIS are absent from the plan, having either been rejected with no explanation, or put off into the future. It also fails to include emergency egress or security issues that greatly concern the surrounding neighborhood.

Here's what we do know:

1). The plan outlined by Sam Schwartz for traffic mitigations paints only a partial picture of what streets and sidewalks around the Barclays Center will be like during arena events. As one example, Sam Schwartz's presentation includes a clearly drawn arrow showing the route they believe northbound traffic on 4th Avenue will take, but there is no information about traffic and pedestrian circulation around the 1100 space surface lot and the arena. In another example, we still don't know the egress plan for the 78th Precinct or the 105 Ladder Company, both across the street from the arena.

2). With Sam Schwartz's mitigation plan, FCRG is actually delivering less at the time of the arena opening, fewer travel lanes for traffic, fewer lay-by-lanes, and narrower sidewalks for pedestrians, than was detailed in the FEIS. This site has already written about the missing green median on Atlantic Avenue as is shown in the drawings of Lauri Olga which would make the area more safe for pedestrians. In another example 6th Avenue from Atlantic to Flatbush was anticipated to be four lanes wide during arena events. Apparently now it will be two. No information has been provided about where the displaced traffic will go.

3). The technical analysis for the project seems questionable or inadequate in multiple ways due to either incorrect assumptions in the original FEIS, delays in project construction, or changes to the project itself. In one example, the construction of the entire first phase of the project was to be completed within roughly a year of the arena opening. Now, lane and sidewalk closures are far more likely to disrupt pedestrian and traffic flows around the project site.

We'll be writing more about the Sam Schwartz plan in the coming weeks. In the meantime, [take a look](https://www.esdcweb.com) for yourself, attend the meeting at Borough Hall, and let us know what you think.
BrooklynSpeaks on the Sam Schwartz Plan

Submitted by Danae Ostrowski on June 17, 2011 - 9:49pm

More on the Sam Schwartz presentation. Below is the response to the press from BrooklynSpeaks, whose members include the sponsors of Atlantic Yards Watch. And, in case you missed any of the details, Norman Oder of Atlantic Yards Report has video and a thorough recounting of the meeting.

A Private Developer’s Traffic Plan Won’t Work for Brooklyn

Coordinated efforts by State and City Government are necessary to avert traffic disaster when Barclays Center opens

This evening at 6:33 at Brooklyn Borough Hall, a consultant hired by Forest City Ratner will present a plan to implement significant alterations to the streets surrounding the Atlantic Yards project in order to manage congestion at the intersection of Flatbush and Atlantic Avenues expected when the Barclays Center arena opens. The elements of the plan are taken from a five-year-old environmental study which was also paid for by the Atlantic Yards developer, and which has not been updated to reflect changes to the roadway network over the intervening years. Whether Forest City’s plan will be an effective solution for the worst traffic intersection in Brooklyn remains to be seen, but there is no question it falls far short of what is required to handle the tidal wave of traffic—and stampedes of pedestrians—that its arena will generate. It is certainly not a substitute for the comprehensive transportation plan the City and State owe the people of Brooklyn.

The Forest City plan does nothing to address traffic congestion on the eastern end of the project, which is encapsulated within a residential neighborhood. It contains little information about traffic and pedestrian circulation between the arena and the 1,100 car surface parking lot, and it leaves out mitigations that would increase capacity for cars on streets and pedestrians on sidewalks described in the project’s environmental impact statement. It does nothing to address anticipated spillover traffic through the neighborhoods as drivers attempt to navigate around the project.

An even larger gap in the plan is its complete absence of any strategy to control on-street parking by arena patrons, even though the U.S. Department of Transportation identifies management of free and metered parking as one of the most important factors in a successful demand management program. Although the Atlantic Yards’ environmental study claims the project will include sufficient off-street parking to meet the projected demand on event days, it estimates that 3,000 drivers will opt to park on-street instead. Given the extreme shortage of on-street parking today in Fort Greene, Prospect Heights, Boerum Hill and Park Slope, the potential for a catastrophe of congestion on residential streets is truly frightening, and very likely.

Forest City may correctly claim it has no ability to regulate on-street parking. But after allowing the developer to override New York City zoning regulations and site its arena surrounded by residential districts, Mayor Bloomberg and Governer Spitzer, Paterson and Cuomo have had four and a half years to coordinate a comprehensive traffic plan for impacted communities in Brooklyn and to establish a New York state local development corporation (LDC) to govern the project with broad local representation to give input into such issues. They have thus far failed to do so, and with barely more than a year until Barclays Center is scheduled to open, time is running out.

The BrooklynSpeaks sponsors call on the Mayor and the Governor to:

- Direct that ESDC engage NYC DOT in an analysis of traffic flow and pedestrian conditions in the extended Atlantic Yards study area that considers current state conditions as well as changes to the project. Require that FRDC and ESDC present a parking plan detailing the locations, number and pricing of spaces where arena and non-arena project-generated cars will park, as well as any shuttle services which will be provided. Consider these factors in developing interim traffic mitigations, roadway improvements, and the demand management plan.
- Coordinate with the State legislature and New York City Council leadership to authorize NYC DOT to implement a residential permit parking program (or other program to control on-street parking by arena patrons) in the neighborhoods surrounding the site prior to the arena’s opening.
- Initiate a comprehensive transportation planning exercise including major Brooklyn traffic arteries, bridges and tunnels with the goals of reducing demand for streets by through traffic, expanding the use of public transportation, and improving pedestrian and bicycle safety.

BrooklynSpeaks | www.brooklyn-speaks.net
Who is responsible for taking care of the project sidewalks?

Submitted by Peter K. on May 10, 2011 - 9:28pm

Even though construction at the Project site has begun, regular passers-by know cleaning and snow clearing in some areas of the Project is still erratic and that in some cases the sidewalks are in poor repair. Conditions have improved since the most recent blizzard in early December that wasn't cleared from some Project sidewalks for nearly a week. But even now, over four years after Atlantic Yards was approved by the ESDC, there are vacancies in responsibility for custodianship at the site and Forest City Ratner is doing significantly less than it originally committed to do in 2006.

With the project agreements approved by the ESDC in 2006 Forest City Ratner was given responsibility for the custodianship of all sidewalks lining the perimeter of the site. In the new project agreements approved by the ESDC in 2009, the vacuum in regulations covering the sidewalks lining LIRR/MTA property that existed prior to the Project remains in place. The result of the changes to the project agreements is that it is still unclear who will improve and maintain those sidewalks, clean litter or remove snow.

Some steps have been taken in recent months to clarify what entities are responsible for which sidewalks. The issue of sidewalk custodianship was raised by elected officials with FCRC and ESNC at the second District Service Cabinet February 10th. Since that meeting, an updated map showing responsibility for specific sidewalks has been provided by the ESNC. It details the locations Forest City Ratner’s contractors and the Atlantic Yards Development Company will pick up trash and clear snow. The map does not detail who is responsible for replacing and maintaining sidewalks.

Brooklyn Arena and Atlantic Yards Property Maintenance as of February 3, 2011

In the map Atlantic Yards Development Corporation/FCRC does take responsibility for trash and snow removal in some areas not required according to the logic of NYC property regulations like Pacific Street between 6th and Carlton Avenues and the south side of Dean Street between Flatbush and 6th. However those locations are an integral part of the Project's construction plan and heavily visited by construction workers.

Significant questions remain. Who is going to repair the many sidewalks lining LIRR/MTA property? When Barclays Center opens, and the anticipated interim surface parking lot is established, the project plans will lead to radically increased pedestrian traffic on many of the sidewalks that do not have clear custodianship now. Is the arena opening the point FCRC/Atlantic Yards Development Corporation will take on the responsibility of maintaining them?

Currently, there are three types of outstanding custodianship issues:

1). Sanitation and Trash Pick-up

- Clean up has been irregular and is not consistently applied across all sidewalks.
- The worst area in recent months has been Pacific Street at 6th Avenue.

2). Snow Clearing

- Snow clearing has been irregular and is not consistently applied across all sidewalks.
- LIRR clears its entrance ramp snow by placing it on Pacific Street sidewalks.
Arena block sidewalks proposed to be narrower than analyzed in 2006 environmental review

Submitted by Gib on August 18, 2011 - 8:55pm

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6th Avenue to have fewer travel lanes than analyzed in the 2006 environmental impact statement

Submitted by Peter K. on September 15, 2011 - 8:03pm

The 2006 Atlantic Yards Final Environmental Impact Statement (FEIS) assumed 6th Avenue would be widened between Flatbush and Atlantic Avenues in order to “facilitate traffic circulation at the project site and provide an alternative route for traffic diverted as a result of the closure of 5th Avenue between Flatbush and Atlantic Avenues.” (FEIS, 12-05)

However, it has emerged this summer that 6th Avenue from Flatbush to Atlantic will not be widened at the time of the arena opening as described in the FEIS. Instead, not only will there be fewer north-south travel lanes at the time of the arena opening than analyzed in the FEIS, there will actually be fewer north/south travel lanes through the project footprint than existed before the street closures that created it in 2010.

The change will surely affect traffic circulation around the arena block, and congestion in the vicinity of the arena may be increased, because one fewer northbound and one fewer southbound travel lane east of the arena from Pacific Street to Flatbush Avenue will exist than was originally anticipated in the traffic analysis for the project. The 6th Avenue Bridge will also have one less southbound lane. The diagram on the left above shows the four lane version of 6th Avenue in the FEIS (Figure 12-54). To the right above is the two to three lane 6th Avenue as it is shown in the plans currently before NYC DOT.

It is unclear if the change is temporary or permanent. The response to questions from the June 14 public meeting on the Sam Schwartz mitigations posted on the ESD website states,

At this time, FCRC is implementing most of the FEIS traffic mitigation for Phase I of the Project, while postponing implementation of certain traffic measures (such as the widening of 6A Avenue between Dean Street and Flatbush Avenue and the construction of additional lay-by lanes on 6A Avenue on the Arena block) at the direction of NYCDOT until after the Arena opens and data can be gathered as to how best to implement or improve upon the FEIS-required traffic measures. ESD has not approved changes to the FEIS traffic measures at this time.

Sam Schwartz’s 2011 mitigation plans were derived from the first phase mitigations outlined in the FEIS. The change in the role of 6th Avenue apparently did not trigger an adjustment of the mitigations. Any adjustments must apparently now be made after a post-arena opening follow-up study provides data suggesting next steps. It is not known at the time of this writing if a Technical Memo (such as has apparently been written for the unanticipated narrowing of the Atlantic Avenue sidewalk) has been written for changes to the plans.
The widening of 6th Avenue to four lanes compensated for the loss of travel lane capacity created with the closing of 7th Avenue. That step is included in the first, or Project Descriptions Chapter (FEIS ch. 2a) describing the elements which define the project. It was apparently assumed to be in place at the time of the arena opening. In order to create room for the additional lanes 6th Avenue was to be widened 6 feet by removing sidewalk width. One impact of this change is that the southbound lanes on 5th and 6th Avenues that existed prior to the project’s street closures are now doubled up into one travel lane. Of course now a traffic-generating arena will be added to the mix. To the right is a recent photo of a detour sign for southbound drivers on 6th Avenue.

There are two changes to the assumptions in the FEIS about 6th Avenue that may have affected the decision of PCRC, ESDC, NYCDOE and Sam Schwartz not to widen the avenue at least at this point in the project’s construction.

First, the 6th Avenue Bridge is no longer to be demolished and rebuilt to have a roadbed 40 feet wide, meaning that its current width of approximately 37 feet will remain as is permanently unless the construction of building #4 somehow enables its widening. The 6th Avenue Bridge is currently one travel lane and one left turning lane northbound, and one travel lane southbound.

Second, the effective widths of the sidewalks on 6th Avenue, especially those south of Dean Street, were significantly overstated in the FEIS, meaning that if narrowed as originally anticipated they would have had marginal effective widths. The photo to the right is a Google Map Street View of the western 6th Avenue sidewalk looking up from Dean Street southward toward Bergen Street.

FEIS Table 13-30 details effective widths of 4.5 feet for the east sidewalk and 6.5 feet for the west sidewalk on 6th between Bergen and Dean. The effective width is the width of the sidewalk that is actually used by pedestrians once a buffer zone on either side of the sidewalk is taken into account. Using a standard of 2 feet removed from the building side and 2 feet from the curbside (or the depth of any obstruction like a street light plus 1 1/2 feet) from the actual width of the sidewalks, Atlantic Yards Watch assesses the state of the same sidewalks as 5.5 feet for the east sidewalk and 3.5 feet for the west.

These measurements are without reducing the sidewalks by six feet in order to widen the street to create additional travel lanes as the FEIS assumed. Because 6th Avenue between Dean and Bergen Streets is a likely route for pedestrians traveling between the arena, Flatbush Avenue and the Bergen Street 2/3 subway station, they are likely to experience a high level of use.

At a joint meeting of the Carlton Avenue and Dean Street Block Associations June 14th, Rachel Shatz, Director of Planning and Environmental Review at ESD stated that the FEIS did not use actual measurements of streets and sidewalks to assess roadway and sidewalk widths. Instead, the data in the FEIS is derived from maps. Shatz stated that actual measurements would be made when surveys were executed in preparation for construction drawings. And in the period leading up to the announcement of Sam Schwartz’s plans, surveyors were seen several times by community members assessing the width of 6th Avenue between Dean and Bergen Streets, presumably as a step in developing plans for the street.

The widening of 6th Avenue has been controversial since the plans for the project were included in the project’s DEIS. Community members familiar with the sidewalks have long wondered how they could safely be reduced beyond their existing condition, especially given their proximity to the arena, local retail and transit.

Traffic and pedestrian safety
Lay-by lane capacity at Barclays Center to be less than analyzed in 2006 environmental review; change may increase congestion around arena block

Submitted by Peter K. on September 12, 2011 - 11:14pm
At the time the Sam Schwartz mitigation plan was detailed to the public in June, AYW reported that Barclays Center will have less in place at the time of the arena opening than anticipated in the 2006 FEIS: "fewer traffic lanes for traffic, fewer lay-by lanes, and narrower sidewalks for pedestrians."

Thanks to the bollard plans before NYCDOT, it is now possible to see more clearly how this is so in relation to the arena block. In publishing the bollard plans several weeks ago, we wrote about the reduced effective widths of many of the sidewalks around the arena.

The state of the lay-by lanes at the time of the arena opening will be similar, with one permanently changed and others with no construction schedule.

The function of lay-by lanes is to take traffic stopped for loading or unloading out of travel lanes. Fewer lay-by lanes mean there is a higher degree of risk for vehicle/vehicle and vehicle/peDESTrian conflicts. It also potentially means increased congestion around the arena block.

The original 2006 project plan included lay-by lanes accommodating approximately 61 vehicle spaces on the arena block. This included 14 spaces in two lay-by areas on Flatbush, 7 spaces on Dean Street, 6 spaces on 6th Avenue, and 54 spaces on Atlantic Avenue. An additional lay-by-lane was to be located on Pacific Street adjacent to Site 5 within one year. Soon thereafter, lay-by lanes were to appear nearby in the second phase of the project which was to be completed in ten years. But the timetable of delivery of lay-by lanes changed in 2009 when the project plans were renegotiated to provide the developer up to 12 years to complete its obligations on the arena block as part of the first phase of the project's development.

As a result, the only lay-by lanes certain to be in place at the time of the arena opening and be unimpeded by construction are located on Atlantic and Flatbush Avenues. The revised project plans also raise the possibility for sidewalk and lane closures in the event three or four buildings will now be constructed surrounding an operating arena over the course of the next 11 or more years, a situation analyzed in neither the 2006 FEIS nor the 2009 Technical Memorandum. No vehicular or pedestrian traffic analysis exists of the actual lay-by area condition that will be in place at the time of the arena opening and which will likely remain for years to come.

Now, instead of 61 spaces at the arena opening, there will be not more than 49, a 20% reduction. Capacity may be less than 49 if 7 spaces on Dean are blocked due to construction of building 2. Even if those spaces are restored, the next set of lost lay-by lane spaces will proceed if and when construction continues.

As AYW previously reported, the effective width of the sidewalk on the south side of Atlantic Avenue near 6th Avenue has been reduced from the 13.5 feet studied in 2006 to 5.5 feet or less in the drawings submitted to NYCDOT. Its narrower width may affect use of the lay-by lane planned for Atlantic Avenue. The lay-by lane on 6th Avenue is not shown in the current plans, and is affected by both the elimination of the rebuilding of the 6th Avenue Bridge, and the postponed construction of buildings 3 and 4. The sidewalk adjacent to the embankment along the north side of Pacific Street (included in 2009 as a rationale for not finding an impact from the permanent elimination of one lay-by lane on Flatbush) has been reduced to an actual width of 7 feet (and an effective width of 1.5 to 3 feet depending on the standard used) making it less likely to be viable as a pull-over area at this time. Site 5 has no construction schedule, and neither does the lay-by lane associated with it on Pacific Street between Flatbush and 4th Avenues.
Atlantic Yards-related work extends to 24 hours a day, resulting in many reported quality of life impacts

Submitted by Peter K. on September 15, 2011 - 7:38 pm

Late night and weekend work hours continue to be expanded at Atlantic Yards. The work in the video above takes place at Atlantic and 4th Avenues on a regular basis late at night and is concluded at 6 am. This video is from September 1st.

Normal construction work hours at the site extend from 7 am to 3:30 pm. Work in the arena is now often 24 hours a day during the week and extends into weekends. As of this weekend, work in the Vanderbilt railyard will take place both Saturdays and Sundays. Track deliveries for the arena have now been moved forward to as early as 6:00 am. Construction staging on block 129 is active any time extended hours work takes place elsewhere in the footprint or its vicinity.

The number of workers during extended hours is often significantly less than during normal weekday hours. And according to the Amended Memorandum of Environmental Commitment, “work that generates high noise levels would be scheduled during weekday daytime hours to the extent feasible...unless required by safety or other agency requirements.” Now safety and other agency requirements often appear to override community noise concerns.

The work can be distressing for residents nearby. In the last several months repeated complaints have been made about the installation of the traffic mitigations at Atlantic and 4th Avenues. From one incident report September 6th:

"there is on-going night-time construction of roads in and around the Flatbush / Atlantic intersection. Many people are not aware of this b/c the crews start work at 9:30 pm and finish at 5:30 am. The noise is unbearable for those of us that live near the intersection. Extremely loud jackhammering and pounding of steel road plates all night. Children (and adults) in the units facing Atlantic up and down the block and around the intersection are not sleeping at all. We all understand the project and its needs, but the NYC DEP has clear guidelines for night construction that the contractor is ignoring. There are no sound mufflers on the jackhammers or any other precautions being used by the contractor. These are required by law! What can we do to stop this madness? I've heard many people threatening violence, and I understand their level of frustration b/c this is tantamount to sleep deprivation torture. If the DOT / DEP commission or someone in charge would come observe for one night and hear what is going on they would be shocked. Please help."

AYW has received nine incident reports associated with the jackhammering since July 29th. One nearby resident states the jackhammering is located in an area where traffic has already been permanently removed. Other recent complaints have been related to jackhammering and demolition work in the railyard on Saturday, August 19th and Saturday, September 10th.

ESDC's construction alert from September 12, 2011, and a supplemental alert released at the same time, detail night time and weekend work hours throughout the project footprint, with the hours extended further into the night and weekends. Here is a breakdown:

LIRR/VANDERBILT RAILYARD/CARLTON AVENUE BRIDGE:

- As of May 2nd construction work hours have been 6:30 am to 4:30 pm.
- As of May 7th, construction work has taken place during the hours of 7 am to 5:30 pm on Saturday.
- Starting this Sunday work will take place from 8 am to 4:30 pm "for a period of at least three months."
- Many notices of
ARENA

- Saturday work will continue during this period, (no time-frame is given in the construction alert).
- "Subject to the receipt of permits" on Monday through Friday a second shift from 3 to 11 pm and a third shift from 11 pm to 7 am. (This work has been ongoing for some time).
- Hunt has been given permission to do deliveries from 6 am to 7 am to the arena site from the dispatch center at Pacific Street and Carlton Avenues through the construction period of the arena, (but reviewed on a weekly basis).

BLOCK 1120

- Block 1120 contains construction staging for contractors working throughout the footprint. If those contractors are working late night or weekends, they are also moving to and from their construction staging area as well as moving supplies and equipment.

OFF SITE-MITIGATION WORK

- Work to install the Sam Schwartz traffic mitigations has been scheduled at night and concluded at 6 am so that traffic can be restored to the area by rush hour. (One nearby resident states the jackhammering at Atlantic and Flatbush is located in an area where traffic has already been permanently removed).

NYC TRANSIT IMPROVEMENTS

- Work may take place at night in roadways in order to restore traffic by 6 am.
- Work will take place inside the footprint September 3rd and September 10th.

Note: Atlantic Avenue water main installation, while not considered technically to be AY work by oversight, may take place at night in the vicinity. The current area of work is Atlantic from Vanderbilt to Carlton Avenues lining the north perimeter of the project. Utility work, for example the installation of the fiber optic cables that will apparently encircle the arena, often takes place on weekends when it involves roadways and/or sidewalks. It is not included in the construction alerts.

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<th>Construction</th>
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* Last edit: 2023-01-20 10:00:00
Questions for the Barclays Center Transportation Demand Management forum

Submitted by Peter K. on June 10, 2013 - 10:52pm

On Thursday, June 13, the Empire State Development Corporation will host a presentation by Forest City Ratner Companies and Sam Schwartz Engineering entitled, "Effectiveness of the Barclays Center Transportation Demand Management Plan." The meeting will be held at The Brooklyn Hospital Center's Third Floor Auditorium, located at 121 Dekalb Avenue, from 6:00PM to 8:00PM. Representatives from FCRC and SEB will answer questions from the audience. Here are some open issues we hope to hear discussed.

Traffic

Did the TDM follow up study use dated Highway Capacity Manual, 2000 guidelines instead of the improved guidelines in the Highway Capacity Manual 2010 to assess levels of service (LOS)?

Are there intersections with significant impacts? If so, which ones and what steps are proposed to mitigate the problem?

Has FCRC studied the differences in the mode shares (i.e., transit, pedestrian, private car) of the various days, times and types of events?

What is the level of Traffic Enforcement Agents (TEAs) FCRC and Barclays Center have committed to finance in the future? What is the length and term of the contract?

Is there a plan for a follow up TDM study after Islanders move to Barclays Center?

Pedestrians

Are there areas where problems were identified with crosswalks? If so, what specific strategies are being used to address the problems identified?

Have any studies ever looked at the levels of service of the sidewalks of the arena block after events?

Has FCRC and Barclays Center agreed to continue financing pedestrian managers? If so, at what levels, and what is the length and term of the contract?

Transit

The project's FEIS states that if there is overcrowding on subway platforms it will be mitigated by an increase in the number of trains. Instead of producing more trains, it appears the stairs and turnstiles of the transit entrance on the plaza are often reduced in capacity with police tape as a way to slow patrons entering the transit station. Why this change in the mitigation from what was anticipated in 2006?

Part of LIRR's east-side access project is to turn the train from Jamaica to Atlantic Terminal into a shuttle. Arena patrons from further east of Jamaica will have to transfer at Jamaica to a dedicated platform. This will make travel less convenient. Has this change been anticipated, and is there a plan to follow up with a study about this change, especially given the addition of Islanders games to arena events?

Parking

Where are patrons parking? What is the breakdown between on-street parking, park and ride lots, private lots and block 129? How does the TDM plan incentivize (or not) the use of these spaces?

Will FCRC use its influence with the Governor and the State Legislature to get residential parking permits (RPP) enacted in the area around Barclays Center?

What was the number of black cars that arrived at the events studied? How many stayed for the course of the event, and where did they park? How many violations were given during the events studied? How does TDM incentivize (or not) legal parking behavior by limo drivers?

Because of their work schedule, arena employees compete with local residents for on-street parking spaces in the area near the arena. How many employees worked at the arena on the nights assessed? What is their modal split?
How many parking spaces are planned for block 1129 once building B2 is completed?

Why is the State studying eliminating parking for residents of Atlantic Yards' second phase buildings, but not its first phase given the residents in the project’s first phase will live much closer to transit?

When will the promised DOT parking survey be released?

Parking  Traffic and pedestrian safety  Transit
Some changes in limo behavior emerge but illegal parking and idling violations continue

Submitted by Peter K. on April 21, 2013 - 4:54pm
A new survey of illegal parking and idling in the vicinity of Barclays Center during the first Nets/Bulls play-off game uncovered some changes to black limo behavior from the first survey. Overall the survey, which covered a smaller geographic area than the last, demonstrated illegal parking and idling conditions continue.

The survey is easy to execute by the volunteers because the locations for illegal parking are so predictable. There were very few unoccupied hydrants in the area during the survey.

Notably not a single black limo was parked in the official location designated by the Department of Transportation for TLC parking on the south side of Atlantic Avenue from 6th Avenue to Carlton Avenue. A NYPD tow truck was stationed there to clear it of private cars, but it had little motivation to work.

The changes to black limo behavior were largely on the north side of Barclays Center. The lay-by lane on the south side of Atlantic Avenue was full from Fort Greene Place to 6th Avenue a few minutes before the end of the game. This makes sense because of the VIP exit nearby, and the many exits of the arena lining Atlantic Avenue. The north side of Atlantic Avenue from Fort Greene Place to South Portland Avenue, formerly filled with city employee cars and private cars, was largely filled with black limos and/or private cars with drivers this time around. And the dispatcher for the car service stand on Fort Greene Place stated that his cars were for both the mall and the arena.

The survey produced 64 potential violations, 19 for idling and 45 for illegal parking. This is a smaller number of violations than the previous survey, which had 77 in total, but the geographic area this time around was smaller. Our totals this time also do not include idling in the Atlantic Avenue lay-by lane adjacent to Barclays Center or in the car service stand on Fort Greene Place.

We found 5 tickets during the survey and the tow truck in the TLC designated area eventually removed a private car parked illegally there. When asked, a policeman at 5th Avenue and Dean Street instructed some illegally standing vehicles to move along, and they did.

The survey took place between 9 and 10:30 PM when the game ended. To the east of Flatbush Avenue the geographic area was framed on the south by Dean Street to Vanderbilt Avenue in Prospect Heights, and to the north by Hanson Place (in South Portland) in Fort Greene. To the west of Flatbush the area surveyed was a triangle framed by St. Marks and 5th Avenues, (but did not include Pacific Street between 5th and Flatbush) in Park Slope.

The vehicles we cite as idling were not timed by us in order to expedite the survey. In NYC vehicles cannot idle for longer than 3 minutes. 311 was not called for most of the violations we identified.

The survey results west of Flatbush Avenue can be found here. The survey results east of Flatbush Avenue can be found here.
Clinton Hill/Bedford Stuyvesant block association calls for traffic calming measures

Submitted by Peter K. on October 29, 2011 - 2:33pm

The Clinton, Lexington and Quincy Block Association (CLEXY) has released a petition with over 500 signatures calling for traffic calming measures to address current health and safety risks due to illegal truck usage, speeding and congestion on Classon Avenue. According to President Laura Benko, the block association is in agreement with the Department of Transportation's plans for traffic calming on Classon, but asks for additional measures because it believes current conditions will be worsened by traffic generated by Atlantic Yards.

The additional measures called for include banning left turns onto Classon from Atlantic Avenue and a bike lane. The petition also calls for signage designating Bedford Avenue "as the route for eastbound stadium traffic to access the DQE" and reinforcing the ban on thru-truck traffic on Classon.

The Local reports new "no left turn" signs off Atlantic Avenue onto Vanderbilt and Washington Avenues trigger concern in CLEXY members that Classon Avenue will now be a principle travel route for arena patrons. The project's 2006 traffic analysis anticipates that the north/south streets in Fort Greene and Clinton Hill that will experience an increase in traffic are primarily Carlton, Vanderbilt and Washington Avenues from vehicle trips originating in Queens, Long Island and Westchester. The same analysis includes the elimination of the eastbound turn at Vanderbilt as a mitigation and does not identify Classon Avenue as experiencing increased traffic as a result of the project.

At the Atlantic Yards District Service Cabinet November 3rd, NYCDOT Downtown Brooklyn Transportation Coordinator Chris Hrones stated the eastbound left turns were eliminated to make the intersections more safe. The Vanderbilt/Atlantic intersection has the second most accidents of any intersection studied in the project's environmental analysis. He acknowledged the elimination of left turns eastbound a long Atlantic Avenue means fewer access points to local streets can be inconvenient for some community-members. The Local reports the DOT traffic calming plan for Classon Avenue was approved by Community Board 2, and will be reviewed by Community Boards 3 and 8 in the future. According to President Benko the petition will be presented to the Department of Transportation, Council Member Letitia James and Community Board 2.

The text of the petition is the following:

Classon Avenue is almost exclusively a residential street, yet current levels of illegal truck usage, speeding, and congestion pose serious health and safety risks for all who live, work, and travel on Classon Avenue. These unsafe conditions will be greatly exacerbated by increased traffic associated with Atlantic Yards. We, the undersigned Brooklyn residents, demand that the following traffic improvements be made on Classon Avenue before the opening of Barclays Stadium:

1) "No Left Turn" designation (all vehicles) from Atlantic Avenue onto Classon Avenue.

2) Clear and prominent signage along Atlantic designating Bedford as the route for eastbound stadium traffic to access the DQE.

3) Addition of signage reinforcing Classon Avenue as prohibited to all truck traffic excluding those making local deliveries.

4) Addition of a bike lane on Classon Avenue from Bergen Street to Dekalb Avenue.

Attachment

West ATP Portal LL.jpg
Traffic and pedestrian safety

Size
595.75 KB

[Login or register to post comments]
Sam Schwartz traffic mitigation plan delivers less than was promised

Submitted by Peter K. on June 13, 2011 - 8:11pm

This Tuesday, June 14, Forest City Ratner will present to the public the long-awaited plan to manage traffic resulting from the 19,000 visitors anticipated to come to the Barclays Arena. The plan was created by traffic consultant Sam Schwartz and can be viewed [here at the BSDC website](#). The public presentation will be held at Brooklyn Borough Hall, (209 Joralemon Street), from 6:30 to 8:00 pm.

Tuesday night will be an opportunity for the public to ask questions, and hopefully get answers, but it is not an opportunity for input from local stakeholders. The plan itself is a fait accompli, approved by BSDC and NYC DOT before the public - and even our elected officials - had a chance to weigh in.

What you will hear on Tuesday night? The plan largely focuses on untying the knot of traffic at the intersection of Flatbush, Atlantic and Fourth Avenues. But for those living in the immediate vicinity of the project, many questions remain unanswered. The plan does not address many of the traffic and pedestrian impacts that will result from 19,000 arena patrons coming to the site. Many of the roadways and sidewalk changes outlined in the FEIS are absent from the plan, having been either rejected with no explanation, or put off into the future. It also fails to include emergency egress or security, issues that greatly concern the surrounding neighborhood.

Here's what we do know:

1. The plan outlined by Sam Schwartz for traffic mitigations partly a partial picture of what streets and sidewalks around the Barclays Center will be like during arena events. As one example, Sam Schwartz's presentation includes a clearly drawn arrow showing the route they believe northbound traffic on 4th Avenue will take, but there is no information about traffic and pedestrian circulation around the 1,000 space surface lot and the arena. In another example, we still don't know the egress plan for the 58th Precinct or the 105 Ladder Company, both across the street from the arena.

2. With Sam Schwartz's mitigation plan, FCBCs actually delivering less at the time of the arena opening, fewer travel lanes for traffic, fewer lay-by-lanes, and narrower sidewalks for pedestrians, than was detailed in the FEIS. This site has already written about the missing green median on Atlantic Avenue as is shown in the drawings of Lauri Olin which would make that area safer for pedestrians. In another example 6th Avenue from Atlantic to Flatbush was anticipated to be four lanes wide during arena events. Apparently now it will be two. No information has been provided about where the displaced traffic will go.

3. The technical analysis for the project is questionable or inadequate in multiple ways due to either incorrect assumptions in the original FEIS, delays in project construction, or changes to the project itself. In one example, the construction of the entire first phase of the project was to be completed within roughly a year of the arena opening. Now, lane and sidewalk closures are far more likely to disrupt pedestrian and traffic flows around the project site.

We'll be writing more about the Sam Schwartz plan in the coming weeks. In the meantime, [take a look](#) for yourself, attend the meeting at Borough Hall, and let us know what you think.
BrooklynSpeaks on the Sam Schwartz Plan

Submitted by Danae Ostrowski on June 17, 2013 - 9:50pm

More on the Sam Schwartz presentation. Below is the response to the press from BrooklynSpeaks, whose members include the sponsors of Atlantic Yards Watch. And, in case you missed any of the details, Norman Oder of Atlantic Yards Report has [link to a thorough recap] of the meeting.

A Private Developer’s Traffic Plan Won’t Work for Brooklyn

Coordinated efforts by State and City Government are necessary to avert traffic disaster when Barclays Center opens

This evening at 6:30 at Brooklyn Borough Hall, a consultant hired by Forest City Ratner will present a plan to implement significant alterations to the streets surrounding the Atlantic Yards project in order to manage congestion at the intersection of Flatbush and Atlantic Avenues expected when the Barclays Center arena opens. The elements of the plan are taken from a five-year old environmental study which was also paid for by the Atlantic Yards developer, and which has not been updated to reflect changes to the roadway network over the intervening years. Whether Forest City’s plan will be an effective solution for the worst traffic intersection in Brooklyn remains to be seen, but there is no question it falls far short of what is required to handle the tidal wave of traffic—and stampedes of pedestrians—that its arena will generate. It is certainly not a substitute for the comprehensive transportation plan the City and State owe the people of Brooklyn.

The Forest City plan does nothing to address traffic congestion on the eastern end of the project, which is encapsulated within a residential neighborhood. It contains little information about traffic and pedestrian circulation between the arena and the 1,100-car surface parking lot, and it leaves out mitigations that would increase capacity for cars on streets and pedestrians on sidewalks described in the project’s environmental impact statement. It does nothing to address anticipated spill-over traffic through the neighborhoods as drivers attempt to navigate around the project.

An even larger gap in the plan is its complete absence of any strategy to control on-street parking by arena patrons, even though the U.S. Department of Transportation identifies management of free and metered parking as one of the most important factors in a successful demand management program. Although the Atlantic Yards’ environmental study claims the project will include sufficient off-street parking to meet the projected demand on event days, it estimates that 3,000 drivers will opt to park on-street instead. Given the extreme shortage of on-street parking today in Fort Greene, Prospect Heights, Boerum Hill and Park Slope, the potential for a catastrophe of congestion on residential streets is truly frightening, and very likely.

Forest City may correctly claim it has no ability to regulate on-street parking. But after allowing the developer to override New York City zoning regulations and site its arena surrounded by residential districts, Mayor Bloomberg and Governors Spitzer, Paterson and Cuomo have had four and a half years to coordinate a comprehensive traffic plan for impacted communities in Brooklyn and to establish a New York state local development corporation (LDC) to govern the project with broad local representation to give input into such issues. They have thus far failed to do so, and with barely more than a year until Barclays Center is scheduled to open, time is running out.

The BrooklynSpeaks sponsors call on the Mayor and the Governor to:

- Direct that ESDC engage NYC DOT in an analysis of traffic flow and pedestrian conditions in the extended Atlantic Yards study area that considers current state conditions as well as changes to the project. Require that FCRC and ESDC present a parking plan detailing the locations, number and parking of spaces where arena and non-arena project-generated cars will park, as well as any shuttle services which will be provided. Consider these factors in developing interim traffic mitigations, roadway improvements, and the demand management plan.
- Coordinate with the State legislature and New York City Council leadership to authorize NYC DOT to implement a residential permit parking program (or other program to control on-street parking by arena patrons) in the neighborhoods surrounding the site prior to the arena’s opening.
- Initiate a comprehensive transportation planning exercise including major Brooklyn traffic arteries, bridges and tunnels with the goals of reducing demand for streets by through traffic, expanding the use of public transportation, and improving pedestrian and bicycle safety.


Traffic and pedestrian safety
Is a planted Atlantic Avenue median the latest design casualty at Atlantic Yards?

Submitted by GiB on May 19, 2011 - 11:39pm
At today's Atlantic Yards District Cabinet meeting, Forest City Consultant Sam Schwartz presented the traffic mitigation plan to be implemented prior to the opening of the Barclays Center arena in September 2012. The plan presented by Mr. Schwartz consisted of the same mitigations included in the Atlantic Yards Environmental Impact Statement prepared five years ago.

Well, almost. When asked about plantings on the raised median planned for Atlantic Avenue east of Flatbush, Forest City Ratner project manager Jane Marshall stated there would only be a poured concrete median. Ms. Marshall said that the existence of LIRR tracks beneath Atlantic Avenue made it impossible to include planting beds on the median. Councilmember Tish James pointed out that Park Avenue in Manhattan has railroad tracks running beneath it from Grand Central to north of 96th Street. Ms. Marshall quickly replied that the supports beneath Park Avenue were stronger.

A planted median certainly seemed possible at the time the EIS was issued. A rendering of Atlantic Avenue looking west from Sixth Avenue shows a row of shrubs and trees separating lanes of traffic on Atlantic Avenue. And an aerial landscape plan also shows trees on the median between Flatbush and Sixth.

Apart from some low shrub-like plants in the security bollards and on top of the planned subway entrance, the redesigned "interim" plaza doesn't have much green landscaping going for it. (Consider that landscape architect Laurie Olin, whose firm produced the renderings at to the left, left the project more than two years ago.) Enhancing the Atlantic Avenue streetscape with a planted median as originally intended could not only soften the impact of the arena, but could also serve as a more effective barrier to discourage pedestrians from crossing Atlantic Avenue mid-block, thereby improving pedestrian safety.
Questions to ask about Barclays Center's Transportation Demand Management Plan

Submitted by Peter K. on May 21, 2012 - 3:19pm
On Tuesday, May 22nd FCRC and their traffic consultant Sam Schwartz Engineering will present their long-delayed Transportation Demand Management program (TDM). PHNDC (an Atlantic Yards Watches sponsor) has developed some questions we’d like to hear answered during the presentation.

FCRC is required to implement a TDM as part of the 2009 Amended Memorandum of Environmental Commitments (MEC) between FCRC and ESDC. The specific TDM actions required by the MEC are reprinted at the end of this article.

Robust TDM plans include both incentives and disincentives to discourage driving and parking. (AYW has already written about the need for disincentives.) The known details of FCRC's TDM plan only include incentives. Disincentives such as Residential Parking Permits and an arena parking surcharge can only be implemented with the assistance of the City and State.

The parameters of the TDM, as laid out in the Memorandum of Environmental Commitments, are carefully worded in a way that limits FCRC’s ongoing responsibility to provide meaningful relief from the large volume of traffic generated by a 19,000 seat venue. Before the opening of the arena, FCRC is required to “implement incentives to reduce traffic demand associated with the operation of the Project to reduce the overall number of vehicles coming to the arena for a Nets game within one-half mile of the arena by 30% of the initially projected demand.” (Italics added.) As we discuss further below, the plan’s goal isn’t actually to reduce the number of arena patrons driving, but the number of patrons driving within a certain radius and at certain times to the arena. We may see less gridlock at the intersection of Flatbush and Atlantic, but the bridges and local streets - one-half mile removed from the Barclays Center - may still be flooded with traffic.

Unlike most arenas and stadiums in the country, Barclays Center operations are tightly squeezed into residential neighborhoods. Capacity shortfalls in the vicinity of the arena from fewer on-site parking spaces, travel lanes and lay-by lanes than anticipated in the FEIS, should be a meaningful incentive for the TDM to exceed the original performance goals. Even if Forest City claims it will be able to do better than what’s required of them, there’s no way to verify this: the Memorandum of Environmental Commitments does not require any oversight to evaluate TDM measures beyond the first six months after the arena opening.

Here are some questions we’d like to have answered by Forest City and Sam Schwartz:

1. **Does the TDM program apply to all arena events at all times of day?**

   The required TDM only covers Nets Games, (less than 20% of the 225 projected arena events), and the HOV requirement is in effect only after 5 PM.

   - What is FCRC doing to implement an effective TDM Program for all Barclays Center events? Example: a remote lot in Staten Island may not be used during an event that does not attract patrons originating in New Jersey.
   - Why should the HOV requirement not also apply to daytime events, especially on Saturdays and Sundays?

2. **Setting of real performance goals.**

   The required TDM does not aim to reduce the number of vehicles driving to the arena, but instead aims for at least a 30% reduction in the number of arena patrons the 2006 FEIS projected would drive within a 1/2 mile radius of the arena. The 2006 FEIS projected that 35-36% of Barclays Center patrons would arrive by private vehicle and 3% would arrive by taxi. In contrast, a March 2009 paper prepared by planners from Sam Schwartz Engineering stated that 25%-30% of Madison Square Garden weekend patrons arrive by private vehicle and another 7%-9% arrive by taxi, based on a 2004 survey. Forest City Ratner may achieve its goal just because it overestimated the number of drivers in the 2006 FEIS. Since the FEIS, the State has authorized the City TLC to offer 18,000 additional medallions for livery cars to pickup in Brooklyn and the other outer boroughs, which could translated into a higher share of taxi usage than predicted.

   - What goals has FCRC established for the percentage of arena patrons who will (a) use private vehicles or taxis to get to Barclays Center and (b) use satellite parking lots?
   - How does the TDM address taxi usage?
3. Parking controlled by FCRC.

There will be less than 50% of the 1100 parking spaces FCRC is required to provide for arena patrons in the project footprint at the time of the arena opening. The surface parking lot being created may not meet NYC DOT landscaping requirements.

- What are the opening and closing times for Block 1129 parking and the satellite lots?
- What are the plans for the Block 1129 lot: access/egress routes, location of curb cuts, landscaping, screening etc?
- Will the number of HOV reserved spaces, an incentive to carpool, be reduced?
- What type of users (such as HOV and VIP) will have access to the Block 1129 parking spaces?
- Will they all be pre-reserved to eliminate queuing upon entering?
- What measures will be in place on the lot to prevent queuing on adjacent residential streets?
- What type of users have been displaced from Block 1129 parking and where are they going to park?

4. Protection of local streets.

The reduction in arena patron parking spaces on site and the ambitious multi-tasking of those parking spaces raise concerns that competition on local streets will be increased beyond what was anticipated. The January 2012 presentation on TDM scope included no parking or pricing disincentives for driving to arena events. We recognize that FCRC has no direct control over street parking regulations or private parking garage prices and that the state legislature must authorize the City to implement any RPP program. But FCRC, ESDC and NYC DOT could work with the community to achieve RPP.

- The FES is six years old. Has ESOC or FCRC recently studied the number of available on-street parking spaces during arena event times?
- Bruce Ratner recently announced 800 employees may work some events. How many are expected to drive to work and where will they park?
- Will FCRC, ESOC and NYC DOT support implementation of an arena parking tax surcharge, with the tax revenues flowing to The City of New York?
- What will FCRC, ESDC and NYC DOT do to restrict arena patrons from parking on residential and commercial streets near the arena?
- Will FCRC, ESOC and NYC DOT support the creation of a Residential Parking Permit program in the neighborhoods near the arena?

5. On-going monitoring and enforcement.

The MEC includes few performance goals and no penalties if goals are not met. The only required evaluation of the TDM is to occur mid-way through the first season and there are no penalties if it is determined at that time that the TDM does not meet performance goals. In contrast, the Chicago Cubs provide an annual report on their TDM activities and the City requires the Cubs to pay a penalty for the satellite parking facility is underutilized.

- Will FCRC monitor and report on its TDM activities at least annually?
- Will ESOC require that FCRC establish on-going performance goals?
- Will ESOC require TDM evaluation and adjustments on an ongoing basis?
- Will ESOC impose penalties for the failure to meet goals?


The required TDM provides for FCRC’s collection of transportation data only from Nets patrons and self-reporting can be inaccurate.

- Will FCRC agree to additional data collection including but not limited to: the number of cars parking on local streets; the level of service at intersections, crosswalks and sidewalks; the number of riders on transit; and number of users of satellite parking lots?

7. Effective transit incentives.

A simple $4.50 savings on subway fare will not draw many people out of cars, given the amount of money they’re spending to go to arena events and the convenience of using a car late at night for the return trip home.

- What is FCRC doing to “bundle” fare transit fares with arena tickets so that the transit swipes are not available to persons other than arena ticketholders and not available except for travel to and from the ticketed event?
- What discounts will be extended to LIRR and Metro-North fares?
8. Utilization of shuttle and other buses.

The MEC requires FCRC to establish at least 500 parking spaces near the Atlantic Avenue/BQE interchange and 2 park-and-ride lots in Staten Island.

- Where will these or other remote lots being established?
- Will these operate for all events?
- How many shuttle and other buses will be arriving on the arena block in the pre and post event hour?
- Where are the bus drop-off and pick-up locations on the arena block?
- Where will shuttle buses and other buses be parked during events?


It has been reported that FCRC will not establish indoor parking for 400 bikes, as required in the MEC.

- Why should FCRC not establish an attended, covered bike parking facility on the arena block?
- Will security personnel monitor the outdoor bike parking? FCRC is proposing? Will security coverage apply to all events?
- How will FCRC protect cyclists who are riding adjacent to the Dean Street lay-by lane?
- What is the recommended north/south route to the bicycle parking area?


The MEC requires FCRC to develop a plan to "cross-market with area businesses to encourage ticketholders to patronize local restaurants and stores before and after games." However, cross-marketing efforts might induce people to drive to the arena if they end up arriving or leaving the neighborhood when shuttle buses are not running or public transit is less frequent at night.

- What is the scope of the cross-marketing plan with respect to its geographic range and time frame?
- How will the planners ensure that cross-marketing efforts don’t undermine other TDM measures - such as the use of transit, shuttles or satellite parking?
- How will marketing opportunities be priced to ensure that a wide array of businesses are included?
- Will additional shuttle or public transit service be provided along Flatbush and Atlantic Avenues in the post-event hours?

From the MEC, pages 11-13:

"1. In connection with this requirement FCRC shall:

1. provide remote parking facilities (e.g., facilities located at MetroTech, Long Island Hospital or other appropriate facilities at the western end of Atlantic Avenue near the Brooklyn/Queens Expressway) containing an aggregate of at least 500 spaces at a 50 percent discount from rates for FCRC-controlled parking at or near the arena;
2. arrange for free shuttle bus service between the remote parking facilities described above and the arena;
3. impose high-occupancy-vehicle ("HOV") parking requirements for at least 600 arena parking spaces at the project site, requiring vehicles utilizing such HOV spaces to be occupied by three or more persons after 5 PM on Nets game days;
4. provide a free round-trip subway fare to Nets basketball game ticketholders who would otherwise drive. The final design of this fare-incentive program shall be developed with and subject to the review and approval of NYCT.
5. provide free round-trip charter bus service between two States Island park-and-ride facilities (Outside Park & Ride and Father Capodanno Park & Ride) providing an aggregate capacity accommodating approximately 264 persons. The park-and-ride facilities selected for this service may be modified after implementation, upon the approval of NYCDOT, to maximize the effectiveness of this measure.
6. cross-market with area businesses to encourage ticketholders to patronize local restaurants and stores before and after games;
7. provide any ticketholder traveling to the arena by bicycle with free indoor bicycle storage in a secure, manned facility designed to accommodate at least 400 bicycles on the arena block; and
8. provide expected attendance data to, and otherwise cooperate with, NYCT as necessary to assist NYCT in determining the appropriate increase in subway service to the Atlantic Avenue/Pacific Street subway station on selected subway lines immediately following basketball games and other major arena events as necessary to alleviate potential platform crowding at that subway station."

"2. FCRC shall collect data midway through the first basketball season from Nets patrons documenting the travel mode of such

..."
or removing the auto share by a minimum of 30% of the number of vehicle trips projected for the previous 12-month period (i.e., to approximately 800 arena inbound auto trips during the pre-game peak hour) within one-half mile of the arena, provided that all practicable and effective demand management measures are maintained.

“3. For major arena events other than Nets games, FCRC shall make available to event promoters practicable demand management measures (such as the reduced rate remote parking and shuttle bus mitigation described above) and encourage such promoters to implement such measures.”

Contributing: Tom Boast, Danae Oratowski, Peter Krashe, Gil Vance

Photo: Tracey Collins

Attachment

Document

Traffic and pedestrian safety

Size

74.35 KB

Drupal theme by pixeldust.com
NYPD to allow limos to stage on Atlantic Avenue during arena events [updated]

Submitted by Gilb on November 11, 2012 - 10:42am

AYW has been informed by a representative of the Empire State Development Corporation that the NYPD intends to allow limos to queue during arena events on the south side of Atlantic Avenue between Carlton and Vanderbilt Avenues. [UPDATE: On November 13, we were informed by Council Member James’ office that the block of Atlantic Avenue designated by DOT and NYPD for limo staging was between 6th Avenue and Carlton Avenue, not Carlton and Vanderbilt.] The section of Atlantic Avenue is currently available for public parking except during overnight street cleaning hours. On Friday, November 9, use of the area was reserved for vehicles registered with TLC license plates, consistent with the NYPD proposal.

Idling of limos in unauthorized locations in Prospect Heights, Park Slope and Fort Greene has been a major concern for residents since the arena’s opening. AYW incident reports filed include 0642, 0647, 0650, 0671, 0740, 0419, 0442, 0527, and 0631. 311 closed reports for many of those incidents noting “police action was not necessary,” or “no evidence of violation.” Idling of limos has also been documented by Atlantic Yards Report.

At an October 16 meeting at Brooklyn Borough Hall, community members asked 78th Precinct Deputy Inspector Michael Ameri to address the problem through enforcement. Ameri responded, “Enforcement is part of the answer, but it’s not the solution. The solution is to give them a place.”

The issue of unauthorized limo parking appears to have been unanticipated by the Transportation Demand Management Plan (TDM) prepared by Forest City Ratner Companies to address traffic congestion and pedestrian safety following the Barclays Center opening. The TDM was developed by traffic consultant Sam Schwartz. It is not clear if Mr. Schwartz was involved in the decision to have limos stage on Atlantic Avenue. Neither Mr. Schwartz nor members of his organization were present at the October 16 Borough Hall meeting.

When it was announced in May of 2012, the TDM was much-heralded by ESDC and FCRC as a comprehensive plan to reduce the impact of arena traffic on surrounding neighborhoods. The TDM has a stated mission to “Reduce cars. Maximize Transit.” The TDM includes measures such as a reduction of on-site parking, and lower-cost satellite lots to discourage driving to arena by patrons. Allowing limos to stage on a public street without charge would not appear to be consistent with the intent of the TDM.

Further, the proposed “solution” of staging limos on Atlantic Avenue in effect allocates additional public space for the benefit of Barclays Center without public review. At its November 8 meeting, Brooklyn Community Board 8 passed a resolution calling on FCRC to address the issue of a location for limos to idle without appropriating curbside space.
Limos observed at Bocelli concert illustrate the scope of illegal parking and idling near Barclays Center

Submitted by Peter K. on December 8, 2012 - 12:02pm
Since the September 28th opening of Barclays Center, complaints about illegally parked and idling limousines on streets in the vicinity of the arena have made up the largest category of incident reports filed with AYW.

Between approximately 8:15 and 9:30 PM on the evening of the December 8th Andrea Bocelli concert, a small AYW team documented the scope of the problem in Fort Greene, Prospect Heights and Park Slope.

We based our research area on the information contained in incident reports on AYW and our knowledge of the area. In our experience the same illegal locations are used over and over. The western boundary was 5th Avenue in Park Slope and Fort Greene Place in Fort Greene; the southern boundary was St. Mark's in Park Slope and Dean in Prospect Heights. The eastern boundary in Prospect Heights was Vanderbilt at Dean, and otherwise Carlton Avenue. The eastern boundary in Fort Greene was South Portland. The northern boundary was Hanson Place.

We identified 85 likely violations, 64 for illegal parking and 19 for idling. One parking ticket was found on a private car parked near a hydrant on Dean Street. The details of the conditions observed are below.

Prospect Heights and Fort Greene:

- Dean between Vanderbilt and Carlton: private car at hydrant with ticket
- North side of Pacific at Carlton: idling car in hydrant
- North side of Pacific mid-block: parked limo at hydrant but not idling
- North side of Pacific near 6th: parked limo idling in no-standing zone
- South side of Atlantic between arena entrance and 6th: 5 limos. 1 idling. 1 at hydrant
- South side of Atlantic between 6th and Carlton (new "no parking all day 6PM to midnight" sign, temporary sign from NYPD saying no parking except TLC): 3 limos and a bus. 2 idling including the bus.
- North side of Atlantic below residential Atlantic Terrace: 4 limos in bus lane, 1 idling.
- East side of South Portland to South Elliot: 1 idling limo South Elliot, and Hanson Place: none
- Atlantic Avenue between Fort Greene Place and 6th Avenue (no standing, plus one new sign saying no standing except TLC): 15 illegally parked cars without drivers (1 of those an NYPD officer with personal contact info in window). Remaining spaces filled with limos and drivers. 4 of the 10 were idling.
- East side of Flatbush from Dean to Bergen: 1 idling limo, bus stop filled, so approximately 5 illegally parked cars
- South side of Dean between Flatbush and 6th: 8 limos in "no standing zone" some of it new. 6 are idling.
- Dean between 6th and Carlton: 2 idling at 527 and 587 Dean.

North Slope:

- Bus Stop at 75 5th Avenue: idling white stretch limo
- Hydrant at 73 5th Avenue: idling limo
- No Parking Zone at 68 5th Avenue: 3 cars parked (one at hydrant)
- Hydrant at 53 5th Avenue: Limo parked
- Crosswalk at corner of 5th Avenue and Bergen: idling SUV
- Bus stop at 427 Bergen: Mercedes Benz parked
- No Standing zone at 446C Dean (at 5th): idling limo
- Hydrant at 194 Flatbush: idling limo
- No Standing zone at 227 Flatbush: 2 parked cars
- Bus Stop at 237 Flatbush: 1 idling stretch limo, 1 parked black car
- No Standing zone at 478 Bergen (at Flatbush): 2 parked limos
- No Parking zone at 472-4 Bergen: 3 parked cars
- Traffic lane at Bergen/Tile/Dean: Double parked, idling limos
Responding with enforcement, but also concessions

Starting on Saturday, December 8th DOT and NYPD designated a staging area on the south side of Atlantic Avenue for the sole use of private vehicles licensed by the Taxi and Limousine Commission. The area was formerly available to the public for on-street parking. At this time there is some confusion about the free staging area's location. DOT states the staging area is from 6th Avenue to Carlton Avenue; TLC has told its drivers the staging area on Atlantic Avenue extends from 6th to Vanderbilt. The decision to allow limos to provide a free staging area for limos was criticized by community members at the December 6th Atlantic Yards Quality of Life Committee meeting.

The creation of the staging area is to be combined with enforcement, however incident reports about illegal idling, blocked hydrants and honking continued to be filed on this website on the first night the adjustments were implemented.

Area planned for drop-off and pick-ups is blocked

At the same time, loss of space planned for drop-off of taxi and limousine passengers is adding to the congestion near the arena. To the left is a photo of a line of limos parked along a travel lane on Atlantic Avenue between Fort Greene Place and South Portland. At the time this photo was taken on December 6th, 15 private cars were parked illegally curbside in the area posted as "No Standing Except Licensed TLC Vehicles." This area was described as being for patron drop-off and pick-up during the arena operations presentation this summer.

On the arena block FCRC is apparently in the process of eliminating the lay-by lane on Dean Street and has pushed back the implementation of a second lay-by lane on 6th Avenue from at least one year to as much as twelve years. The Atlantic Avenue lay-by lane on the arena block is only lightly used.

Some strict parking rules

Some strict parking rules should be introduced to reduce these illegal parking.

Login or register to post comments
Illegal parking and idling violations continue; enforcement has increased

Submitted by Peter K. on January 31, 2012 - 11:35pm

For the night of the Heat vs. the Nets, a small team of AYW volunteers surveyed the state of illegal parking and idling in the vicinity of Barclays Center. Above is a photo of a TLC driver sleeping in his car while parked in a crosswalk on the north side of Atlantic Avenue near South Oxford Street.

The study began at 8:30 and concluded at 10:30 PM. The streets were each only surveyed once. They are listed in the order they were surveyed. The survey precedes the end of the game which is by far the most impactful period of arena operation.

Based on our experience and AYW incident reports, the same locations are used over and over by drivers parking and idling illegally. We used a slightly larger set of boundaries for this survey than our previous survey on December 5th. Our western boundary was 4th Avenue in Park Slope and Fort Greene Place in Fort Greene; the southern boundary was St. Mark’s Avenue in Park Slope and Prospect Heights. The eastern boundary in Prospect Heights was Vanderbilt Avenue; in Fort Greene it was South Portland Avenue. The northern boundary was Hanson Place and Atlantic Avenue.

In total, we witnessed 77 parking and/or idling violations. 65 were parking and 12 were idling violations. In December we found 83 violations. 64 of those were for parking and 19 were for idling. Vehicles cited below as idling were not timed to see if they were idling for longer than the 3 minutes allowed in NYC; although in many cases the drivers appeared to be sleeping, on the phone, or watching television. We did not file complaints with 311. Many of the illegally parked cars had out of state licenses.

Enforcement was in the process of ticketing some cars on Atlantic Avenue at the time of the survey. Over the course of our two hour survey we counted 10 tickets, all but one in fire hydrant or bus stops. In December we found 1 ticket during our survey.

The designated staging area for TLC vehicles on the south side of Atlantic Avenue between 6th and Carlton Avenues was more full than it is normally. Still, there were only 10 vehicles parked there, 3 committing violations. 2 cars were idling and 1 was a private, non-TLC vehicle.

In one area, the north side of Atlantic Avenue between South Portland Avenue and Fort Greene Place, illegal private parking and a surfeit of city agency parking facilitated by DOT-issued placards is forcing patrons of the shopping mall and the arena to use a travel lane to load and unload. This is clearly less safe than unloading near the curb. During our survey 9 cars with some form of placard parked in this area at the same time. A line of 7 to 9 cars continually lined up to load and unload in the adjacent travel lane.

A number of times during the course of our survey we were approached by lime drivers concerned we were recording their license plate. Our aim is to make AYW aware of the real problems drivers encounter with illegal parking and idling.
for Barclays Center contained an adjacent 350 space below-grade arena parking lot that would have been completed roughly one month after the arena. In changes to the plans made in 2009, the construction of that below-grade parking was delayed until later in the construction schedule, adding to an apparent crunch in below-grade capacity for the arena.

The NBA driver estimates 30 VIP vehicles (players, families of players, owners, staff) park inside the arena. Spill-over is placed in the pad east of the Dean Street entrance. Because of interest in this game, the driver was forced to find parking at a hydrant. He stated the arena operators had not provided the location of the designated TLC staging area to him.

Survey results, January 30th:

Atlantic Avenue between Flatbush and 6th Avenues (south side):

- One parked car in the lay-by lane

Atlantic Avenue between 6th and Carlton Avenues (south side):

- 9 cars and 1 bus (note: only one non-TLC car was illegal here because this area is now designated for TLC staging only during arena events)
- 2 cars were idling at the time of the survey

Atlantic Avenue between Carlton and Vanderbilt (south side):

None.

Atlantic Avenue between South Oxford and Carlton Avenues (north side):

- 1 car and 1 van in bus stop (note: NYPD officer in process of ticketing here)

Atlantic Avenue between South Oxford and South Portland Avenue, (north side):

- 1 idling private car on crosswalk with sleeping driver (photo)

Atlantic Avenue between South Oxford and South Portland Avenues (north side):

- 4 cars in bus stop

South Portland Avenue between Atlantic Avenue and Hanson Place:

- 1 car in front of roll-up gate (south west corner of South Portland at South Elliot)
- 1 car north of South Elliot idling
- 1 car in hydrant

Hanson Place between South Portland and Fort Greene Place:

(All violations were on the north side of the street)

- 3 private cars without placards parked in "No Standing Anytime Except State Vehicles" zone
- 5 cars with placards of some form, although some appeared to be photocopies and may not have been valid.
- 1 car in hydrant
- 1 car blocking crosswalk

South Elliot between South Portland and Hanson Place:

- 1 TLC vehicle idling at hydrant

Atlantic Avenue between South Portland and Fort Greene Place (north side):

- During the course of the survey the number of cars waiting or loading in the adjacent travel lane ranged from 7 to 9 vehicles. In the "No Standing Zone" and bus stop 16 cars were parked without drivers and 7 had drivers. Of the 16 without drivers, 9 had city agency placards. Most were NYPD and/or traffic control. If the city agency cars did not park in this location there may be enough room to avoid having private cars stop in the travel lane, which is dangerous.
- 5 private vehicles in "No Standing Except TLC," one parked without driver
- 4 TLC vehicles (5 total - idling)
• 3 cars parking or standing in bus stop, 1 handicapped and 2 TLC.

Dean Street between 3rd and 4th Avenues

• 1 private car in hydrant
• 1 TLC vehicle and 1 "Taxpark garage" parked in bus stop.

Dean Street between 4th and 5th Avenues:

• 1 private car in hydrant
• 3 in Church "No Parking Zone." 2 with handicapped placards. 1 private car with ticket.
• 1 parked car and 1 car with driver in bus stop

Dean Street between 5th and Flatbush Avenues:

• 2 in "No Standing Anytime" zone. 1 is TLC and one is fire officer

Flatbush Avenue between Dean Street and Bergen Street (east side):

• 1 parked car in hydrant with ticket.

Bergen Street between Flatbush Avenue and 5th Avenue:

• 3 in "No Standing" zones, 1 idling.
• 4 in "No Standing Anytime" zone.
• 3 in bus stops with tickets

5th Avenue between Dean Street and Bergen Street:

• 4 TLC in bus stop
• 1 idling in hydrant

Bergen Street between 5th and 4th Avenues:

• 3 in hydrants with tickets

St. Marks Avenue between 4th and 5th Avenues:

• 2 at hydrant

5th Avenue between St. Marks and Bergen Street:

• 1 idling in hydrant

St. Marks Avenue between 5th and 6th Avenues:

• 1 in hydrant with ticket
• 1 idling in hydrant
• 2 parked in active driveway

6th Avenue between Flatbush Avenue and St. Marks (northside):

• 1 idling at hydrant

St. Marks between Flatbush Avenue and Vanderbilt Avenue:

None.

Bergen Street between Vanderbilt and Carlton Avenues:

• 2 in front of roll up gates

Bergen Street between Carlton and 6th Avenues:

• 2 in hydrant, 1 idling

Dean Street between 6th and Carlton Avenues:

• 1 in "No Standing Fire Zone"
• 1 in church "No Standing Zone"
1 in hydrant

Pacific Street between Carlton and 6th Avenues:

• 2 cans in hydrant

Really, strict action should be taken against them and hence it will be reduced.
Did problems with limos at Barclays Center start with omissions in its Transportation Demand Management plan?

Submitted by Gib on December 5, 2012 - 12:19pm

The framework for transportation management around Barclays Center is contained in the Transportation Demand Management Plan for Barclays Center (TDM), produced by Sam Schwartz Engineering, release in draft in May of 2010, and updated in August of 2012. The plan has two stated goals: “The first is to minimize the number of vehicles that travel to the arena. The second is to minimize the impact on the surrounding area from the patrons who insist on driving, regardless of the available alternatives.”

Since the arena opening on September 28, many incident reports have been submitted to AYW documenting illegal parking and idling by limousines on the streets near Barclays Center. At the December 6 Atlantic Yards Quality of Life Committee meeting, there was extended discussion on a plan by the 78th Precinct and DOT to allow limousines to queue on the south side of Atlantic Avenue between 6th Avenue and Carlton Avenue. Several participants (including the writer) questioned whether essentially providing free parking to limousines was consistent with the goals of the TDM. Representatives from the ESDC and Forest City Ratner were quick to suggest that limousines should not be considered to be covered by the TDM.

A review of the TDM shows it considered patron travel by limousine. Further, an accompanying study by Clarion Research indicates FCRC had reason to believe the TDM strategies would not be effective in reducing travel to the arena by limousine. Looking more closely at the sampling used in the Clarion study also suggests that its results almost certainly underestimate the number of arena patrons likely to travel to events by limousine, a potential problem that should have been apparent to FCRC when reviewing the data.

TDM: Communications reduce patrons driving, but have no effect on limo use

Clarion conducted two-part interviews with 2,206 individuals likely to attend events at Barclays Center. During the initial interview, individuals were asked about the mode of transportation they were likely to use to travel to the arena. Interviewees were then given information about available public transit servicing Barclays Center, and were told about the difficulty in finding parking near the arena. In the second part of the interview, individuals were asked again to state the mode of transportation they would choose to travel to a Barclays Center event.

After finding out about transit options and parking challenges, interviewees who expressed a preference for traveling to an event by personal car decreased from 38.6% of the total sample to 34.4%. Those who expressed a preference for traveling by taxi decreased from 2.5% to 1.3%. Public transit was the beneficiary of these losses, increasing its share of prospective arena patrons to 54.4% from 45.4%. These results were cited by Sam Schwartz Engineering in recommending a communications-oriented approach to discourage driving to the arena.

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Chart showing change in preference for travel to arena after receiving mass transit and parking info. (Clarion Research)

However, the same results showed that information about public transit options and scarce parking had an opposite effect on 0.4% of individuals who initially stated a preference for traveling to arena events by limousine. At the second set of interviews, 0.5% indicated a preference for limo travel, a small gain. Clarion also found that among individuals stating an initial preference to travel by vehicle who could not be swayed to use public transit, convenience, not cost, was the most important factor in their choice. And what mode of transportation is more convenient than a limo hired for an entire night? In sum, results of the firm's quantitative research gave no reason to believe the strategies planned for Barclays Center's TDM would reduce limousine travel to arena events at all.
Although Clarion's research indicated planned TDM methods would not be effective in reducing limousine driving to Barclays Center, the low percentage of individuals in its survey indicating a preference for traveling to the arena by limousine also indicated these few trips might not pose a problem to the surrounding neighborhoods. After all, 0.5% of patrons arriving for a sold-out 18,000-seat event by limousine is only 90 people. If an average limousine carries two patrons, that adds up to only 45 trips.

Unfortunately, this optimistic scenario does not align with the Barclays Center marketing plan, which heavily promotes the venue’s luxury seating and dining options. According to information disclosed during Barclays Center’s application for its liquor license, its Vault suites and bar area have a maximum capacity of 427 people; its Courtside Club (which exclusively services the patrons in premium courtside seating) has a capacity of 350; and its 40/40 Club has a capacity of 250. This total capacity of 1,026 in premium seating and dining areas represents 7.3% of the 16,000 person capacity of Barclays Center.

Neither the Clarion study nor the TDM itself mentions Barclays Center’s sales goals with respect to VIP customers, but the venue clearly expects more than 0.5% of these patrons to meet that distinction. Given Barclays Center’s focus on high-end entertainment marketing, the split among survey participants favoring limousine use seems unrealistically low. To forecast demand for limousine use and plan strategies to manage it, Barclays Center should have commissioned quantitative research specifically focusing on the segment of premium customers, rather than expect the sample Clarion called of a general population to be representative of the audience makeup it envisioned for the arena.

Where we go from here

The TDM’s omission of a plan to reduce the impact of limousine travel to Barclays Center appears to be a result of its failure to consider the target segmentation of the venue’s audience. Since there can be no question that the current issues surrounding limousines parking and idling illegally on local streets fall within the TDM’s goal “to minimize the impact on the surrounding area from the patrons who insist on driving, regardless of the available alternatives,” the TDM should be revised to specifically address the current conditions it failed to predict. PCRC has not yet seen fit to include its traffic consultants Sam Schwartz Engineering in any public discussion of impacts from limousine travel to Barclays Center, and it is not clear that SSR is engaged in the matter in any other capacity.

NYCDOT and DOT have taken independent action to address the problem. Their proposal to create a staging area on the public curb of Atlantic Avenue is a direct community impact. The plan should not be considered permanent before a more accurate assessment of the number of trips to Barclays Center events by limousine can be made, and other alternatives that would not require public space are studied.

In the meantime, and for the foreseeable future, enforcement of parking and idling regulations will continue to be required. Due to the shifting of locations where limousines congregate, as well as the challenges inherent in issuing summonses to drivers in running vehicles, enforcement is likely to be manpower-intensive—another challenge to be considered by a revised TDM.

Parking Traffic congestion analysis
What if the Barclays Center parking lot was required to meet NYC design standards?

Submitted by Peter K. on February 13, 2012 - 7:09am

Residents of the streets surrounding the Atlantic Yards Project have numerous concerns about impacts that will follow the opening of Barclays Center arena, but few are greater than the effect of a new surface parking lot planned for the block bordered by Carlton Avenue, Vanderbilt Avenue, Dean Street and Pacific Street. The block is known as Block 1129.

Following FCRC's renegotiation of the project plan in 2009, the duration of use of block 1129 for surface parking was extended, the number of spaces was increased, and up to two cars were assigned to each space using stackers. In addition, for the first time all the parking planned for the arena was concentrated there. Originally scheduled to be an "interim" surface lot in place for perhaps four years, it is now likely the full block of parking will be in place for at least 12 years, by which point the developer is required to start the construction of one residential building on the block. The remainder of the site can remain a parking lot for as long as 25 years or more since the project's development agreement allows further extension under certain conditions.

The picture on the left above commissioned by AYW is an illustration of the lot configuration and stackers necessary to provide the 1,100 parking spaces specified in the 2009 Atlantic Yards Modified General Project Plan. Given the density and number of parking spaces, the lot would not comply with New York City's design standards for surface parking lots. For comparison, the picture on the right shows a possible design for parking on block 1129 based upon City standards. (Click on the pictures to enlarge.)

NYC requirements for surface parking lots

The design of surface parking lots in New York City is regulated by the Department of City Planning, which adopted new guidelines for such areas in 2007. DCP requires lots and their perimeters to be landscaped in order to improve their aesthetics, lessen their environmental impacts and increase safety. Here are the goals as detailed in the guidelines:

- Aesthetic
  - Mitigate vast expanses of pavement through landscaping
  - Improve quality of local streetscape

- Environmental
  - Increase tree canopy to reduce "Heat Island Effect"
  - Increase permeability to mitigate storm water runoff

- Safety
  - Improve pedestrian and vehicular circulation
screening and interior landscaping as well as standards for maneuverability. The IKEA parking lot provides an illustration of how these guidelines can work in practice. The lot features planting islands at the ends of parking rows, and planted medians between rows and bordering streets.

Applying DCP guidelines to parking on block 1129

When DCP required landscaping is applied to block 1129 and no stackers are used, the lot is reduced to approximately 500 spaces. As the design standards require, inside the lot there is one tree per every eight cars. The lot has an eight-foot wide planted median in every other parking row. There is no row longer than 15 spaces without being interrupted with a planting bed containing a tree. The AYW lot also meets DCP minimums by spacing a street tree every 25 feet along the outside perimeter. Given its proximity to residential buildings, AYW’s design admittedly exceeds DCP requirements by including both a seven-foot or wider landscaped perimeter and a “green wall” for screening.

As a concession to the possibility the lot may be built over relatively soon, the permanent trees shown in the illustration could be replaced by potted trees, maintaining many but not all of the benefits.

With these steps, the compliant lot has the advantages of absorbing most stormwater on site, taxing city sewers less and reducing the Heat Island Effect. In addition, the landscaping helps planners control pedestrian crossings and make the lot safer. Finally, aesthetics are improved for residents who live nearby, visitors to retail businesses on Vanderbilt Avenue and arena patrons.

Additional improvements

We have also included a few additional improvements to lessen the lot’s environmental impacts and integrate it more into the community given its interim status.

- In order to lessen impacts on neighborhood streets, there are no mid-block curb cuts on Dean Street, Carlton Avenue or Vanderbilt to enter or exit the lot. Unlike the plan detailed by FCRC in 2010, which in addition to two Pacific Street entrances has entrances mid-block on all the perimeter streets, in our lot the gates are located instead mid-block on Pacific Street. The FCRC plan places the Pacific Street entrances at the Carlton and Vanderbilt intersections.
- As illustrated to the right, a small building or pavilion for retail has been placed at Dean Street and Carlton Avenue to complement and encourage the growth of Vanderbilt Avenue’s retail economy.
- Pacific Street has been opened 24/7 to restore a lost connection for the neighborhood for pedestrians, bicycles and vehicles.
- “Green walls” along Dean Street and Carlton Avenue have been added to provide more dense screening, lower the Heat Island Effect, and improve sound absorption.
- Although not visible in the illustration, strategic use of **permeable pavement** is used to reduce stormwater runoff.

Not an end state

AYW’s rendering is intended to illustrate the opportunity to reduce the impact of a surface parking lot with an indefinite lifespan.
The Atlantic Yards General Project Plan requested and received from the City numerous zoning overrides, including an: over of regulations on the location of necessary parking, necessary for FCRC to build the Barclays Center parking lot two avenues east of the arena itself. However, Atlantic Yards never requested exemption from landscaping regulations for surface parking lots. If FCRC were to comply with City's guidelines, the lot would have better aesthetics, improved environmental characteristics, and fewer cars.

Although the lot improvements suggested in the rendering are intended to partially address the impact of a surface parking lot on block 1129, AYW's proposed plan does not represent the desired end state. Block 1129 was intended to be the site of affordable housing, open space, and other public benefits. The expectation of these benefits in a ten year time-frame was a key factor in the approval of Atlantic Yards. In the wake of Justice Friedman's decision, the State is required to prepare a supplemental environmental impact statement and, as in 2009, can rework the project plan with FCRC to deliver the promised benefits earlier.

Contributing: Gib Veconi
Lot illustrations: Joel Stipano
Base photo and arena illustration: Jonathan Barkey and Tracy Collins
What are the consequences of a change in parking? If we had an SEIS, we'd know.

Submitted by Peter K. on May 3, 2012 - 7:57pm
On May 2, ESDC's CEO Kenneth Adams announced there would be "south" of 500 parking spaces in block 1129. He said the target is to deliver half of the 1,100 detailed in the 2009 Modified General Project Plan (MGPP). The project plan since 2006 has always required 1,100 parking spaces for arena patrons in the entire Atlantic Yards Project footprint. The original plan detailed up to 944 spaces in total in block 1129 with a large percentage used by non-arena generated vehicles. Only in 2009 were the plans changed to place all arena patron parking in block 1129.

The commitment to provide 1,100 arena patron parking spaces inside the project footprint has now run up against the physical constraints of block 1129, forcing a reduction by the developer. "A"YW's analysis also suggests the 944 spaces detailed in 2006 would have run up against the same constraints.

The plans of ESDC and FCRC run up against the laws of physics

In order to enable the parking lot on block 1129 to fit the 1,100 spaces required for arena patrons, the 2009 MGPP mentioned the possibility of the use of stackers. In an ambitious multi-tasking of the only space available, the lot also became home to the parking for residents of building E2, employees of the 78th Precinct and construction workers. In addition, a LIRR facility was added, 754 Pacific Street was retained for construction offices, and the lifespan of the use of construction staging at the location was lengthened.

In an October 2011 report published in Atlantic Yards Report, ESDC's environmental consultant HDR refers to concerns about "extensive vehicle queues on the local street network" and "excessive wait times" for arena attendees post-event if vehicle stackers are used. These concerns may well be behind ESDC's announcement of a reduction in parking on block 1129.

But how many cars can block 1129 really hold? According to the NYC Department of Buildings, a lot area that is 144,501 square feet. Using a calculation provided by an architect with experience in the design of parking facilities, dividing the available square footage of the lot by 300 square feet per car will provide the approximate number of spaces a parking lot including driveways can fit. 144,501 square feet divided by 300 equals approximately 482 spaces.

However, the area described in the DOB application does not include perimeter plantings. The 2010 Technical Memo describes no less than a four-foot landscaped perimeter around the lot set in from the property line, and although the documents submitted to DOB do not include perimeter landscaping, CEO Adams confirmed some would be implemented. Reduced by 4 feet of perimeter landscaping only, the lot would be 132,493 square feet and fit approximately 465 spaces.

The lot could grow in the future as the LIRR operations area or 754 Pacific Street is removed and the surface lot is expanded. Also, the developer could potentially create smaller than average parking spaces, increasing the total number provided. Likewise the lot is large, and efficiencies may be found to reduce the number of driveways. ESDC and FCRC have promised to present plans for the surface parking lot on block 1129 on May 22.

The missing SEIS

Our calculations also suggest the 944 spaces disclosed in 2006 were never really feasible, at least not without stackers unmentioned in project documents at the time. The 2006 plan anticipates construction staging would continue to exist on the lot, as well as parking for 78th Precinct employees, but does not include the footprint of 754 Pacific Street or the LIRR operations facility. Assuming no landscaping and no construction staging, the entire lot could have fit only 605 spaces.

In the 2006 plans, 605 spaces on block 1129 would have been sufficient because the rest of the required 1,100 arena spaces could have been located elsewhere in the project site. But in 2009, FCRC changed the project schedule in a way that delayed the delivery of parking elsewhere on the site, much of it destined for arena patrons. Instead of preparing a supplemental environmental impact statement (SEIS) to analyze the effect of this schedule change, FCRC and ESDC apparently chose to assume block 1129 would be capable of holding 1,100 spaces—an impossibility without the added (and now discarded) plan to use stackers.
Attachment

The Prospect Heights Neighborhood Development Council, Inc.

Drupal theme by jenifers.com
May 5, 2014

Attention: Derek Lynch
Empire State Development
633 Third Avenue
New York, New York 10017

Dear Sir or Madam:

My name is Jane Freidson. I live in at 535 Dean Street (the Newswalk Building) in a third floor apartment facing the Pacific Street railyards in Brooklyn. I read an abbreviated statement at the public hearing last week, but this is the complete statement I drafted which I hope will be considered by the ESDC before acting upon the recommendations of Mr. Adams recently forwarded to you for action.

I urge you to establish a dedicated, subsidiary public development entity empowered to oversee completion of the Atlantic Yards project. A subsidiary entity is necessary to give the public confidence that the project will be completed promptly, in conformity with the approved plans and with the minimum of significant disruption to the community during construction. The board of the new entity should include members appointed in consultation with local elected officials to ensure accountability and transparency to the public. The controversy which has dogged this project to date has in large part resulted from the public perception that we were deprived of any meaningful voice in the planning and construction of Atlantic Yards. For the project to be completed expeditiously and consistently with its vision, we need a new entity to oversee the development and we need local representation on the board. It is critical that this happen right now, before the next phase of construction begins, before ownership of the developer is transferred to an entity with no accountability whatsoever to Brooklyn, to New York or even to the USA.

An independent public development entity would also provide the local community with an avenue of construction oversight which has been sorely lacking to date. I want to tell you a little of how I have been affected by the lack of effective construction oversight in the years since the project began. I moved to my apartment on the block between 6th Avenue and Carlton
Avenue in late 2009. When I moved, I knew that the Atlantic Yards project would be built and I hoped the project would ultimately benefit my new neighborhood. I expected to live with construction for quite some time but I had no idea it could be for as long as 25 years.

At my age - I am 61 - the difference between a ten year build-out and a 25 year build-out makes it unlikely I will live long enough to enjoy all the expected benefits of the completion of the project. And as much as I think our neighborhood needs more low income housing NOW (and as much as I have enjoyed basketball in the new arena), the prospect of living with twenty more years of construction in my backyard, my sideyard, my frontyard, and all my routes to the subway and the rest of my immediate neighborhood is daunting. My community deserves a decent quality of life during the completion of the project and you are the only entity with authority to ameliorate the negative consequences of construction on our day to day lives. Please act now.

The draft supplemental environmental impact statement (SEIS) acknowledges that my neighbors and I will continue to experience "significant localized adverse impact" from construction for the duration of the project. And while no abatements to adverse impacts were proposed in the SEIS, my community needs more. Here are some of the "significant adverse impacts" I have personally experienced - reciting them is sort of like reciting the plagues of biblical times at a passover seder:

- **Dirt** kicked up from the construction activity coats my window screens, my windows and my window sills. It clogs the mechanisms of my windows and it is impossible to get out. I have had my window mechanisms professionally cleaned to no avail. It is now very hard to raise and lower my windows - some of them are so clogged that I need help to open or close them. The dirt on the screens fouls my windows every time it rains. My windows are always dirty no matter how many times a year I wash them. It is not easy to wash 12 windows, remove and wash (in the bathtub) 12 screens. In my old home in Park Slope, I had my windows washed twice a year and that was more than enough. In Newswalk, I have been washing the windows and screens (or paying someone else to do it) about four times a year but it is not often enough. The dirt is just blown right back onto the screens and the next time it rains, my windows look dirty and my view is diminished. I shouldn't have to spend so much time, effort or money to have minimally clean windows.
• Dust from the dirt on the screens gets inside my apartment. It coats the window sills, the furniture, the floors and it becomes airborne, clogging my air conditioner filters. Because I have asthma, I should not be breathing so much dust and I have to replace my air conditioner filters every month during the air conditioning season - this is very expensive. I shouldn't have to spend so much money to breath clean air in my home and I shouldn't have to keep my windows closed so much of the time in nice weather just to reduce the dust intake. These are choices I just shouldn't have to make!

• Noise from construction vehicles (back up beeping, banging and clanging as they move heavy objects and dump things into other vehicles) and from the construction machinery (it is so loud that the workers all have gigantic earphones to protect their hearing) is literally just 60 feet from my windows. Even with my heavy duty, double-paned windows closed it is too loud to carry on a conversation when it is going on. I am normally at work during daytime hours, but I pity my neighbors who work from home, or who have young children at home. And when I retire in a few years, I will be the one burdened with excessive noise every waking hour of construction unless a way is found to reduce the noise or increase the noise insulation of my home. There have been extended periods when the construction went on well into the night, sometimes as late as 3:00 in the morning. I have called in several 311 noise complaints, the most recent being in February 2014 when without any notice, the noise began at midnight and continued for more than 2 hours. More often than not, the 311 operator tells me that "NYC has no jurisdiction over the LIRR railyard" and although I am permitted to file a complaint, it does not appear ever to be acted on. The noise disturbs my sleep, but I cannot afford to replace my 12 large windows with windows that have better sound insulation. We shouldn't have to tolerate so much noise at such unreasonable hours for the next twenty years. And we should have effective oversight so that we have recourse to file complaints when the noise exceeds reasonable levels or spills into unreasonable time periods.

• Lights - brutally high intensity lights - were installed on the north side of the railyards directly across from my windows. These lights are not pointed down into the yards and the ambient light is astonishingly bright. When the lights are on - and they are often on all night long - they are so bright that I can read a book in bed without turning on my lamp. It is impossible to sleep with these lights on. I cannot sleep
with blackout shades because I want my window open at night and when the shades are down, they also keep the fresh air out. Moreover, I only have blackout shades in one room, and I cannot afford to install shades in my second bedroom or my living room, so guests suffer when they stay with me. There must be a way to reposition the lights, or shield them from having so much ambient light escape up and away towards my apartment! But that would require an effective advocate, which we lack.

- **Rats** have proliferated in the blocks between my building and the subway station and arena. I often see them, dead and alive, and the bait stations are ubiquitous along our building on Pacific Street. I didn't live here before construction began, but I am assured by all those who did that the rats are a new thing, and that they became a problem only after they were displaced by construction. Surely there are more effective measures to dispatch these vermin.

- **Obstructions** to pedestrian and vehicular traffic spring up and are changed, often without notice or information for the community. Traffic flow on Pacific Street changed from two way, to one way, and back to two way in the course of 4 years. Traffic flow on Dean Street and Flatbush is often shut down without notice, either because of the construction to B2 or delivery of the modules. I never know when I drive home from my weekend grocery shopping whether I will be able to get home on Dean Street or whether I will have to go a different route. As bad as it is for drivers, it is worst for pedestrians. Pedestrian traffic has been blocked, re-routed and confined under narrow, poorly lit sidewalk sheds since before the arena even opened. Many of the sidewalks in the area, notably on Pacific Street between Dean and Pacific, are broken to a dangerous degree. Coupled with the parking situation (see below), it is risky for a pedestrian to walk in this neighborhood. In the winter, especially the one just past where we had so much snow, many of the broken sidewalks were not cleared of snow and ice and remained a hazard for older people like me, who are at increased risk of falling and breaking bones. And of course, when events at the arena left out, we have temporary crowds with nowhere for pedestrians to go - either the sidewalks are never accessible, or they have been reduced in size "temporarily." The time to find a solution to this is now, before we have a serious accident as a result of this chaos.

- **Parking** conditions have worsened significantly since I moved here and because of the police department's decision to tolerate so much
illegal parking in the blocks surrounding the arena, we not only don't have parking for vehicles but our pedestrians must navigate all the illegally parked cars, including those parked with impunity on the sidewalks. We have more people driving to this neighborhood - all those construction workers seem to drive cars with Pennsylvania and NJ plates; all those black cars bringing high rollers to the arena park in our neighborhood. But even before the construction began we had a shortage of parking in this neighborhood. Despite assessments by DOT as to where parking should be prohibited so as to ensure good traffic movement, there are several discrete areas where the bold red "NO PARKING ANYTIME" signs are ignored without consequence.

- The Temple of Resurrection (a local church on Dean Street between Carlton and 6th Avenue) is permitted to double park its members' vehicles all up and down Dean Street every single Sunday morning, every single Monday and Friday evenings for several hours. These cars are not ticketed, but they block the row of cars legally parked and they block the buses and all other traffic trying to get by.

- The police department permits its own employees to park both personal cars and squad cars on the sidewalks surrounding the 78th Precinct on 6th Avenue and Bergen Street. Both sides of 6th Avenue require pedestrian traffic to narrow into single file.

- Fire department personnel are permitted to park personal vehicles on the sidewalks adjacent to the fire station on Dean Street, often two cars deep, forcing pedestrians to squeeze between cars, or to walk in the street.

- The police tolerate illegal parking by vans and livery cars on 6th Avenue between Pacific and Atlantic, and on Pacific between Dean and Carlton, despite clear signage that prohibits all standing in these areas.

It is quite plain that the residents of this neighborhood already lack adequate street parking. The ESDC recommends permitting the developer to reduce the permanent parking spaces required by the original plan, but this makes absolutely no sense. There isn't enough parking for those of us who live here now. When all the people who move into the new projects arrive, where are they going to park? Unless you are going to bat for us to get residential parking permits, there is absolutely no reason to reduce the obligation of the developers to provide sufficient ADDITIONAL parking. In fact, we could use some of that parking right now.
• The unknown lies ahead when work on the railyards is completed, when the yards are covered, when they begin construction on the three residential buildings scheduled for my back yard. I don't know what "significant adverse impacts" I can expect for the next phases of construction. Perhaps they will bring improvements or perhaps they will be worse than what I have already experienced. Either way, our local community's concerns need to be considered more carefully as the project moves to completion.

Without motivated construction oversight, the developers will continue to run the show at our expense and their construction delays will continue to color public perception about the project. Just last week your website disclosed that the developers now seek to alter the planned construction of the railyard itself increasing "the short-term duration of construction....by approximately 15 months." From my perspective, 15 more months without trees or a proper sidewalk on the north side of Pacific Street is not really short-term. Nor can the developer's estimate of the length of delay possibly be trusted in view of the track record of broken promises he has made to us.

Just over a year ago at a meeting with our building and the Dean Street block association, the developer promised to finish the current phase of railyard construction in June of this year. His representative promised that they would install a proper 8 foot sidewalk on the north side of Pacific Street and plant replacement trees for those removed two years ago on completion of this phase. To find out now that he has a new plan, a plan that will deprive us of our patch of green, a wider sidewalk, and the commencement of new trees beginning to grow again for at least another year plus, is really demoralizing. The Atlantic Yards project is supposed to benefit the community, not saddle it with endless pain.

Our community lacks an advocate with authority to redress our ongoing needs and concerns. We have already learned that 311 complaints are completely unavailing because of jurisdictional issues. And we have learned that the developer's own "community liaison" is a paid employee of the developer (when the job title is actually filled).

The mission of the ESDC is to create prosperous communities through development and investment. But you can't build prosperous communities without creating public trust that the development project is being overseen by an entity dedicated to the public interest, rather than only to the
developers who profit from investment. The history of the Atlantic Yards project is tarnished by the public perception that the ESDC has delegated all oversight of the project to the developer himself. We need you to restore trust that this project is for our benefit. We need you to establish an independent entity with meaningful oversight authority, and with a board consisting of members selected in consultation with our local elected officials. Please do your job for the benefit of our community.

Thank you for your time.

Jane Freidson
535 Dean Street #318
Brooklyn, NY 11217
(212) 219-3144 (work)
freidson@gmail.com
Attention: Derek Lynch
Empire State Development
633 Third Avenue, New York, New York 10017

Mr. Lynch,

I am writing you as an 8 year resident at 704 Dean Street. My name is Nick Friend and I am exactly the type of person Forest City and New York wants living by the arena. I am a young white professional with two ivy-league degrees. I am vaguely artistic, bearded, and brew my beer at home like a proper Brooklynite should. I pay a lot of taxes. That said, I’ve worked in community development for 7 of those 8 years, both as an agency guy and later as a banker and I have to say that much of what Forest City has done makes great sense. Try to eliminate as much affordable housing as you can, build as cheaply as possible, promise great design then take it away, sell the project to outside investors as quickly as you can to leverage your core competency of selling state and city subsidy providers on a vision you can reduce over time. I harbor no ill will on that front and was just glad that the recession slowed the project initially. I hope to employ the same tactics myself as my career progresses.

That said, with the project now upon us, I fail to understand how Forest City continues to have such little oversight at this point. Please appoint an oversight board that includes long-time residents and community leaders. My main personal complaint is that roadways and pedestrian connections remain blocked by construction and loading activities, and the sidewalks that remain on Dean Street are primarily used as a bathroom and smoking lounge by employees and arena patrons. I urge you to make Forest City consider the interim health of the neighborhood. As this unpleasantness continues it will drive older tenants and owners out of the area and let Prospect Heights lose the vague hints of authentic diversity that I think truthfully, more so than the Arena give it some spirit.

Sincerely, Nick Friend
man over 30 years Carlton Avenue resident &
lifetime Bhlyn resident

Richard Goldstein
607 Carlton Avenue

In agreement with Dean St.
construction project. There are
several key questions which include:

1. seek direct oversight for the
project by a dedicated public
development corporation or
superagency with a board that
includes directors appointed by
corporations with local elected
officials.

2. seek improved oversight
of environmental impacts,
most especially those relating
to construction. Forest city
resources is attempting to sell
70% of the project to the
Chinese development, Greenland.
Decisions will be made
by a 5 member board, with
3 votes for Greenland and 2
for FCRC. We believe poor
responsiveness to community concerns and efforts of advocacy to the public may only get worse.
5/4/14
Derek Lynch
Empire State Development
633 Third Avenue, NY, NY 10017

Dear Mr. Lynch,

It was a pleasure meeting you at the meeting, I appreciate your being there and giving us all an opportunity to share our concerns about the ongoing development of the Atlantic yards sight. Just reaching that point though, was a victory for us concerned citizens who fought a time consuming and expensive legal battle to ensure our right to make this appeal that actually should have been afforded us automatically. We've been sidelined throughout the process, lied to, and made to feel irrelevant and our needs and concerns dismissed by a real estate juggernaut that should have been transparent inasmuch as so much public money was doled out favoring Bruce Ratner without considering alternatives for such a valuable, quintessential Brooklyn development. Having said all this though, we've all agreed the deal is done however bad the taste left in our mouths. If ever there were any last minute remedy though, it would certainly include a rethinking that would invite many developers to share in and compete for different parts of the overall sight. How wonderful that would be and how lucky for Brooklyn that this most central land area could host the most innovative and creative development in NYC.

Going forward, there are REALLY legitimate concerns all of us, including private citizens and public officials like you, should have and get addressed. Foremost, the size,
timeline, logistics, and complications arising from building on deeking over the rail yards (adding challenges in its own right) demands impartial oversight so that the neighborhood can function in a somewhat normal way. Let's not forget this is slated to be the densest residential development in the entire USA. Issues of air quality, noise, traffic, parking, all central to life quality need to be regularly addressed as any project of this complexity will undoubtedly require a constant balancing of competing forces. I can't imagine any legitimate argument or excuse for not imposing such oversight, and in particular, at this juncture before the real work begins.

Thank you,
Jimmy Greenfield
636 Dean Street
Public Testimony ESD Hearing, April 30, 2014

Thank you for the opportunity to speak with you tonight about this extremely complex issue. I have come here as someone who is concerned about our neighborhood. I am no expert on the issues outlined in the Environmental Impact Study and my only purpose in speaking is in an attempt to get clarity for myself, to hear my neighbors’ comments, and to make a few remarks about the continued development of the Atlantic Yards. I run an arts organization that is indelibly connected to the growth, health and stability of this neighborhood and as such it is as indelibly connected to the lives of the people who live here.

I have grappled with the issues presented here since I started working in this neighborhood in 2005. I personally have come down on different sides of the project but I’m now convinced that we must together, -- residents, merchants, elected officials and Forest City – move forward to give it the best possible outcome. It’s here; it’s happening; no one should want this to fail.

I have been a visitor to the Barclay Center several times since it opened. I’ve actually enjoyed going to Barclay’s. One of the things always impressed me, was the clear sense of pride that the Barclay Center employees take in their jobs. From the ticket takers, ushers, security staff to the vendors and maintenance crews, I have never seen or experienced better customer service. It is clear to me that people in our neighborhood, have been positively impacted by the arena in a way that truly matters—with good, secure jobs. This should be encouraged and endorsed.

There is no question in my mind that we need affordable housing in this neighborhood—we need more than is currently promised, and we need it sooner than the current plan permits. At least here we have a start. Decent, affordable housing is essential to maintaining stability, economic diversity and cultural equity. We also need adequate services that turn housing into a community: schools, parking and open space. We need a clarity of the vision for Downtown Brooklyn. I hope that the future of the Atlantic Yards is one tied to making my neighborhood stronger.

Forest City has proven to be a great partner in its work and relationships with the Downtown cultural community. They’ve catalyzed tourism and brought new revenue to the neighborhood. This is part of what gives me great hope that the concerns of the neighborhood will be heard and addressed as the project rolls out. I believe that that the sooner it can move forward, the better chance we have to making the project work for all of us. I hope that if the Environmental Impact Study is accepted and the project proceeds that Forest City Ratner will move forward with as much concern for the community they will build in as for the community they build.

Terry Greiss  
Executive Director, Irondale Ensemble Project  
85 South Oxford St. Brooklyn, NY 11217
Hi, Thank you for the opportunity to share my story. My name is Taniya Gunasekara and is a member of the Dean St. Block Association.

I live half a block from the Barclay Center on 52 6th Ave with my husband and my 2 year old son. Every day of his life, he wakes up in the morning and the first thing he hears is the construction noise from AY. Construction goes on all day and the last thing he hears is the construction noise from AY. Everyday of our lives, we live exposed to noise pollution and air pollution caused by the construction. At the current rate of delays construction will go on when my son goes off to college. My biggest worry is what health issues my son will have growing up next to an irresponsible developer, who had repeatedly failed to comply with NYC laws and the environmental commitments the State has made to the residence in the AY footprint. The only consistent message we have heard from the developer is that the project is delayed. Meaning, we live exposed to noise pollution and poor air quality, while the developer get a free pass from the government agencies to take as long as they need to keep building.

I am here speaking on behalf of 100s of patents and 1000s of kids who live in AY footprint. We have the right to basic quality of life and a safe environment to live in. We have the right to an independent body to oversee the AY construction project to bring public accountability and transparency, with elected local representation and civic leaders. AY is the only large State project where decisions are made by a board of political appointees with no local members. This MUST change. Delays to the project means prolonged environmental and health issues for the community. This developer has lost the public’s trust with many broken promises and have proven incapable of self-regulating. Our homes are polluted with constant construction noise and toxic debris in the air, I call for better windows to keep pollution out, and not just street facing windows but all the windows in homes and apartments in the AY footprint.

We need oversight, we need the government to represent the people and not just the Millionaire buddy of the Mayor and the Governor. We have the right to live in a safe environment.

Thank you
CITIZENSHIP FOR SALE !!!

Well, here we are at yet another ESD hearing on Atlantic Yards.

I’m Patti Hagan, the person who sounded the alarm when it was just a Bruce Ratner 22-acre Prospect Heights, Brooklyn, land grab -- in July 2003. Understanding that this is yet another futile exercise in unaccountable government, I’m here to share my cynicism about the whole ESD/Ratner/Prokhorov/Chinese Communist Gov. charade.

Of course you don’t want to hear from me or anyone else in this community -- it’s just that the court has forced this “hearing,” has forced you to sit and “listen” to hoi polloi kvetch. Of course you’ve already Greenlighted Ratner’s Way, pretending to hold him to account, going along with his endless stream of promises, endlessly broken. You even go along with his jokes: Ratner, the Great Environmentalist!

In the act of destroying the exquisite, solidly built and eminently viable Ward Bread Bakery, Mr. Ratner had the chutzpah to announce its obliteration as “sustainable” and in conformity with “the highest ‘green’ standards.” He bragged about getting LEED certification for wasting the Ward Bread Bakery, not repurposing it, which any other “environmentalist” would have done. You -- ESD -- let him reduce our architecturally revered Landmark to rubble hauled off to the dump. You also let him buy Pacific Street for an undisclosed sum. (Maybe you gave it to him?) Pacific Street, public property for 200 years and vital to the bakery and the other factories on it, is now Private Keep Out Street. Any kid who manages to get by the guards to skateboard there will be arrested.

You’re not the only official association playing along with Ratner, playing along with political correctness. The august Municipal Art Society has bestowed its Jackie Onassis Medal on him and selected the rusty turtle -- d/b/a Barclays Arena -- “Best Neighborhood Catalyst.” Declared award-winning developer Ratner in 2007: “We are seeking out every possible way to make Atlantic Yards as eco-friendly as possible.” Forest City Ratner Companies followed up the Chief’s words in a CYA (cover-your-ass) footnote: “SAFE HARBOR LANGUAGE” ** particularizing Ratner’s statements as “important to [understand] the Company’s actual results could differ materially from those projected in such forward-looking statements.” FCR might have inadvertently told the truth for the first time with the second statement.

Fast forward-looking to 2014 & FCR Sr. VP Ashley Cotton’s “Dear Community Members” letter that claims “We have worked hard to be responsive to community concerns and inquiries throughout this lengthy process. This will continue throughout the build out of Atlantic Yards. We are a part of this community and will always work to be Good Neighbors.”

We beg to differ. Good Neighbors do not proclaim themselves the accountable developer of Atlantic Yards, a high-rise city imposed on the lowrise Prospect Heights Historic District -- only to metamorphose into the “minority developer” by selling US Citizenship via EB-5 Green Card sales to the ruthlessly unaccountable Chinese Communists. Good Neighbors do not threaten people out of their homes and pulverize Landmark buildings. Good Neighbors do not deliver acres of blight where homes and businesses once flourished, grab subsidies, go broke, and turn
their grub stake over to the ruthlessly unaccountable Chinese Communist Government, which, by the magic of cultural correctness, becomes both majority & minority developer! Good Neighbors do not engage in government-sanctioned ESD-Oked Eminent Domain Abuse, a tried-&-true government technique for stealing private property popular in Communist China & Russia. Good Neighbors do not throw Americans out and put Chinese and Russians in. Good Neighbors do not engage in the Culture of Cheating, also popular in Communist China and Russia. Good Neighbors do not lie relentlessly about AY environmental impacts and secret decades-extended build-outs. Good Neighbors do not use race-baiting to alienate neighbors from one another. Good Neighbors do not set up and bankroll phoney “community groups” of minorities to stand in the back and smile in photo-ops with Caucasian Bruce Ratner. Good Neighbors don’t compose phoney “Community Benefits Agreements” to be signed by the smiling phoney community groups. Good Neighbors do not cross their fingers and promise these AY minorities thousands of jobs, jobs training, thousands of affordable apartments. Good Neighbors do not take the MTA for a cheap ride, get the Authority to practically give away the Vanderbilt Yards: Almost nothing down and an eternity to pay.

Still, we can hope that the U.S. Treasury Dept. will exercise the serious oversight ESD has proven incapable of and deep six Ratner’s Chinese Communist special majority/minority development partner (Greenland) and revoke the further sale of EB-5 Green(land) Cards. Or, maybe the cash-strapped MTA can take a forward-looking leaf from the Ratner playbook: start selling EB-5 Green Cards/US Citizenship, too. There must still be some untapped gazillionaires left in China, Russia, North Korea, Vietnam, Cuba, Brunei, Arab Emirates…

submitted by: Patti Hagan
117 St. Marks Avenue
Brooklyn, NY 11217-2410
ph.brooklyn@gmail.com
718-219-2137

For April 30, 2014 AY SEIS Hearing

**

“SAFE HARBOR LANGUAGE:

“Statements made in this news release [FCR, March 22, 2007] that state the Company or management’s intentions, hopes, beliefs, expectations, or predictions of the future are forward-looking statements. It is important to note that the Company’s results could differ materially from those projected in such forward-looking statements. Additional information concerning factors that could cause actual results to differ materially from those in the forward-looking statements include, but are not limited to, real estate development and investment risks, economic conditions in
the Company’s core markets, reliance on major tenants, the impact of terrorist acts, the Company’s substantial leverage and the ability to service debt, guarantees under the Company’s credit facility, changes in interest rates, continued availability of tax-exempt government financing, the sustainability of substantial operations at the subsidiary level, significant geographic concentration, illiquidity of real estate investments, dependence on rental income from real property, conflicts of interest, competition, potential liability from syndicated properties, effects of uninsured loss, environmental liabilities, partnership risks, litigation risks, risks associated with an investment in a professional sports franchise, and other risk factors as disclosed from time to time in the Company’s SEC filings, including, but not limited to, the Company’s Annual and Quarterly Reports.”

Truthiness Translation: Ratner NOT RESPONSIBLE. FOR ANYTHING. Right, ESD?
Attn: Derek Lynch
Empire State Development Corporation
633 Third Avenue
New York, NY 10017

Dear Mr. Lynch,

My family of five has lived on Dean Street for 8 years. We are not standing in the way of development. We simply ask for improved action towards quality of life issues and transparency. There are three primary issues we’d like you and the ESDC to consider immediately.

1. **Community Integration**: It is time for the project to be overseen by a dedicated public development corporation or subsidiary with a board that includes directors appointed in conjunction with local elected officials. This call for accountability is shared by most of the local civic organizations and elected officials surrounding the project. Atlantic Yards is the only large state project where decisions are made by a board of political appointees with no local members.

2. **Construction Oversight**: We would like impartial construction monitoring. FCRC’s contractors have too often failed to comply with NYC laws and the environmental commitments the State has made us. The DSEIS says the project sponsor is “generally in compliance” and yet over the years we have documented non-compliance related to noise, nighttime work, air quality, trucks, construction worker parking, sanitation, and rodents. This is important regardless of a delay, but significant adverse impacts like noise originally anticipated to last 10 years may now last 25.

3. **Traffic Violations**: We don’t see significant signage and enforcement related to road issues. 3 problems for the community within traffic issue. 1st, many drivers, perhaps unfamiliar with the neighborhood, continue to make illegal left turns onto Dean Street from Flatbush Avenue (southeastern-bound). Waiting to make this left creates significant congestion. 2nd, many private cars continue to idle all around our neighborhood often in front of fire hydrants and with their engines on. 3rd, occasionally drivers reverse along Carlton after second-guessing their decision to go straight north of Dean. You can imagine how dangerous this scenario is for oncoming traffic and pedestrians.

If anything is ambiguous or benefits from additional clarification, please don’t hesitate to contact me.

Best,
TALKING POINTS

My name is Anurag Heda and my family of five has lived on Dean Street for 8 years. We are not standing in the way of development. We simply ask for improved action towards quality of life issues and transparency.

We want accountability to our neighbors through oversight reform. And thus far, FCRC and the State have broken many notated promises and commitments.

3 consistent themes you’ll hear this evening:

1. Community Integration: It is time for the project to be overseen by a dedicated public development corporation or subsidiary with a board that includes directors appointed in conjunction with local elected officials. This call for accountability is shared by most of the local civic organizations and elected officials surrounding the project. Atlantic Yards is the only large state project where decisions are made by a board of political appointees with no local members. Why is that? And why is that ok?

2. Construction Oversight: We would like impartial construction monitoring. FCRC’s contractors have too often failed to comply with NYC laws and the environmental commitments the State has made us. The DSEIS says the project sponsor is “generally in compliance” and yet over the years we have documented instance after instance of non-compliance related to noise, nighttime work, air quality, trucks, construction worker parking, sanitation, rodents, etc. This is important whether there is a delay or not, but significant adverse impacts like noise originally anticipated to last 10 years may now last 25. We live now and will continue to live adjacent to a giant construction project.

3. Traffic Issues: We don’t see significant signage and enforcement related to road issues. 3 problems for the community within traffic issue. 1st, many drivers, perhaps unfamiliar with the neighborhood, continue to make illegal left turns onto Dean Street from Flatbush Avenue (southeastern-bound). Waiting to make this left creates significant congestion. 2nd, many private cars continue to idle all around our neighborhood often in front of fire hydrants and with their engines on. 3rd, occasionally drivers reverse along Carlton after second-guessing their decision to go straight north of Dean. Reversing down an active road is dangerous for oncoming traffic and for pedestrians.

What can be done? Many others will detail some high-quality initiatives to consider. Please listen and consider their ideas. Some simple remedies my family & I would benefit from would be:

- Make pedestrians comfortable by improving connections between neighborhoods instead of reducing them. Create neck downs. Shovel snow.
- Minimize nighttime work. Make public a detailed log of actual nighttime work.
- Work with the NYPD to introduce better signage and enforce the dozens of nightly event-related traffic violations.
My name is Rhona Hetsrony. I am a member and on the board of the Dean Street Block Association as well as a resident at Newswalk, whose windows directly face the pacific street construction site.

I am here to demand that the project be overseen by a dedicated public development corporation with a board that includes local elected officials. We have seen what devastation occurs when a large state project has decisions made by a board of political appointees with no local representation/and developer interest is the only driving factor.

Let's talk about the devastation to the community so far,

The structure of oversight of environmental commitments has been maneuvered to comply solely with the developer's needs instead of the community's needs.

- I get up at 6am to go to work at a hospital and I need my sleep. The drilling, trucks, lights, and general construction noise is keeping us all up overnight. This has got to stop. My home faces both the LIRR rail yard and Atlantic Avenue. Both areas are prone to nighttime construction work. The amount of work at night must be reduced, and we need better noise attenuation for our windows.
- There is little monitoring, none of it transparent, of vibrations in our homes caused by the construction. My apartment actually shakes when they are out there. I don’t think damage to our homes is of much concern to the developer.
- Street beautification has given way to arena patrons leaving their garbage on our streets with no clean up effort from the developer.
- Open space will be long delayed and perhaps never completed. The project was supposed to connect neighborhoods, but we continue to be cut off from one. Green space as originally promised will not materialize unless one wants to consider the
WALL of grass outside the arena entrance as green space. Not too many children will play on a wall.

- Residents cannot even walk down 6th avenue between Dean and Bergen as the police have taken over the sidewalks for their private vehicles. I saw neighbors struggling all winter with shopping carts and strollers, snow banks etc. trying to maneuver this street. The police were supposed to be given parking by the developer in their surface parking lot, but their area is only half-used. What's up with that?

- Finally over 250 parking spots have been eliminated from the streets immediately surrounding the arena in my section of the neighborhood. I know this because I have been counting the continuing loss of spots for years now. Limited parking ruins the attraction to move into the area. Our reputation for parking problems is now on par with Park Slope. In addition, we have to compete with construction workers, arena patrons and employees for fewer spots. We petitioned in Albany for residential parking permits and Senator Goldin who hales from Bay Ridge blocked our request. Long term residents demand parking permits NOW. Plans to renege on arena parking and to add thousands of new residents in the immediate vicinity of the arena smacks of poor planning and further disregard for the community residents.

The time is right now for local elected officials and the community to have input into future plans and for an accountable oversight board with local officials front and center. Right now the developer, whose arena has been subsidized by NYC taxpayers, has sold 70% of his rights to a Chinese company who will likely have the same lack of concern for the community as the current developer does. This was done without a real bidding process and of course no community knowledge or input. I run a hospital and I need 3 bids to purchase a life saving defibrillator, yet there has been no bidding process for this major change in ownership. This is why we are here today to DEMAND a stop to this flagrant assault on our community.
Respectfully submitted

Rhona Hetsony

535 dean street
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Submitted Testimony of Andrew S. Hollweck
Vice President, New York Building Congress
At a hearing of Empire State Development on the
Atlantic Yards Project Draft Supplemental Environmental Impact
Statement
April 30, 2014

Good evening. The New York Building Congress urges an expedited review and completion of the Supplemental Environmental Impact Statement for Atlantic Yards to avoid further delay to this transformative project.

The review should be quickly completed so that Atlantic Yards can continue to deliver important benefits to Brooklyn and New York City. When Forest City Ratner completed Barclays Center Arena – the first major component of Atlantic Yards – the surrounding neighborhood felt immediate economic impacts as new businesses and jobs sprung up around the stadium. Even prior to its completion, the thousands of construction jobs and the indirect economic activity they spurred helped revive an underutilized and underdeveloped part of Brooklyn.

As Forest City progresses on its first affordable residential building, a second wave of construction jobs has arrived, with huge benefits to local residents who are working at Forest City’s fabrication facility thanks to a landmark agreement engineered with the City’s construction unions.

What’s more, hundreds of affordable housing units will soon be available, with thousands more to come. B2 – as the housing project is known – is also a landmark structure. Using modular construction, much of B2 is built off-site in a factory, allowing Forest City to deliver the building with dramatically reduced noise and other impacts on the immediate community found with a typical construction project.

When complete, Atlantic Yards will provide over 6,400 residential units and hundreds of thousands of square feet of commercial space, bringing new real estate and sales taxes to government coffers, and additional new jobs and economic activity in the neighborhood.

Given the project’s indisputable benefits, we encourage an expedited review and approval of the Draft EIS so that Atlantic Yards can move forward. Barring major changes to the development program, this should also be the final environmental review for this project. Forest City has been subjected to unending litigation and document preparation related to this litigation. This SEIS is only the latest tome to be produced because of a lawsuit.

It is critical that we do not put any more restraints on this project. Atlantic Yards is too important to our economy and essential to allowing the City to address the urgent affordable housing shortage our Mayor is making his top priority.

Thank you.
Empire State Development
633 Third Avenue
New York, New York 10017

To whomever it may concern,

I have been living in the Newswalk building on Dean Street for over 3 years. My bedroom is on the third floor and backs onto Pacific Street and Atlantic yards.

I have complained about the noise many times to no avail as nothing is ever done about it. When the big bright stadium like lights are on it floods my room with so much light it is impossible to sleep. That coupled with the noise of building works and digger trucks that go on till late at night and often all through the night is so invasive and so noisy that even when using the best earplugs on the market I can still hear the noise extremely loudly. This constant noise has really affected my quality of life as I am unable to sleep and it affects how I operate on a daily basis.

Regards

Laura Jacobs
Newswalk, #313
535 Dean Street
Brooklyn, NY 11217
April 24, 2014

MaryAnne Gilmartin
President & Chief Executive Officer
Forest City Ratner Companies
1 Metro Tech Center
Brooklyn, N.Y. 11201

Dear CEO Gilmartin,

Thank you for your letter dated February 18, 2014. We appreciate you meeting with us and answering our questions about the status of the Atlantic Yards project. The purpose of that meeting, as well as the meeting we had previously with the Empire State Development Corporation ("ESDC") in September 2013, was to express our deep concern that the delay in the construction of the affordable housing units is having an adverse impact on the neighborhoods surrounding the project.

We appreciate Forest City Ratner's desire to complete the project within a 10-year construction schedule. It is a goal that we all share and want to see come to fruition. We also believe that the income qualifications for the affordable units should be modified to reflect the community's need.

We remain united in our belief that the types of affordable units should consist of a greater proportion of 2 and 3-room units. The majority of the affordable units currently under construction at B2 are studios and 1-bedrooms. These units are not appropriate for the large number of families in our community who are relying on the Project's affordable housing units so that they can remain in the neighborhood, and in some cases, return to the neighborhood after being forced out of their homes due to rapid gentrification and escalating rents. We urge Forest City Ratner and ESDC to work together to explore methods for improving the income qualification and type of units and type of affordable housing units to be constructed at the remaining buildings. We are all invested in the wellbeing of every member of our community and we appreciate your continued efforts to update us on the progress of this Project.
Sincerely,

Letitia James
NYC Public Advocate

Hakeem Jeffries
Congressman

Joan L. Millman
Assembly Member, 52nd District

Walter T. Mosley
Assembly Member, 57th District

Yvette Clarke
Congresswoman

James F. Brennan
Assembly member, 44th District

Velmanette Montgomery
N.Y. State Senator, 25th District

Brad Lander
N.Y.C. Councilmember, 39th District

CC.

Kenneth Adams, Chief Executive Officer
Empire State Development Corporation
633 Third Avenue
New York, NY 10017
Attention: Derek Lynch  
Empire State Development  
633 Third Avenue, New York, New York 10017

Dear Mr. Lynch,

My name is [redacted] Johnson and I live with my family on [redacted] Place. We are Brooklyn residents for over 20 years and despite other opportunities have decided to raise our child here. Our neighborhood has a strong base of working families. The original promise of development completed at Atlantic Yards within a 10 year timeline was casually extended to perhaps 25 years affecting an entire generation in this neighborhood. Forest City Ratner Corporation's contractors have too often failed to comply with NYC laws and the environmental commitments that state has made us. The draft supplemental environmental impact study (DSEIS) says the project sponsor is "generally in compliance" and yet over the years many civic organizations documented instance after instance of non-compliance related to noise, nighttime work, air quality, trucks, and sanitation. This is important whether there is a delay or not, but significant adverse impacts originally anticipated for 10 years may not last for 25 years. We live adjacent to a giant construction project with no clear guidelines, regulations or commitment to the involved Brooklyn neighborhoods.

It is time for the project to be overseen by a dedicated public development corporation or subsidiary with a board that includes directors appointed in conjunction with local elected officials. Our call for accountability is shared by most of the local civic organizations and elected officials surrounding the project. Atlantic Yards is the only large New York State project where decisions are made by a board of political appointees with no local members.

Thank you.

[Signature]
Sylvie L. Jose  
7th Floor Newswalk, (535 Dean Street) Resident  

To whom I may concern. I have lived on Dean st. My entire life. Things and people come and go. For example I now live in my friend Hannah house and I think she now lives in Ditmas Park, and the Barkleys Center is now here. But now things are getting absurd. I mean with all this construction I can't ride my bike out back of my house, ect.  
First order of business is the trees. Apparently someone cut down the trees on Pacific and said they would bring them back but they haven't. Also the thing most important thing to me is that the building they are building is going to cover our view of the Statue of Liberty and the pretty sunset. One of my favorite things is sitting at the table doing homework and being able to see the sunset over the city, and before I go to bed, I go on my porch and look at Lady Liberty. Hence, if this keeps going on I will never be able to see that beauty again. Sometimes change is good, but sometimes it can ruin special things.  

Best Regards,  
Sylvie L. Jose  
Age 10  

Sent from my iPhone
Lu ci Ke tien  
Brooklyn, NY 11238

Nǐ hǎo.  
Nǐ hào ma?  
Xie xie nǐ huanying women  
Wǒ lái xiànzài shuo de cong ni de Zhōngguó pengyou  
Dà chénggòng dōu guójiá.

As a representative from the People’s Republic I want to thank the New York government for sharing their generous subsidies worth billions of dollars with the people of China.

We look forward to sharing this space in a prime real estate neighborhood with our old communist comrades now represented by the supreme capitalist oligarch, Michael Prokorov. We will work together in this new world in ways we could never work in the old countries. And now that we learn that Mr. Ratner is selling his share of the Nets team we are very excited to learn who our new capitalist partner will be.

We recognize the shared values of our great countries:

- using eminent domain to turn over the homes and businesses of working people to give them for private profit to the politically powerful

- building large projects with no government oversight, despite many promises for government oversight

- contributing massive subsidies from the people’s taxes to enable wealthy men to become much more wealthy

- ignoring public protest (although we wondered, where were the tanks?)

- encouraging unlimited promises of public benefits, knowing they were never going to be delivered

- using many public officials who promote the false message of the developer, while holding one hand out at the same time for rewards

So much in common!
In this new venture, we look forward to initiating cost saving steps like bringing many excellent laborers over from our country to speed up construction that now creeps along like snails heading for the escargot pot.

We are so proud to help bail out our developer friends and the government they own in America from their big American failure. We wish success to all of us.
We are here today because in 2009, as at each juncture in this project's planning and approval stages, the State did not have the level of knowledge necessary, or the curiosity, to assess the range of choices available to the public. As a result, the State only finds the route that benefits Forest City Ratner the most.

At the time of the original project approval in 2006, the State and City both provided subsidies and a large 22-acre project site to Forest City Ratner based on a value for the project assuming a ten-year build out time frame. At the time Forest City Ratner was misleading the public about their ability to develop the project in 10 years. The subsidies needed to deliver the affordable housing at the pace and quality promised were not available, the platform over the rail yard was not included in the project's financial estimates, and in fact the project's second phase was just penciled in, not backed up by plans. Although the project was promised within ten years, there was no enforceable timetable for it to be completed at any date.

I've detailed to the board before, how in 2008 the block association I am part of sat at this table with Community Board 8 and another block association when Marianne Gilmartin and Jane Marshall from Forest City Ratner told us with the support of Avi Shick and his staff that the project was going to be built in 10 years, so no further mitigations were necessary. Only the community in the room seemed aware the principal benefit, purpose, and use of the project is to eliminate designated blight. A year later Bruce Ratner told the public, "It was never supposed to be the time we were supposed to build them in." If so, how come the value of the project was assessed as it was in 2006?

In 2009, if anything the assumptions inherent in the MGPP approval were even more questionable than in 2006. Forest City Ratner was in poor economic condition, and the problems at the heart of the development still existed: an overpromise of affordable housing with the existing subsidies, and the rail yard and platform were still unaffordable. Construction costs were too high overall. At the instigation of the developer, the State simply changed the project agreements to enable building the most profitable portions first, and slowed down property control of the rail yard in order to improve their flexibility. In the meantime they -- claimed in court the anticipated time frame is essentially still 10 years, and the project agreements maintained FCRC's lock on the entire project site. Who has been surprised to see the value of the project steadily eroded, not only because of the project delays, but because of the switch to modular construction to lower construction costs, lower quality affordable housing than promised, lessened opportunities for other projects to receive low interest loans from EB5 financing, and building 1 being put in limbo.

So here we are 9 years (yes, demolition began on my block 9 years ago and construction has been taking place in one form or another every year since!) into the construction of a project the public was told would take 10 years, and you are releasing an SEIS that it took 4 ½ years to write. Was the delay because it takes 4 ½ years to write a document like this, or because FCRC wanted to get its ducks in a
row first? You have built an arena, but you can’t even get the snow shoveled off most of the sidewalks around the 2nd Phase project site.

What is clear to us is that the State is prepared to place the risk for this project on the community and public – both in terms of project benefits and the project’s environmental impacts -- while putting the priority on the current developer's interests.
My name is Peter Krashes. I am making a statement on behalf of the Dean Street Block Association, 6th Avenue to Vanderbilt.

The history of Atlantic Yards has been contentious, but there is one thing the State, the developer and the community agree about today: the residents of our block association and their neighbors live, work and worship in an area that is directly impacted by the implementation and operation of both the first and second phases of the project, whether built fast, slow or not completed.

In 2009 New York State and Forest City Ratner broke the law and our trust when they failed to assess how the community in the vicinity of the project may be negatively impacted by twenty-five years of Atlantic Yards construction instead of ten. They chose to put the community at risk in order to secure expiring federal tax-free bonds for the arena.

Now as part of a court ordered process, the DSEIS is being issued four and a half years late, and we are in the ninth year after demolition began in the project footprint. Although adverse construction impacts have been unfolding at the site for roughly one year less than the original anticipated duration of the project’s full build-out, only one project building of an anticipated seventeen is close to completion.

Any community adjacent to a construction site depends on, and has a right to expect, compliance with environmental laws, regulations and commitments. In the case of Atlantic Yards, compliance with the Memorandum of Environmental Commitments is an integral part of the development agreements. And yet, extending all the way back to 2007 and asbestos abatement on Ward Bread Bakery, our community has documented patterns of violations, some serious, of environmental commitments and NYC law. We have been forced to take the extraordinary step of keeping a 311 construction log, and ultimately in 2011, creating a community-led initiative called Atlantic Yards Watch, as a means to getting our concerns addressed. In the life of Atlantic Yards Watch, over 1000 incident reports from more than 100 community members have been filed, most of them accompanied by a 311 complaint and documentation of the incident. Many of these incident reports capture concerns related to residents health, safety and property.

It is the State of New York’s job to ensure FCRC and their contractors comply with environmental commitments. Unfortunately, for long stretches in the history of this project, the State has not had the ability, focus, and perhaps inclination, to understand its own project, most especially as it unfolds on the ground. Both the State and the developer depend on documentation gathered by FCRC’s On-site Environmental Monitor to understand day-to-day construction at the site. But we have documented problems that extend over hours, days and weeks. We have no trust the On-site Environmental Monitor system, or in fact any system that relies on data generated by the developer and contractors, will effectively identify non-compliance. It is long since past time for impartial and motivated construction
monitoring on site. In this DSEIS context, with the State acknowledging some adverse construction impacts may last for 25 years instead of 10, how can anything less be justified?
Testimony in front of the Empire State Development Corporation
Atlantic Yards Land Use Improvement and Civic Project
Draft Supplemental Environmental Impact Statement
April 30, 2014
Timothy Latchana, Construction Skills

Hello,

My name is Timothy Latchana and I am a member Insulators Local 12 and I represent the Edward Mallow Initiative for Construction Skills. We enthusiastically support the Atlantic Yards Development and its proposed amendments.

Since its inception in 2001, The Edward J. Malloy Initiative for Construction Skills, Inc. has grown into a nationally recognized model for addressing training and employment issues in the industry. This program has opened doors to career opportunities in the building and construction trades available through union apprenticeship programs and is helping to strengthen New York City’s middle class. The access to meaningful long-term careers that pay good wages and benefits is empowering individuals and strengthening our communities. As of March 2014, Construction Skills is proud to have placed 1,485 New York City residents into union apprenticeship programs.

The project has brought steady, good paying jobs to Brooklyn: Of the 2,000 new jobs created at Barclays Center – 80% of the employees are from Brooklyn, 1/3 are from local community boards and 1/3 are public housing residents. Additionally, it is a large project, the type of project we need in this city to keep as many people employed as possible.

Atlantic Yards will create thousands of union construction jobs and will ensure that many middle class families are able to pay their bills for many years. When the project continues, there will be even more jobs for the community with continuing construction work and the retail on the ground floor of the residential buildings. It is very important that we do not put any more restraints on this project. It is time to take a step back, let the developer build and put construction workers to work.

Construction Skills supports the amendment and urges an expedited review process for the Atlantic Yards development. Thank you.

Sincerely,

Timothy Latchana

Many citizens will be able to improve their quality of life by earning good wages and benefits.
May 7, 2014

Empire State Development
633 Third Avenue,
New York, New York 10017
Attention: Mr. Derek Lynch

Re: Atlantic Yards Development Project

Dear Mr. Lynch,

I consider myself a proponent of smart development and accept that we all share a living, breathing city that changes. All New Yorkers accept and endure the bustle of the city. I have lived on Carlton Avenue, between Dean & Pacific streets for nearly 12 years. I've watched my neighborhood change and I am raising a family here.

The construction of the Barclay's Center was an ongoing nightmare. Our apartment shook daily in staccato rhythms. Giant piles of dirt blew up dust storms on windy days. Bugs, rats and mice began to show up regularly when we had only rarely seen them before. Sidewalks were littered with trash. Streets were closed, street directions were changed, parking spots disappeared and my tax dollars were subsidizing all of this for my benefit.

The worst offense though was the inexcusable lack of good faith in maintaining reasonable construction hours and noise levels. For 2+ years my family and I were woken up several times a night - 4, 5, and sometimes 6 days a week by trucks moving in and out of the staging area, and tractors going backwards and forwards over and over and over producing an unbelievable grinding noise each time it backed up.

Action Environmental Services would come to pick up a large industrial size trash bin 2 or 3 times a week, right beneath my 1 year old daughter's bedroom window. This produced an immense racket lasting up to 20 minutes or so and usually occurred between midnight and 3:00 a.m. I was harassed and threatened by one of their drivers when out of desperation I went out to take a picture of this activity to prove to that they were in fact picking up trash at three in the morning. The company had denied any such activity until I sent the photos.

As I said at the start, I consider myself to be open to the idea of change, but that change shouldn't come at the price of the health, safety and well being of the community that continues to call a place home. My calls to 311 were a waste of time, sometimes I was transferred, or told to take it up with another city dept. Frankly, it was all falling on deaf ears. I wound up taking sleeping pills every night simply to improve my chances at falling back to sleep each time I was awakened. My health and sanity and that of all the people who call this neighborhood home, shouldn't be made to suffer... FOR YEARS... because a developer is trying to keep a schedule or save a buck.

I don't hate the Barclay's Center, but The Atlantic Yards project thus far has been a stellar example of how to turn a blind eye to broken commitments and perpetuating misery day in and day out in order to line the pockets of moguls, politicians and developers. The City and the people behind this should be ashamed of themselves, and the City should be working with the community to create a new vision for Prospect Heights if one is truly needed.

Last Night, at 3:00 a.m. a truck with a very loud engine and very loud brakes rolled down Carlton Avenue stopping at the light on Pacific. This has been happening with increasing frequency over the past few months. I got up and looked out to see that it was carrying enormous plate glass windows. I can only presume that it was going to the new construction complex next to Barclay's, using our residential streets to get there.

Turning this neighborhood into an ongoing construction site for the next 25 (or even 10) years is outrageous. The Empire State Building was built in less than 18 months. This is an immense disservice to the community, it will tear the heart out of this neighborhood and I'm not convinced at all, that even in the long run, any of this is for the greater good.

Douglas A. Lopenzina
Carlton Avenue
Brooklyn, NY 11238
April 30, 2014

Attention: NYS Urban Development Corporation
D/B/A Empire State Development
Public Hearing To Be Held On April 30, 2014

RE: Atlantic Yards Project Land Use Improvement and Civic Project

It is our hope that the Atlantic Yards Project will be allowed to proceed in a manner that will make its benefits a reality for all of the people and communities of Brooklyn and New York. The arena itself has brought a world class venue and global spotlight to Brooklyn, with access to unprecedented cultural, recreational and community events provided to numerous community organizations, area youth and families, as well as 2,000 new jobs. We also anticipate badly-needed community and health centers, educational facilities, and accessible open space.

With the first affordable residential building under construction, the project will provide a concrete response to the Brooklyn’s lack of affordable housing and employment needs, especially for residents of Community Boards 2, 3, 6, 8; residents of NYCHA housing; and minority and women’s businesses.

It is our fervent prayer that the Atlantic Yards plan and hearing process will serve to address satisfactorily all of the issues of concerned Brooklynites and result in the resolution of those issues and the moving forward of the project in a timely manner.

Sincerely,

Rev. Dr. Fred Lucas
Senior Pastor

Rev. Maurice Douglas
Pastor for Outreach Ministries

“BEHOLD, I WILL DO A NEW THING...” ISAIAH 43:19A
Attention: NYS Urban Development Corporation
D/B/A Empire State Development
Public Hearing To Be Held On April 30, 2014

RE: Atlantic Yards Project Land Use Improvement and Civic Project

"BEHOLD, I WILL DO A NEW THING..." ISAIAH 43:19A
May 7, 2014

Attn: Derek Lynch
Empire State Development Corporation
633 Third Avenue
New York, NY 10017

Dear Mr. Lynch,

My family of five has lived on Dean Street for 8 years. We are not standing in the way of development. We simply ask for improved action towards quality of life issues and transparency. There are three primary issues we’d like you and the ESDC to consider immediately.

1. **Community Integration:** It is time for the project to be overseen by a dedicated public development corporation or subsidiary with a board that includes directors appointed in conjunction with local elected officials. This call for accountability is shared by most of the local civic organizations and elected officials surrounding the project. Atlantic Yards is the only large state project where decisions are made by a board of political appointees with no local members.

2. **Construction Oversight:** We would like impartial construction monitoring. FCRC’s contractors have too often failed to comply with NYC laws and the environmental commitments the State has made us. The DSEIS says the project sponsor is “generally in compliance” and yet over the years we have documented non-compliance related to noise, nighttime work, air quality, trucks, construction worker parking, sanitation, and rodents. This is important regardless of a delay, but significant adverse impacts like noise originally anticipated to last 10 years may now last 25.

3. **Traffic Violations:** We don’t see significant signage and enforcement related to road issues. 3 problems for the community within traffic issue. 1st, many drivers, perhaps unfamiliar with the neighborhood, continue to make illegal left turns onto Dean Street from Flatbush Avenue (southeastern-bound). Waiting to make this left creates significant congestion. 2nd, many private cars continue to idle all around our neighborhood often in front of fire hydrants and with their engines on. 3rd, occasionally drivers reverse along Carlton after second-guessing their decision to go straight north of Dean. You can imagine how dangerous this scenario is for oncoming traffic and pedestrians.

If anything is ambiguous or benefits from additional clarification, please don’t hesitate to contact me.

Best,

Tiffany Lu-Heda
May 9, 2014

Cheryl Mann
535 Dean Street
Brooklyn, NY 11217

RE: Negatively Impacted Living Conditions on Dean Street in Brooklyn

Picture this: Dirty napkins, coffee cups, paper wrappers of various types, cigarette butts strewn about the street. Intermingled dust and noise which make the concept of quiet enjoyment a distant memory. What was once a neighborhood is morphing into an over-crowded, over-built, basic services lacking morass.

Sounds pretty horrible, yes? Well that is my reality. It is where I live. It is time for this to end.

The once high quality of life on Dean Street is plummeting due to lack of oversight and carelessness of those being allowed to build these monstrosities in my neighborhood. The City and State has an opportunity to stop this harassment of Dean Street residents by appointing an individual or committee with true oversight. Such an individual or committee would not be toothless but actually able to affect change that prevents where I live from turning into the cesspool I described above.

I understand that life is not fair but how is it that people who do not live in the community can exact such damage? Again, it is time for this to end and protect those who live on Dean Street. This is not just a request but a plea to support the establishment of a dedicated public development corporation with oversight of all aspects of the Atlantic Yards development. This dedicated corporation with true authority to compel the developers to keep their promises.

Thank you.

Cheryl Mann
May 5, 2014

Judy Mann  
535 Dean Street, Apt. 914  
Brooklyn, NY 11217

Attention: Derek Lynch  
Empire State Development  
633 Third Avenue, New York, New York 10017

To whom it may concern:

I am a resident of 535 Dean Street, and have been since 2002. Hence I have lived in the midst of the "significant adverse environmental effects" throughout the life of the Atlantic Yards build-out - and hope to live here long into the future. Ours is a building with families; with people who work from home.

Throughout the build of the arena and the work on the Vanderbilt Yards, we in ground zero suffered unrelenting adverse effects including late night construction; early morning construction; noise; dust; noise; trucks idling; all-night-lighting even when work was not being done. As bad as these effects have been, the lack of an compliance monitor monitor and review board gave us no remedy. Our children are subjected to the noise and dust; our neighbors trying to work find their days swamped with efforts to get the project to live up to its commitments.

Beyond that, with many steps in the process, the builders (FCR and ESD) started as bad neighbors. Noisy generators without sound-proofing that ran all day and night ultimately were improved - but it took unrelenting work on the part of the residents to force action. Pile driving was the same.

The issue that comes back again and again is need for a compliance monitor with teeth, who can act quickly. If good fences make good neighbors, with this process, a strong monitor might at least result in some state-of-the-art building techniques to be used; promises to be kept; and the mitigation of significant adverse effects.

Forest City Ratner and ESD has not earned our trust. We are doubtful that a Chinese government has any reason to do any better. An independent compliance monitor with teeth is essential.

With 10-25 years ahead, we know construction will be tough on the neighbors. Mitigation of significant adverse effects must be a top priority for being given the right to build, to take private property, to gain tax subsidies.

Mitigate on your own - add a compliance monitor and independent board - build the affordable housing.

Sincerely,

Judy Mann
Forest City Testimony for ESDC 4/30/14 Hearing

Good evening and thank you for the opportunity to speak.

My name is Jane Marshall and I am a Senior Vice President of Development at Forest City.

The main point that I want to make to ESD – and to the public at large – is that Forest City is, and remains, fully committed to completing the Atlantic Yards project as expeditiously as possible.

That includes building 2,250 affordable housing units and providing all of the public amenities that are part of this project.

We recognize that we have obligations to complete these parts of the project in full, and, together with our partner, Greenland Holding Group, we fully intend to meet all of those obligations.

So far, we have met all the project requirements for building the arena and the infrastructure associated with it.

We have started construction of the first residential building on the arena block, B2, in which 50% of the units will be affordable.

We are working on the design of B3, the next building on the arena block with affordable housing, and we intend to launch two buildings on block 1129 as soon as possible, one of which will contain affordable rental housing.

Like any other real estate project, the most important determinant of the pace at which it can be built is the availability of financing.

The barriers to financing are litigation and the lack of capital. Litigation makes it difficult to get financing because banks generally won’t lend money to a project that is under a cloud of lawsuits. In addition, the Great Recession of 2008 and 9 dried up financing for a long time for almost everyone.

We have tried and continue to be innovative in coming up with the resources to free up and obtain capital needed to build this project.

Most recently, we reached out globally for development partners, the result of which is a pending joint venture with Greenland Holding Group, a major developer in China. The JV has been approved by the US Government and is going through the approval process in China. We expect it to be finalized in June.
We are already working together with Greenland on a plan and construction schedule that in no way resembles the timeline analyzed in this SEIS. Rather it resembles the construction schedule we have always pursued despite the obstacles thrown in our path, which is to complete the project in ten years.

This brings me to my last point.

The SEIS that you’re considering studies the environmental consequences of a 25-year build-out.

When we negotiated our definitive contracts with ESD and the MTA, they insisted that there had to be outside dates by which – if we didn’t finish the project – we would be in default, incur significant financial penalties, lose our sizeable equity investment to date and lose the right to develop the project.

This 25-year outside date was never viewed by Forest City as a proposed construction schedule, but as a date by which we fail. We have always intended to complete the project much, much sooner than that.

And we will.

Thank you.
My name is Kate Merker and I’m with the dean street block association.

My wife and I moved from crown heights to prospect heights after purchasing an apartment on dean street three and a half years ago.

This is where we have planned to make our home and build our family. Part of the reason we chose this neighborhood is because we care about the racial and socioeconomic diversity of where we live. It's the responsibility of the developers to make sure the neighborhood remains diverse. Diversity only happens with effort, and the developers need to make the effort now, not in 25 years.

When we moved in, the project at Atlantic Yards was well underway and while we knew we would have to endure some construction and the many issues that come with it, there was an end in sight.

We are now expecting our first child and the idea that we will essentially be raising our children within a construction site is not only less than ideal, but quite frankly, it is unacceptable.

25 years of construction means that from the moment our son is born until he leaves to make his own home, this project will still be ongoing.

Navigating this situation is not something we bargained for when we moved here. Having to advocate for tree planting, green space, noise reduction, realistic parking and for the ease of merely walking around our neighborhood seems almost unbelievable.

As a fourth generation New Yorker, I know some of this cities history. My father grew up in Brooklyn; my mother in queens. My grandparents owned a restaurant in Rockaway. This is not the first project of this type and this is not the first time the community has been ignored or marginalized.

This neighborhood belongs to the people. It belongs to the families who will make it great through their decision to live here and take care of it.

These families deserve to have neighborhoods with green space and ease of access.

It is no secret that the more the developers take care of and respect its neighbors, the more people will respect and take care of the neighborhood. What is good for the neighborhood is good for the developers.

We urge the representatives and developers to give the families the quality of life that they deserve so that the this project gives as much as it takes. We ask for trees, ease of parking, clean sidewalks, and a good flow of pedestrian traffic. We ask for these things because it's the right thing for the developers to do.

There is an opportunity here to care for the Atlantic Yards neighbors. I hope that for my family and everyone else's, that this project is not only completed in a much more timely manner than has recently been discussed,
but that the interests of the community are given the attention and response they deserve.

Thank you for your time.
New York City is in the midst of an affordable housing crisis with incomes declining and rents rising. The 2012, “State of New York City’s Housing and Neighborhoods” report by the Furman Center for Real Estate and Urban Policy at NYU Law determined that between 2007 and 2011, the median monthly gross rent citywide increased by 8.5 percent but median household income decreased 6.8 percent.

The potential for 2,250 units of affordable housing at Atlantic Yards would be a major help to Brooklynites who are facing these rising rents on an annual basis. Residents across the city, including those around the Atlantic Yards projects have been and continue to be displaced because they can no longer afford to live in their communities.

The latest draft environmental impact report from the New York State Economic Development Corporation (NYSEDC), which discusses a 25 year build out of the development project lasting until 2035, is a slap in the face to Brooklynites. The community was given a promise that affordable housing would be brought to this site and I do commend the fact that Forest City Ratner (FCR) has acknowledged a 10-year goal to complete the building of affordable housing. However, any report that suggests delays until 2035 for a project that broke ground in March, 2010 is unacceptable.

Part of the NYSEDC’s purpose is to “encourage sound practices in the conduct of regional and statewide development programs.” I believe the sound practice in this project is for Forest City Ratner and the NYSEDC to make a firm commitment to accelerate the timeline for completing the build out of affordable housing at the Atlantic Yards Project.

NYSEDC and Forrest City Ratner need to join with me and my colleagues in elected office in recognizing the dire need for affordable housing.

*The 52nd Assembly District is comprised of Brooklyn Heights, Boerum Hill, Carroll Gardens, Cobble Hill, Columbia Waterfront District, DUMBO, Fulton Ferry Landing, Gowanus, Vinegar Hill and part of Park Slope, Prospect Heights and downtown Brooklyn.*
Comments to Empire State Development
re: Atlantic Yards SEIS

April 30, 2014

To the Board of the Empire State Development Corporation

I thank you for the opportunity to address you today with my thoughts regarding the Supplemental Environmental Impact Statement produced by the ESD under court order of Judge Marcy Friedman. I begin with a reminder of the origin of this SEIS because it speaks to several central problems with the Atlantic Yards Development project: an apparent acquiescence towards the wishes of the developer by ESD and a lack of sufficient oversight of the developer or consideration for the effects of the development on the surrounding residents by the ESD.

I have admired the actions of the ESD in managing other projects around New York State over the years, which compounds my frustration with the problems encountered on a daily basis with the Atlantic Yards Development Project, an ESD project literally down the block from my District Office. These problems reflect very seriously on the accountability, trust, and perceived allegiance of the ESD, a public authority charged with the oversight of projects to produce public benefits to the people of the State of New York, not certain developers working in New York State, which is now the unfortunate public perception.

To date, over 900 people have been directly displaced for this project; new traffic patterns have tied new knots in our streets and deprived local residents of scarce parking; a speculative real estate fever is forcing even more long time residents from their homes, a fever based on the assumption that the Atlantic Yards will change the character of the neighborhoods surrounding it to a miniature upscale Manhattan. Hundreds of millions of dollars in public money has been invested. All of this without the genuine participation of the public or a single elected official other than the Governor, and all at the service of a sole developer. The overall timetable has been pushed back without an EIS, precipitating the lawsuit that resulted in this SEIS.

The current SEIS addresses only the original timetable extension, ignoring many other changes that would logically be part of an EIS but weren’t even considered at the beginning of this project. Who contemplated experimental modular construction with the risks it entails and the reduction of projected tax revenue? Who would have thought that the considerable public investment in this project and most of the financial benefit would be directed to a new company 100% owned by a foreign government? How could we expect that the commitments made between the original developer and a small group of local residents have no oversight because the developer decided oversight was unnecessary? Most
unexpectedly of all, who could foresee that the ESD would take a hands-off approach in their oversight of an important NYS project?

And what do we see in the way of public benefit? We have seen very, very limited public benefits, and only those that were considered important to the developer, such as the subway entrance near the arena. The timetable for any promised public benefits is indefinitely postponed. The public has been told that someday there will be a school; someday there will be affordable housing, for a few decades; someday there will be publicly accessible open space, whatever that actually means. Or perhaps there won’t be anything like this if the developer, whoever that ends up being, again petitions for changes to the contract.

The ESD must restore principled oversight to this process in order to restore the public’s trust. Without this trust there will doubtless be other well intentioned lawsuits by a public desperate for reassurance. The public does not wish to delay the public benefits: they wish to insure their delivery. The ESD and developer can best avoid future lawsuits by establishing meaningful participation in the process such as the establishment of an LDC, engaging in genuine dialog in contrast to the current arrangement, and immediate delivery of certain promised public benefits with a definite calendar for the ongoing delivery of the remaining promised benefits.

The major public benefit promised under the Atlantic Yards agreement is the creation of 2,500 units of affordable housing. The longer the delivery of this promise is delayed the fewer original residents promised this benefit will there be to actually benefit from it. And since the gauge of affordability is adjusted every year, delay makes any affordable apartments more expensive than most Brooklynites can afford. This delay cannot be allowed to continue. This vital public benefit must be prioritized.

Therefore I urge that the ESD require that any new residential construction in the Atlantic Yards Development Project contain 35% affordable housing, and that a substantial number of those affordable units be 2, 3, and 4 bedrooms to accommodate the needs of families. This was the original intent and design, and it must be delivered with all possible speed.

I am confident that if the ESD reasserts itself as the primary manager of this important New York State development project that the Atlantic Yards will progress more quickly, reliably, and amicably than has been the case to date.

Thank you for your attention.

Senator Velmanette Montgomery, NYS 25th District
Comments to Empire State Development
re: Atlantic Yards SEIS

April 30, 2014

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I have admired the actions of the ESD in managing other projects around New York State over the years, which compounds my frustration with the problems encountered on a daily basis with the Atlantic Yards Development Project. an ESD project literally down the block from my District Office. These problems reflect very seriously on the accountability, trust, and perceived allegiance of the ESD, a public authority charged with the oversight of projects to produce public benefits to the people of the State of New York, not certain developers working in New York State, which is now the unfortunate public perception.

To date, over 900 people have been directly displaced for this project; new traffic patterns have tied new knots in our streets and deprived local residents of scarce parking; a speculative real estate fever is forcing even more long time residents from their homes, a fever based on the assumption that the Atlantic Yards will change the character of the neighborhoods surrounding it to a miniature upscale Manhattan. Hundreds of millions of dollars in public money has been invested. All of this without the genuine participation of the public or a single elected official other than the Governor, and all at the service of a sole developer. The overall timetable has been pushed back without an EIS, precipitating the lawsuit that resulted in this SEIS.

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I am confident that if the ESD reasserts itself as the primary manager of this important New York State development project that the Atlantic Yards will progress more quickly, reliably, and amicably than has been the case to date.

Thank you for your attention.

Senator Velmanette Montgomery, NYS 25th District
Good evening.

My name is Vivia Morgan and I am here tonight to represent the Building Construction Trades Council (BCTC) and the Mason Tenders District Council’s strong support of continued construction of Atlantic Yards. BCTC is an organization consisting of local affiliates of 15 national and international unions which represent 100,000 members in New York City.

The project has brought steady, good paying jobs to Brooklyn; Of the 2,000 new jobs created at Barclays Center – 80% of the employees are from Brooklyn, 1/3 are from local community boards and 1/3 are public housing residents. Additionally, is is a large project, the type of project we need in this city to keep as many people employed as possible.

Atlantic Yards will create thousands of union construction jobs and will ensure that many middle class families can provide for their families in the years to come. When the project continues, there will be even more jobs for the community with continuing construction work and the retail on the ground floor of the residential buildings. It is critical that we do not put any more constraints on this project. It is time to take a step back, let the developer build and put construction workers to work.

On behalf of our 100,000 working men and women and the families they provide for, BCTC and Local 79 supports the amendment and urges an expedited review process for the Atlantic Yards development.

Thank you for the opportunity to speak.
Testimony

Atlantic Yards Public Hearing
Draft Supplemental Environmental Impact Statement
Long Island University
Room HS 107 at 75 DeKalb Avenue
Brooklyn, New York

Wednesday, April 30th, 2014
5:30 p.m. to 9:00 p.m.

Thank you for the opportunity to speak about the Atlantic Yards redevelopment project as it relates to the Draft Supplemental Environmental Impact Statement (DSEIS) submitted this past March 2014.

My name is Walter Mosley, New York State Assemblyman from the 57th Assembly District. I currently sit on the Housing and Corporation, Authorities & Commissions Committees. However, more importantly, I am a life-long third generation Brooklynite, a father, son and husband. I say this, so you can understand that my interest in how we move forward with this project is personal to me and my constituents.

The late great New York Congressman Major Owens was once quoted as saying, “the use of power to advocate on behalf of the powerless is the greatest virtue of any leader.”

During my career as a public official, I have had the pleasure to serve my district on several levels; whether it has been through my local community board as chair of the economic development committee, as a state committeeman, or as a member of the Assembly, I have represented my district with the sole intent of making sure whatever development takes place, that we move our society closer to the ideals of equality, fairness and transparency.

In this spirit, as noted by my predecessor, I am again urging the developers and the Empire State Development (ESD) to make a concerted effort to ensure that this project does not ignore the will and desire of any resident who would choose to take on an active role in an effort to establish a new and sincere paradigm that will seek to truly respect and revitalize the local community and the borough as a whole.
With this in mind, I believe tonight is another opportunity for all parties involved to unite around our core values as neighbors as we take into account what is needed to ensure the appropriate level of transparency and assurance as it relates to: (1) the build out commitment within the necessary time frame to meet the affordable housing goals promised to the community; (2) providing the appropriate level of construction compliance and oversight over the current and subsequent construction phases; (3) installing an on-site state sponsored environmental monitor; and (4) putting in place an independent board where community input and accountability is guaranteed.

To meet these challenges, along with several others, the following measures need to be put in place to provide the necessary assurance and public supervision as we look to heighten the level of accountability and project governance going forward.

As such, a project oversight entity, to supervise the Atlantic Yards Project remains an absolute necessity. In the past, ESD has established subsidiaries to formally involve the city and local elected officials in the governance of similar projects (i.e., Brooklyn Bridge Development Corporation and Queens West Development Corporation).

The fact that we do not have a project oversight subsidiary for Atlantic Yards only highlights the fact that we have less accountability in comparison to similar projects. To address this, we would suggest ESD establish a subsidiary corporation for the ongoing oversight of the Atlantic Yards project, inclusive of a board of directors made up of, in part, public elected officials. The entity would be created to undertake four key responsibilities:

- Oversee the implementation of the design guidelines for the construction of the subsequent towers;
- Coordinate the involvement of the state and city agencies responsible for the environmental impact mitigation;
- Manage the development of policy surrounding the project, including environmental concerns; and
- Approve changes to the general project plan with community involvement and comments.

In light of the DSEIS findings and based upon the developers most recent decision to build the next three towers with conventional construction methods, indicates that a prolonged Phase II construction period is imminent. Subsequently, the need to comprehensively identify all adverse environmental impacts must address, in part: local community facilities, construction-period for open space, transportation (operational and during construction), and ongoing construction noise/air pollution.

I am committed to the process of ensuring that the build out plan for Phase II seeks to engage and include the participation of the local elected officials and community members.

However, I also feel compelled to believe that we take this moment in time and look at it as a period to include within the future plans of this development site the core values of equality, reciprocity, and transparency. As a resident and representative for this area, my constituents and
neighbors should be assured, at the very least, to believe that this process and its outcome here tonight will be different; and if it is different, that we move together as partners and not as adversaries.

Last, but certainly not least, I want to put into the record my request that the public review period for the DSEIS (released on March 28th – 34 days ago) be extended for an additional 60 days. As announced by ESD, you will close the period for written public comments on May 12th, 45 days from the release of the DSEIS.

I, along with many others, believe that is an insufficient amount of time for my constituents and neighbors to properly analyze and respond to a document of more than 1,200 pages, and compares unfavorably to an 85-day public comment period allowed for the draft scope of work issued on December 19th, 2012, and a 67-day comment period for the DEIS issued on July 18th, 2006. To this end, I would urge ESD to re-evaluate and re-issue a new deadline in response to this most recent impact study.

Thank you again for the opportunity to testify.
Monday, May 5, 14

John Nevin
535 DEAN STREET
APT 405
BROOKLYN NY
11217

Mr. Derek Lynch
Empire State Development
633 Third Avenue, New York, New York 10017

Dear Mr. Lynch,

I am writing to you today to bring to your attention the many issues surrounding the Atlantic Yards Development in Brooklyn.

I hardly even know where to begin. On a personal level, I suppose the most problematic issue is my own health, which has, perhaps coincidentally, suffered in the time I have lived next to this endless construction site.

Since I moved into the NEWSWALK condo building in 2002, I have had kidney cancer, skin cancer, and my thyroid and colon is also being watched for possible cancer. In addition, I have dangerously high levels of lead and mercury in my body.

So, naturally, I am concerned about the quality of life in the area, specifically as it relates to the toxicity in the environment. Despite the promises I hear in the forced meetings, I still have idling trucks outside my door, overnight construction, heavy equipment roaring down streets they are not supposed to be on at all hours – the list goes on.

The state is not protecting its citizens. Private profiteers continue to reap huge benefits that are taxpayer subsidized. I was born and raised here, and I feel like I am being chased out as the entities charged with protecting the citizenry abdicate their responsibility. It is downright criminal.

It is my sincere hope that there are some government officials that are not corrupt and will do their jobs. I hope you are one of them. Please, do something.

Most sincerely,

John Nevin
Memo

To: Peter Krashes and Gib Veconi
From: Nancy Neuman
CC: Peter Krashes
Date: May 12, 2014
Re: Atlantic Yards SEIS

I’ve reviewed the SEIS scope of work and have the following comments.

Air Quality, 3I

p. 3I-2. What will be done to ensure that Con Ed can provide the electric grid before construction commences?

p. 3I-3. The SEIS should provide more restrictive language regarding waivers. Waivers for best available tailpipe technology appear to apply to almost any situation, since any delivery truck could be deemed part of a critical path, could be considered on-site for a brief period, and would be impracticable to retrofit with a DPF. In addition, the potential frequency of such waivers should be addressed so that contractors do not routinely use trucks and drivers that fail to follow the construction MEC.

p. 3I-3. The SEIS should indicate what procedures on the construction site would ensure that the nonroad engines are Tier 3 or Tier 4 compliant.

p. 3I-4. The construction analysis also should address the 1-hour NO₂ concentrations for stationary equipment for the future years.

P. 3I-9. Given the long-term nature of the construction period, the SEIS should provide for additional future modeling as new or updated software (e.g., MOVES 2014) becomes available.
P. 3I-9. Given the long-term nature of the construction period, the SEIS should provide for revisions based on additional future modeling to reflect updated background concentrations.

p. 3I-13. Given the long term nature of the construction period, the SEIS should provide for modeling of 1-hour NO2 from trucks and mobile equipment, should that become a component of air quality analyses in the future.

p. 3I-14. The SEIS should indicate whether the PM2.5 analysis is based on a typical 8-hour construction day or whether it accounts for potential 24-hour construction periods or extended construction work weeks.

p. 3I-15. Parking lot analysis should also model PM2.5 using MOVES emission factors per the CEQR Technical Manual (2014) and include the results in the cumulative analysis.

The SEIS should address the means of controlling the problems that occurred during the Phase I construction. These included:

- Illegal parking by construction workers and truck drivers
- Construction trucks using non-approved routes
- Inconsistent wetting of surfaces
- Inconsistent coverage of storage piles
- Inadequate shielding of noisy equipment
- Use of equipment that does not meet air quality specifications
- Extended nighttime construction periods
- Inadequate number of air quality monitors deployed during construction underestimates concentrations of PM10
- PM2.5 not monitored during construction
- Lack of oversight during nighttime construction activities
- Lack of PM10 and PM2.5 monitoring during nighttime activities

Noise 3J

3J-8. The MEC Construction Noise Mitigation Plan should be updated in the future when the NYC Noise Control Code is updated.

3J-9. The SEIS should state how the MEC will enforce the idling period of no more than 3-minutes.

3J-10. The SEIS should indicate where the noisy equipment was placed on-site, with reference to sensitive receptors, for the CADNA modeling. That is, how far from the receptors were the noisy pieces of equipment and how many of them were clustered together?

3J-14. The SEIS should elaborate on the use and noise mitigation of hydraulic break rams that would be used for three to eight months as such noise can be very loud and intrusive. What would be the total noise levels at these sites?
3J-14. The MEC should prohibit the loudest items of equipment from being used at night or on weekends.

3J-15. The SEIS should provide tables showing that 25-30 dBA of window/wall attenuation would be sufficient to mitigate noise levels during the noisiest periods of construction, particularly where the noise increment would exceed 10 dBA over background noise levels.

3J-16, et al. Table 3J-3 and 3J-5 should show the projected total noise levels for sites that would experience noise level increments of 3 dBA or more. In particular, additional disclosure and discussion of mitigation measures and duration of impact should be provided for sites where the construction noise increment would exceed 10 dBA. The projection of residential noise levels exceeding background levels by up to 25.9 dBA for up to 7 years (497-501 Dean Street) may cause significant health impacts and disrupt property values.

4E Operational Air Quality

Page 4E-1. The SEIS should provide for revised analyses if the screening thresholds for CO and PM$_{2.5}$ change in future versions of the CEQR Technical Manual.

Page 4E-6. PM$_{10}$ and PM$_{2.5}$ emissions associated with natural gas boilers should be modeled because recent EISs have found PM$_{2.5}$ from gas-fired boilers to be a critical pollutant.
Nontraditional Employment for Women (NEW)

Testimony: Atlantic Yards Land Use Improvement and Civic Project

Nontraditional Employment for Women (NEW) is grateful for Forest City Ratner Companies support of tradeswomen. NEW provides the women of New York City with free training and access to high-paying careers in the skilled trades. With NEW’s training, graduates have access to careers with starting wages averaging $15 per hour, benefits, and a path to higher-wage employment. Forest City Ratner Companies and The Darman Group partnered with NEW during the Barclays Center at Atlantic Yards project to increase female and local tradeswomen participation and NEW believes that we will have the same success with the Atlantic Yards Land Use Improvement and Civic Project.

By building Atlantic Yards, a project that will create thousands of union construction jobs, we are ensuring that many middle class families are able to pay their bills. NEW prepares low-income women for careers that provide an opportunity to enter the middle class. As the construction industry rebounds, NEW will expand recruitment in low-income neighborhoods, increase access to skilled trades careers, and target employment of local residents on construction projects. NEW will partner with City Council members and community groups to target recruitment in Community Boards 2, 3, 6, 8 and NYCHA residents. NEW will train 500 women next year. NEW will place women in entry level mid-wage positions in the construction trades, building operations, and the utilities. NEW will work with City Council members to ensure local tradeswomen are working on construction projects in their districts.

NEW graduates are working as carpenters, electricians, ironworkers, laborers, plumbers, porters, door attendants, and operating engineers thanks to a unique partnership between NEW, the building and construction trades, contractors, and owners in New York City. Since 2005, NEW has placed more than 946 graduates in the building and construction trades unions and another 900 graduates in other industry related careers. These women should be able to afford to live in the city that they have built and more affordable housing will provide that.

Women are still working in traditional jobs and earning substantially less than men. The US Department of Labor defines a nontraditional job as one with less than 25 percent women. Entry level positions in the skilled trades have higher wages than traditional jobs and essential benefits. Nontraditional jobs pay. Plumbers, a male dominated field with only two percent women, earn over $60,000 annually. Home health aides, a female dominated field with over 85 percent women, earn less than $22,000 annually, a salary that is below the poverty level for a single mother with three children. NEW provides much needed services to women in underserved communities. There are limited opportunities for low-income and minority women to obtain secure jobs that provide a living wage and essential benefits, such as health insurance. The poverty rate in New York City in 2010 was 21 percent. The poverty rate is higher for females, blacks, and Hispanics. This is the population NEW chiefly serves and this is the population that NEW can put into the construction jobs that Atlantic Yards will provide.

NEW graduates that stay in apprenticeship programs see their wages increase by almost 50 percent in two years. These wages go up to around $40 per hour after a four to five year apprenticeship program. NEW’s training and the opportunity to enter union apprenticeship programs make it possible for low-income women in New York City to provide a secure future for themselves and their families. However, it is difficult for women to retain in these jobs when large projects are delayed. Atlantic Yards will ensure that there is work for these tradeswomen.
Nontraditional Employment for Women (NEW)
Testimony: Atlantic Yards Land Use Improvement and Civic Project

for many years. NEW’s Board launched the NEW Signature Projects Program four years ago, through which owners and developers commit to hiring tradeswomen on their projects. Lack of work has been identified as the number one reason women leave the trades and drop out of apprenticeship programs. The NEW Signature Projects Program helps ensure that projects have a diverse workforce that reflects the communities where projects are built and that tradeswomen have more opportunities to work in the field and advance in their careers. Forest City Ratner Companies committed the Barclays Center at Atlantic Yards to the NEW Signature Projects Program.

Nontraditional Employment for Women (NEW) thanks Forest City Ratner Companies for its past support and looks forward to the expedited review and approval of the project.

Thank you for the opportunity to testify today and please join me in hearing the testimony of 2 NEW graduates and local tradeswomen.
According to the Operational Socioeconomic Conditions chapter of the Draft SEIS, the housing stock introduced by the Extended Build-Out Scenario would continue to be similar in tenure to the housing stock in the broader study area.

However, the Final EIS in 2006 claimed that the Atlantic Yards housing stock would not only be similar in tenure, but also would be similar in terms of size and affordability.

Is the loss of such similarity—in size and in affordability—no longer meaningful? If so, why?
According to Chapter 4A, Operational Socioeconomic Conditions
"In addition, the affordable housing added by the Extended Build-Out Scenario would give preference to current residents of Community Districts 2, 3, 6, and 8."

This contrasts with some previous statements regarding the project.

The Atlantic Yards Community Benefits Agreement, signed in June 2005, described the "neighboring community" as Community Districts 2, 6, and 8.

A 2010 report by the NYC Comptroller on Public Benefits Agreements describes (on p. 34) how the developer convened a meeting that included members of Community Boards 2, 6, and 8.

At an Affordable Housing Information Session in July 2006, it was stated that the preference would go to residents of Community Districts 2, 6, and 8.

So, how, when, and by whom was it decided that the preference for affordable housing would include residents of Community District 8?

Norman Oder
Atlantic Yards Report
Brooklyn, NY
FW: Comments on Atlantic Yards Draft SEIS: hockey-resending, FYI

From: Norman Oder (atlanticyardsreport@hotmail.com)
Sent: Fri 5/16/14 7:21 AM
To: atlanticyards@esd.ny.gov (atlanticyards@esd.ny.gov); Derek Lynch (dlynch@esd.ny.gov)

From: atlanticyardsreport@hotmail.com
To: atlanticyards@esd.ny.gov
Subject: Comments on Atlantic Yards Draft SEIS: hockey
Date: Tue, 6 May 2014 10:07:15 -0400

Both the Operational Transportation chapter and the Alternatives chapter (regarding the Reduced Parking alternative) study the impact of Brooklyn Nets games/crowds on traffic and parking.

They do not address the potential impact of crowds coming for New York Islanders games beginning in 2015, though the likely demographic, given the Islanders' current base on Long Island, will include more visitors from the suburbs than is typical for Nets games, and thus likely will include more drivers.

Why weren't hockey crowds assessed?

Norman Oder
Atlantic Yards Report
Brooklyn, NY
As a small business owner, I fully support the continued expansion and build out of the project. This project is and will be a tremendous help for all in the neighborhood. Please start it immediately and let's get it done as quickly as possible.

--

Akiva Ofshtein
Woodland
242 Flatbush Ave
Brooklyn, NY 11217
P 718.398.7700
F 718.398.7701
www.woodlandnyc.com
Empire State Development  
633 Third Avenue  
New York, NY 10017  
Attention: Derek Lynch

Dear Mr. Lynch:

I’m writing as a resident of the area near Atlantics Yards. I live on Carlton Avenue between Dean and Pacific. I have concerns about the impact of the long-term Atlantic Yards construction project, part of which will be built across the street from my home. I moved into the area from another Prospect Heights address in 2007. My wife and I expected to live in a construction zone and researched what we were getting ourselves into in terms of time, quality of life and the value of our home. Since that time, we’ve seen a lot of the information we uncovered in research change or turn out not to be true. The time frames have gotten longer. The so-called Lego construction approach has changed and no clear plan has been developed to cover the so-called blight of the rail yards, perhaps the main upside for our housing value. I realize a lot has happened since 2007 in the economy, but it seems like a real estate development firm with the capacity to run a project like Atlantic Yards would validate their construction approaches before promising time lines dependent on those methods.

This loose approach to planning can also be seen in incidents in the neighborhood:

1. Failure to cover the large dirt pile that was located in the now parking lot resulting a layer of fine grit blowing around on Carlton between Dean and Pacific.
2. Trucks idling early in the morning, waiting to get into the construction area.
3. Significant noise and shaking from the pile driving in the rail yards
4. Plaster cracking in neighbors’ houses from the shaking

These were not the end of the world and the Atlantic Yards people did respond somewhat to complaints (I don’t think any plaster issues have been addressed). But again if they care about the community, you’d expect them to have a plan to get it right the first time not only after they receive complaints.

With the time frame of the plan increasing and additional, significant investors potentially entering the project, I believe the size of the impact of missing something the first time increases. In addition, I think there’s a chance that the community members will reach complaint-exhaustion and move. When the people who care leave, Brooklyn will be left with a
neighborhood more like the Madison Square Garden area as opposed to the vibrant, diverse Prospect Heights I thought they were trying to preserve.

Due to my concerns for the neighborhood and my home, I would like to see adoption of the Dean St. Block Association ideas for increased new oversight of the project from a board with directors appointed by local officials and improved oversight of the environmental impacts of the project before it's started. Thank you for your consideration of these ideas.

Regards,

Jeff Phillips
Attn: Mr. Derek Lynch  
Empire State Development  
633 Third Avenue, New York, New York 10017

To Whom It May Concern:

My name is Robert Puca and I live in the Newswalk building adjacent to the rail yards since 2002. Ever since this project started I have had no one to voice my complaints to about the negative impacts Atlantic Yards has had on my quality of life.

I thought that there was no oversight or accountability but now that a foreign government took control of the project, well...let's just say it's likely to get worse: How, exactly, will accountability and oversight come to be with the controlling developer on the other side of the world when there wasn't any with the developer based in Metrotech?!

Who, exactly, will Greenland be accountable to; more to the point, who in our government will hold the Chinese government accountable moving forward?

When the community has issues with the project over the coming decades, who can we turn to: Beijing???

ESDC and Ratner have consistently lied and misled me and the surrounding neighborhood about key project documents. DDDB and other groups sued over this and won a court ordered supplemental review of the bulk of the project because it became clear that the developer's 10-year construction period was going to be at least 25 years, leading to a variety of new and unique impacts on the community. Had ESDC and Ratner not misled the court there is a good chance the project would not have been able to move forward at all back in 2010.

Forest City Ratner and a basketball team's worth of elected officials (including the new Mayor) promised that the publicly funded, eminent domain fueled Atlantic Yards project would bring 2,250 units of "affordable housing," 10,000 jobs, publicly accessible open space, and would remove alleged "blight." They promised all these pies in the sky would arrive within ten years.

But four years after they broke ground what do we have? We have an arena enjoyed by ticketholders, a huge demolished hole in the neighborhood, ongoing real construction blight, rising rents and five stories (of 32) of the first of 16 towers that are to be built. Not a single housing unit, "affordable" or not, has been built and that first delayed tower is going to take at least a year longer than announced at its groundbreaking.
Without the creation of an independent oversight board I have ten years worth of reasons to doubt that the ESDC will give a darn about what the community has to say. We need an oversight board to oversee the project, its failures and its impacts on the community:

I think oversight and accountability are the least the community and taxpayers deserve.

Thank you.

Robert Puca
535 Dean street
Brooklyn, NY 11217
The Real Estate Board of New York is a trade association representing 15,000 owners, builders, brokers, managers and professionals active in New York City. We would like to offer our comments on the items which are the subject of this public hearing.

REBNY has been an early and unwavering supporter of the Atlantic Yards project.

With the arena completed and operating successfully, we are seeing the benefits of a long and difficult development process. Barclays Center has been a major catalyst for economic development in downtown Brooklyn and the entire Atlantic Yards project will continue to bring economic benefits as well as address the city’s housing needs.

The city continues to face a shortage of housing and affordable housing. We will need to build more than 400,000 units over the next 20 years simply to address the needs of our growing population. We need to build more housing, both affordable and market rate, as expeditiously as possible.

The first residential building at Atlantic Yards is 50% affordable and is going up as we speak. These units are crucial to help address the dearth of affordable housing in Brooklyn. With over 6,400 residential units planned, the local businesses will enjoy a new level of prosperity and the city will have a significant contribution to its housing inventory.

Now that the DSEIS is complete, we encourage Empire State Development to adopt the proposed amendments expeditiously.

It is very important for the neighborhood and the city that we move forward rapidly with and permit this project to move forward. The neighborhood and the city need the housing and the economic benefits that this project will provide.

It is in the best interest of our city that this development continues without delay. Let’s let the developer do what they do best, build!
I am Tucker Reed, the President of the Downtown Brooklyn Partnership. I also happen to live a block away from the Barclays Center. I’m speaking to you today both as an advocate for economic development in Brooklyn and a resident of the neighborhood.

Atlantic Yards was an underutilized, gaping hole for decades. When the Barclays Center opened in September 2012, the neighborhood saw an immediate lift. Thousands of visitors – some of whom are coming to Brooklyn for the first time to visit the Barclays Center – have begun to fill the surrounding bars and restaurants nightly.

We are soon to see the second layer of economic impact from the Atlantic Yards development – the completion of the first phase of housing. This new development is going to bring 350 new housing units to the neighborhood, 50% of which will be affordable. Yet, the bulk of the housing units are part of this second phase of the project. Over 6,400 new residential units, which includes 2,250 affordable units, will be built at the Atlantic Yards site.

These units are desperately needed in New York City, as evidenced by Mayor de Blasio’s commitment to build or preserve 200,000 affordable housing units over 10 years. And to be honest, Forest City is the primary developer creating affordable housing in Downtown Brooklyn. There are currently about 11,000 housing units under construction or in the pipeline in Downtown Brooklyn. About 3,500 of those units are affordable. Forest City is responsible for 2,431 of those affordable units – that’s 70% of all affordable units we expect to be built in Downtown Brooklyn over the next 7 years. In short, the Atlantic Yards project presents an unparalleled opportunity to make a significant dent in Mayor de Blasio’s target of 200,000 affordable units.

There is no time to waste. A March 2014 report from the brokerage Douglas Elliman indicated that the median rental price for residential units in Brooklyn increased by more than 13% from March 2013 to March 2014. Brooklyn needs more housing units, and particularly more affordable housing units, now.

In light of this, I’d ask Empire State Development Corporation to proceed as quickly as possible with the review and approval of the supplemental environmental impact statement for the Atlantic Yards project. The SEIS exhaustively analyzes the issues related to the project through 2035. Litigation over this project will cause significant delays, particularly in securing financing to complete the project. It’s time the for the project to move ahead so that the city can realize all the benefits associated with Atlantic Yards.
May 8, 2014

Empire State Development
633 Third Avenue
New York, NY 10017

Attention: Derek Lynch

Reference: Draft Supplemental Environmental Impact Statement for the
Atlantic Yards Land Use Improvement and Civic Project
Brooklyn, NY

By electronic mail only

Ladies and Gentlemen:

Thank you for the opportunity to provide comments on the Draft Supplemental Environmental Impact Statement (“DSEIS”) for the Atlantic Yards Land Use Improvement and Civic Project.

This letter consolidates the various New York City agencies’ comments on the DSEIS and represents the overall position of New York City (“the City”).

General Comments

- The DSEIS states that it “uses the most recent version of the CEQR Technical Manual” as a general guide as to the methodologies used to evaluate potential impacts. The CEQR Technical Manual (CEQR TM) was updated on March 14, 2014 (2014 Edition). As currently drafted in the March 2014 SEIS, it is unclear which edition (2012 or 2014) is being referenced. At a minimum, Chapter 2: Analysis Framework, should indicate the edition that was used as guidance.
Note: The *CEQR TM* 2012 Edition was used as guidance for environmental reviews commenced between February 2, 2012 and March 14, 2014. The *CEQR TM* 2014 Edition should be used for impact analyses commenced on or after March 14, 2014. In the case of impact analyses commenced prior to the release date that are not considered complete as of such date - through the issuance of a Negative Declaration, a Conditional Negative Declaration, or a Final Environmental Impact Statement - the lead agency should consider whether to supplement the impact analyses to reflect the methodology of the *CEQR TM* 2014 Edition, taking into account, as warranted, the scheduled time of completion of the environmental review under the applicable regulatory approval process.

- As described in the mitigation section, the project sponsors and the Empire State Development will explore additional open space improvements between the Draft and Final SEIS to account for the potential extended duration of the temporary open space impact. These could include improvements to Lowry Triangle or Cuyler Gore Park, which are owned by the City and under the jurisdiction of the NYC Department of Parks and Recreation (DPR). The applicant should coordinate with DPR as the concepts for potential improvements to these facilities are developed.

If you have any further questions or concerns, please contact our project manager, Denise Pisani, at (212) 788-8818 or by email at dpisani@cityhall.nyc.gov.

Again, thank you for the opportunity to comment on the DSEIS.

Sincerely,

Chris Reo
Interim Director
Mayor’s Office of Environmental Coordination
Good evening. I am Joseph Rosenberg, Executive Director of the Catholic Community Relations Council, a not for profit corporation established by the Archdiocese of New York and the Diocese of Brooklyn and Queens in 2008 to represent the Church on local legislative and policy matters. I am pleased to be here this evening to testify in support of the Atlantic Yards Land Use and Civic Project.

Atlantic Yards is important for Brooklyn. It is important for job creation, economic growth and the development of desperately needed housing.

Over 2,000 jobs were created at Barclay’s Center with 80% of the employees being Brooklyn residents. Many of the jobs are for those who live in the local community boards and public housing. There was a commitment that local neighborhoods would benefit from the construction of Barclays Center and that has been the case.

The construction of Atlantic Yards will create thousands of union construction jobs. In addition, with a large commercial component being part of this project, permanent jobs will be created in the retail market as well. This will help to serve not only residents of the local community boards who live in these areas, but also residents of our City and other visitors who come to these neighborhoods.

Everyone in this room is aware of the housing crisis that confronts our City. It is important to focus on the creation of new housing units, and not just to rehabilitate existing apartments. The Atlantic Yards development does exactly that. When completed, Atlantic Yards will consist of as many as 6,400 housing units. These include 4,500 units of rental housing with 50% of them being affordable to low, moderate and middle income families. Residents of Community Boards 2, 3, 6 and 8 will receive a preference for the affordable housing units. This will allow income eligible New Yorkers who live in Fort Greene, Prospect Heights, Downtown Brooklyn and other nearby neighborhoods, to receive a preference for the newly constructed apartments, allowing them to stay in the neighborhoods where they have lived and raised families.

This development is good for jobs, good for business and good for housing. It has our full support.

Thank you.
Empire State Development,
Attn. Derek Lynch
633 Third Avenue,
New York, NY, 10017

Mr. Lynch:

I am a proponent of affordable housing, employment opportunities, and community development. Promises of community improvement have been made to the communities around Atlantic Yards and those promises have been consistently broken. Affordable housing has become a negotiating point, not a commitment; employment on the scale promised never materialized and much of the employment was part-time. My community hasn’t been developed. It has been abused.

I live in the Newswalk building directly above the 700 Pacific Street entrance. Construction for the arena and in the rail yards has disrupted my life for several years. First, it was illegal parking by construction workers and construction vehicles. I filed numerous 311 complaints. Then it was the noise, dust and vibrations from construction in the rail-yards. The pile-driving made my apartment shake and rattle during the day and the bright floodlights from night work kept me awake at night. Again, I filed numerous 311 complaints. I use my bicycle to commute to work. The heavily used bicycle route on Dean Street has been merged into the automobile traffic lane because an entire lane and the sidewalk have been closed to enable construction on B-2. Not only is this dangerous for bicycle riders, but the road surface is terribly rutted because of heavy use by construction trucks. Pacific Street is even worse. I have to share the dangerously rutted street with bulldozers carting dirt from 6th avenue to Vanderbilt.

The noise, the dust, the night lights, the damage to streets and sidewalks, street closures, water-main shut-offs all take a toll on the quality of my life. My 311 complaints have done little lessen the impact of life in a construction zone. My community needs to be heard and respected and our concerns deserve response.

The only reasonable response to these issues is the development of a public committee to oversee the Atlantic Yards projects, ensuring that our community voices will be heard and that the promises made by developers will be upheld.

Sincerely,

Christine Schmidt

Christine Schmidt
535 Dean Street apt 708
Brooklyn, New York 11217
April 30, 2014
Testimony by Carlo A. Scissura, President and CEO Brooklyn Chamber of Commerce on Draft SEIS for Atlantic Yards before the Empire State Development Corporation

April 30, 2014

My name is Carlo Scissura and I am the President and CEO of the Brooklyn Chamber of Commerce.

As many of you know, I have been involved in the Atlantic Yards project for many years and I have seen the outstanding positive impact the project has already had on Brooklyn. I am excited we will see it through to its completion.

I want to acknowledge the fantastic work that is being done by Maryanne Gilmartin and the entire team at Forest City Ratner.

The Barclay Center alone been a boon for the borough, and helped create Brooklyn as a standalone destination for travelers worldwide. While this is a fantastic start, I am even more excited about what is to come, in particular the affordable Housing that Brooklyn desperately needs.

The Brooklyn Chamber of Commerce’s role is to promote economic development throughout Brooklyn. Atlantic Yards is something this borough needs to ensure that the growth we have been experiencing continues and that is why it is so important that we do not put any more restraints on this project.

We want to get shovels in the ground and realize the project’s benefits as soon as possible.

We are here today to discuss the Draft S.E.I.S. and I want to make sure to note that while an extended construction schedule is something that has been studied, the Draft S.E.I.S. notes that the actual development schedule can be something quite different, and in fact proceed at an accelerated pace.

At this point, we should capitalize on the positive economic impact of Barclays Center and look forward to continual activation of Atlantic Yards that will benefit all of the surrounding neighborhoods and businesses.
We should be building on the initiatives that Forest City Ratner is already putting in place, including their plan for a new green roof over the Barclays Center and operating an arena that is serviced by more mass transit than almost any other arena in the world.

The Atlantic Yards project is supporting Brooklyn’s environment, its residents and its economy.

For this reason, I urge Empire State Development to approve the Supplemental Environmental Impact Statement as quickly as possible.
Serena Derryberry
618 Dean St #1B
Brooklyn, NY 11238

May 8, 2014

Attn: Derek Lynch
Empire State Development
633 Third Ave.
New York, NY 10017

Dear ESD,

My name is Serena Derryberry and I am writing on behalf of the Dean Street Block Association, 6th Avenue to Vanderbilt on construction air quality and noise impacts.

AIR QUALITY
A pattern of poor implementation of environmental commitments as they relate to air quality, combined with inadequate monitoring of fugitive airborne dust is a grave concern of our block association.

The primary means of ascertaining compliance with the dust suppression measures is through daily spot inspections by FCRC’s On-site Environmental Monitor and the Site Superintendents. Despite the oversight provided by the OEM, 192 individual incident reports citing air quality impacts, many of them associated with construction, have been filed on Atlantic Yards Watch since it was started in mid 2011. Our complaints extend back to early 2007 when asbestos abatement began in the Ward Bread Bakery properties. To date, no government entity has confirmed air quality monitoring was being executed at the time of that incident. According to the State’s Quarterly Reports, AKRF, the lead author of this SEIS, was the State’s Environmental Monitor at the time.

Among the air quality related violations the community has documented that put us at risk are idling trucks, malfunctioning equipment, uncovered stockpiled materials and failure to mist unpaved surfaces. Unbelievably, it was the community, not the State, that identified there was no monitoring presence, and no air monitors, during virtually any extended hours work.

The DSEIS sugarcoats the performance of the OEM. For example, the DSEIS states that HDR reports the construction site was connected to the electrical grid as early as practicable, but HDR states in their own reports the power grid was not made available until the year following the ground breaking of the arena. Likewise, until community members consistently documented problems, truck behavior at the site continued to be disruptive, and there was considerable idling. In September 2011, only hours before FCRC’s OEM publicly stated protocols for trucks had been “significantly improved” at the construction site, a community member documented a large number of violations of protocols. This is part of a pattern in which obvious problems identified by the
community are not identified by the OEM, or are responded to slowly.

CONSTRUCTION NOISE

The DSEIS identifies a significant adverse impact from construction noise that may now last 25 years instead of 10. Anecdotally, no matter whether it is for 10 or 25 years, no single adverse impact alters the quality of life of residents more than construction noise, particularly during extended hours work. 330 individual incident reports citing noise impacts, many of them associated with construction, have been filed on Atlantic Yards Watch. The nature of the Atlantic Yards construction site – which includes an operating rail yard, an arena and two major thoroughfares, puts the community at high risk of extended hours work.

The FEIS mitigation for construction noise is a commitment to install double paned windows in the street face of buildings, if they are not already installed, and an air conditioner. Residents report this mitigation does not work because there is no fixed target OITC rating identified necessary to stop construction noise. The OITC rating of double paned windows varies widely, and their effectiveness to stop noise is directly impacted by the use of air conditioners that breach the seal. Air conditioners and windows wear out, but there is no written obligation for FCRC to maintain their mitigation over time. Finally, FCRC has only agreed to replace street facing windows even though many rear windows face the construction site. If the new buildings FCRC is building have the same problem, Atlantic Yards will fail as a project. Why can’t FCRC agree to meet the noise attenuation levels they are providing the new market rate homes they are building?

Sincerely,

Serena Derryberry
My name is Jenna Stern and I live with my family on Dean Street in the Newswalk Building. We are Brooklyn residents for over 20 years and despite other opportunities have decided to raise our child here. Our building and our neighborhood has a strong base of working families. The original promise of development within a 10 year timeline was casually extended to perhaps 25 years affecting an entire generation in this neighborhood.

During the build out of the Arena we were forced to call 311 repeatedly and directed to even call 911 in order to get a response to violations of noise, light, air pollution, double/triple parked cars, idling trucks etc.

Others will speak of specific promises broken and lack of accountability and lack of transparency and lack of community input...all of which are true... but what it boils down to is this: a fundamental lack of respect for our neighborhood.

and that’s what it is...It’s our neighborhood. It’s not collateral damage. It’s where we live. Where our kids play baseball, practice soccer, go to school.

We have a right to those sidewalks being kept clear so our kids don’t have to walk in the street to get around cars. We have a right to have our trees replanted—we are still missing 70 of them. We have a right to a certain level of compliance...compliance to guidelines and laws governing noise and air pollution.

You need to keep your promises that you made to us.

As was shown all too clearly the last time, no one was very interested in doing that. So that means we need an impartial monitor. We need a dedicated public development corporation or subsidiary with a board that includes directors appointed in conjunction with local elected officials.

We need effective and responsive oversight.

Thank you.
Dear Chairman Adams,

My name is Taniya Gunasekara and I live at 52 6th Ave, Brooklyn with my husband and my son who is 2 years old. Our backyard is less than 100 feet from the Barclay Center and I assure you, the construction noise has been constant and the air quality has been poor. I was disappointed to read the DSEIS state that double-glazed windows and air-conditioning that was offered to 150 buildings (in accordance with the mitigation requirements stipulated in the 2006 FEIS and Amended Memorandum of Commitments) is adequate and all that can be done for the residents to address poor air quality and constant noise pollution caused by the AY construction.

We are one of those 150 buildings and FCRC refused to replace our windows in the back of the house, which is where most of the construction is going on at the moment. The FCRC's only interest is to do the bare minimum. In my experience I spent months following up with many unreturned phone calls and emails. Attached is just one email thread that illustrates how difficult it can be to reach FCRC, and how unresponsive they can be to our concerns.

Our house has 4 floors with over 2600 sq feet. The garden unit is a bedroom apartment and the unit we live in has three floors with 4 bedrooms and we got 3 A/C units (see attached A/C voucher). The only reason I was able to get the front windows and the 3 A/C units were because I reached out to the local Dean Street Block Association, who in turn reached out to our local elected officials and community board for help. If not, FCRC would have continued their months of run around until I gave up. Furthermore those A/C units will need to be replaced. One of them started to die last summer. It is disappointing that DSEIS states that nothing more can be done and no new measures are necessary.

DSEIS reports that "consistent with the findings of the 2006 FEIS, construction of Phase II of the Project under the Extended Build-Out Scenario would have the potential to result in significant adverse impacts with respect to construction noise". It then goes on to state that "Phase II of the Project would not result in significant adverse impacts with respect to air quality (during construction or operation of Phase II) or with respect to operational noise". When my son is 23 years old, AY project construction may still be on going and everyday of his life he will be subjected to "significant adverse impacts with respect to construction noise". There is a big difference between being exposed to adverse impacts for a few years, and the entire development period of my child. I feel like I have been made a fool.

I also cannot comprehend what panel of experts concluded that "the Project would not result in significant adverse impacts with respect to air quality (during construction or operation of Phase II) or with respect to operational noise."
Clearly, they aren't on the site and experiencing what living near AY construction and Barclays Center is like, especially when I can watch cement trucks idling out my back window for long periods during the day and the production trucks sitting on the pad next to the arena idling at night.

Mr. Chairman, I bring my personal experience to you to give you hard evidence as to how difficult it is to work with FCRC. People who live around the AY project have the right to live in a safe environment and my personal experience illustrates why the community does not trust FCRC. We need oversight, We have the right to basic quality of life and a safe environment to live in. We have the right to an impartial environmental compliance monitor to oversee the AY construction project.

Ratner has bought the support of the Mayor and the Governor and they have given him a free pass with every ask he has made. We need the government to represent the people and not just the Millionaire buddy of the Mayor and the Governor. Please bring public accountability and transparency to Atlantic Yards by creating an independent board to oversee the project with board members appointed in consultation with local elected officials and civic leaders.

I ask that we take the following steps to address the immediate concerns:
1) improve all windows and doors of buildings exposed to construction, and use windows that have a noise attenuation level that works better than the standard Silver Line-1200 Series windows that was provided by FCRC
2) provide adequate number of A/C units i.e. one unit per room and replacements for the ones that stop working for the full duration of the project till 2035 as currently projected, or install central air conditioning
3) provide parking access to residents that AY employees are not using so that we do not compete with AY employees to park our cars.

My son will grow up next to the AY construction project and he has the right to basic quality of life and a safe environment. FCRC has proven time and time after the inability to self-regulate with repeated violations of promises made and broken law. My son and thousands of others in the community deserve an impartial environmental compliance monitor to keep the developers honest.

Thank you for your consideration.
Taniya Gunasekara
Re: Following up - Windows

Taniya Gunasekara <taniyag@gmail.com>  
Mon, Aug 16, 2010 at 11:52 AM
To: "Covington, Sonya" <SCovington@fcrc.com>
Cc: communityliaison@atlanticyards.com, AtlanticYards@empire.state.ny.us, Weston Houghton <whoughton@gmail.com>

Dear Ms. Covington,
I am writing to follow up on my email request from last week. Please let me know if you would prefer to schedule a meeting to discuss this matter at your office.

Regards,
Taniya Gunasekara
646.943.0436

On Tue, Aug 10, 2010 at 11:46 AM, Taniya Gunasekara <taniyag@gmail.com> wrote:
Dear Ms. Covington:
Thank you for sharing your contact information. I tried reaching out to you on the phone with not much luck and decided to email.

Both yourself and Irma informed us that your obligation is limited to the front windows of the property. However, I would like you to consider that the rear end of the property is positioned in between 6th Avenue and Flatbush Avenue and have direct exposure to the demolition and construction that is underway on Dean Street. As a result, our property is subjected to the noise and air pollution that is on going on the Dean Street through the rear windows.

At this time, we would like you to reconsider your position on the rear windows of the property. We look forward to a favorable answer.

Regards,
Taniya Gunasekara
646.943.0436

On Wed, Aug 4, 2010 at 11:25 AM, Covington, Sonya <SCovington@fcrc.com> wrote:

Ms. Gunasekara,

As Irma pointed out to you, our obligation is limited to the front windows of your property. However, please feel free to contact me at the number below if you have any questions.

Thank you.

Sonya R. Covington
Forest City Ratner Companies
Hi Ima,

Thank you for the AC voucher.

We would like to proceed with the front windows. As for the rear windows, we understand and appreciate your efforts in finding more information. However, we would like to speak to your supervisor regarding this matter and appreciate it if you could email his/her contact information.

Thank you,

Taniya Gunasekara

On Thu, Jul 29, 2010 at 3:54 PM, Barrera, Irma <ibarrera@fcrc.com> wrote:

Hi Taniya,

Attached is the AC voucher. Use this to pick up your units from PC Richards on Atlantic Avenue.

When you get there, you must ask for Sayani; he will help coordinate with you the units that you are eligible to receive and the installation.

Per our discussion, the provision of rear windows was never an obligation of the Developer however if you decide to pursue the rear windows, we will have Paladin provide the name/model and any other specification information related to the front windows to assist in your purchase.
Thanks,
Irma

communityliaison@atlanticyards.com <communityliaison@atlanticyards.com> Tue, Aug 17, 2010 at 9:03 AM
To: Taniya Gunasekara <taniya@taniya@gmail.com>

I write in response to your request for new windows at the rear of your property. Our obligations are limited to the installation of windows along the 6th Avenue frontage, only, and we are only prepared to provide windows on this frontage. Please be advised that the demolition currently underway in the vicinity of your property will be completed within the next two weeks and a 16' noise barrier fence will be installed following its completion. There are myriad dust and air quality requirements that are part of the State environmental obligations and which are being implemented by FCRC and all contractors with regular reports to the State. The window and air conditioners are noise mitigations only.

[Quoted text hidden]

>>> *From:* Barrera, Irma
>>> *Sent:* Wednesday, August 04, 2010 11:06 AM
>>> *To:* Covington, Sonya
>>> *Subject:* FW: AC Unit - Voucher Attachment
>>> 
>>> Hi Irma,
>>> Thank you for the AC voucher.
>>> 
>>> We would like to proceed with the front windows. As for the rear windows,
>>> we understand and appreciate your efforts in finding more information. However, we would like to speak to your supervisor regarding this
>>> matter
>>> and appreciate it if you could email his/her contact information.
>>> 
>>> Thank you,
>>> Taniya Gunasekara

https://mail.google.com/mail/u/0/?ui=2&ik=c11e81a4ea&view=p&q=ratner%20window&qexact=true&search=query&th=12a7b9a323862b09&aiml=12a7b9a323862b... 3/7
On Thu, Jul 29, 2010 at 3:54 PM, Barrera, Irma <ibarrera@fcrc.com>
wrote:

Hi Taniya,

Attached is the AC voucher. Use this to pick up your units from PC Richards on Atlantic Avenue.

When you get there, you must ask for *Sayani* ; he will help coordinate

Taniya Gunasekara <taniyag@gmail.com>  
To: communityliaison@atlanticyards.com  

Wed, Aug 18, 2010 at 3:31 PM  

Dear Ms Covington,  
Thank you for looking into my request and we understand that your obligation is limited to the frontage of our house. Please let me know the next steps to proceed with the front windows.

Thank you for your assistance on this matter.  
Taniya Gunasekara  
646.943.0436

Taniya Gunasekara <taniyag@gmail.com>  
To: "Barrera, Irma" <ibarrera@fcrc.com>  
Cc: Weston Houghton <whoughton@gmail.com>, communityliaison@atlanticyards.com, "Covington, Sonya" <SCovington@fcrc.com>  

Mon, Aug 23, 2010 at 12:10 PM  

Hi Irma,  
Please see below for the correspondences that I have had with Ms. Covington. We would like to moving forward with having the front windows installed. Please let me know the next steps.

Thank you,  
Taniya Gunasekara  
646.943.0436

Barrera, Irma <ibarrera@fcrc.com>  
To: Taniya Gunasekara <taniyag@gmail.com>  
Cc: communityliaison@atlanticyards.com, "Covington, Sonya" <SCovington@fcrc.com>  

Tue, Aug 24, 2010 at 3:08 PM  

Hello Taniya,  

Once the windows are ready to be installed we will reach out to you to schedule an appointment. For now, you will not have to do anything.

Please look out for my call.
Thanks,

Irma

From: Taniya Gunasekara [mailto:taniyag@gmail.com]
Sent: Monday, August 23, 2010 12:10 PM
To: Barrera, Irma
Cc: Weston Houghton; communityliaison@atlanticyards.com; Covington, Sonya
Subject: Fwd: Following up - Windows

[Quoted text hidden]

Taniya Gunasekara <taniyag@gmail.com>
To: "Barrera, Irma" <ibarrera@fcrc.com>
Cc: Weston Houghton <whoughton@gmail.com>

Hi Irma,
Thank you for getting back to me.

Regards,
Taniya

[Quoted text hidden]

Taniya Gunasekara <taniyag@gmail.com>
To: "Barrera, Irma" <ibarrera@fcrc.com>

Hi Irma,
I am writing to follow up on the windows. Please let me know if you have an update.

Thank you
Taniya

[Quoted text hidden]

Taniya Gunasekara <taniyag@gmail.com>
To: "Barrera, Irma" <ibarrera@fcrc.com>
Cc: communityliaison@atlanticyards.com, "Covington, Sonya" <SCcovington@fcrc.com>

Hi Irma,
I am following up on the status of the windows for our house. Please let me know if you have an update.

Thank you
Taniya Gunasekara
646-943-0436

[Quoted text hidden]

Mail Delivery Subsystem <mailer-daemon@googlemail.com>
To: taniyag@gmail.com

Delivery to the following recipient failed permanently:
communityliaison@atlanticyards.com

Technical details of permanent failure:
https://mail.google.com/mail/u/0/?ui=2&ik=c1e81a4ea&view=pt&q=ratner%2Bwindow&q=Ftrue&search=7query=12a7b9a323862b09&sim1=12a7b9a323862b0... 5/7
Google tried to deliver your message, but it was rejected by the recipient domain. We recommend contacting the other email provider for further information about the cause of this error. The error that the other server returned was: 550 550 sorry, no mailbox here by that name (#5.1.1) (state 14).

Original message

MIME-Version: 1.0
Received: by 10.216.93.73 with SMTP id k51mr9928722wef.8.1285114639002; Tue, 21 Sep 2010 17:17:19 -0700 (PDT)
Received: by 10.216.80.39 with HTTP; Tue, 21 Sep 2010 17:17:18 -0700 (PDT)
In-Reply-To: <AANLkTi=emaoTsdKywrxcKc_o-08Li6eNnP+2v0r8xdi5@mail.gmail.com>
References: <AANLkTimKF-DJQ052uVh_X4_OwGBgtemOQLGBqLTeFAQZ@mail.gmail.com>
<e0e6786d8a787559c83c6021092a0589.squirrel@67.228.91.200>
<AANLkTimFJoNUBb83Cc0triJyH297QtgWGqPn23Gj1nA@mail.gmail.com>
<AANLkTimK5wTJqmpYy68LIUf0vub18Whn3Gf5ubGkXODtZQP@mail.gmail.com>
<297FBE4BD32B0B94B8783A1058D58956803077A38@ny1exmb2.FCRC.enterprise.local>
<AANLkTi=emaoTsdKywrxcKc_o-08Li6eNnP+2v0r8xdi5@mail.gmail.com>
Date: Tue, 21 Sep 2010 20:17:18 -0400
Message-ID: <AANLkTinkLws90eA7CNMJ92gugai7_O_tR3JsRvE-xGV@mail.gmail.com>
Subject: Re: Following up - Windows
From: Taniya Gunasekara <taniyag@gmail.com>
To: "Barrera, Irma" <ibarrera@fcrc.com>
Cc: commuityliaison@atlanticyards.com,
    "Covington, Sonya" <SCovington@fcrc.com>
Content-Type: multipart/alternative; boundary=0016e6d7e0408dad4c0490ce119b

Hi Irma,
I am following up on the status of the windows for our house. Please let me know if you have an update.

Thank you
Taniya Gunasekara
646-943-0436

On Tue, Sep 7, 2010 at 11:23 AM, Taniya Gunasekara <taniyag@gmail.com> wrote:

> Hi Irma,
> I am writing to follow up on the windows. Please let me know if you have an update.
> Thank you
> Taniya
>
> On Tue, Aug 24, 2010 at 3:08 PM, Barrera, Irma <ibarrera@fcrc.com> wrote:
> Hello Taniya,
> Once the windows are ready to be installed we will reach out to you to schedule an appointment. For now, you will not have to do anything.
>
> Please look out for my call.
>
> Thanks,
Hi Irma,

Please see below for the correspondences that I have had with Ms. Covington. We would like to moving forward with having the front windows installed. Please let me know the next steps.

Thank you,

Taniya Gunasekara

646.943.0436

----- Forwarded message -----
My name is Gib Veconi, and I am Treasurer of the Prospect Heights Neighborhood Development Council. PHNDC is among the community organizations who were petitioners in the lawsuit that resulted in the Supplemental Environmental Impact Statement under discussion this evening. We didn’t sue to stop Atlantic Yards. We didn’t sue to delay Atlantic Yards. We sued because Forest City Ratner and the Empire State Development Corporation agreed to delay the completion of Atlantic Yards from ten years to twenty-five years.

We asked that the SEIS study an alternative to the 2009 Modified General Project Plan involving multiple developers building the project. We asked for that because multi-developer projects get done faster. For instance, construction of the Hunters Point South project in Queens was contracted to three developers, and this year is expected to deliver 900 affordable apartments. The Downtown Brooklyn Plan has resulted in over 8,000 apartments completed or under construction by more than ten developers, with over 400 of those units affordable. These achievements have all taken place in the years since Atlantic Yards was approved, and are a sharp contrast to Forest City Ratner’s failure to deliver even a single apartment to date. In fact, as of this month, Forest City continues to announce delays at Atlantic Yards.

But ESDC refused to do a meaningful analysis of the opportunity to get Atlantic Yards back on schedule. Its draft SEIS claims that the agreements it signed with Forest City, and the work Forest City has done on the project’s second phase, make involving other developers too complicated. But those agreements hadn’t been signed in the summer of 2009, when this SEIS should have been done. In fact, the agreements themselves depended upon ESDC’s approval of the 2009 modified plan, which courts have ruled was illegal without an SEIS.

Think about that. ESDC is telling us that its failure to comply with State law in 2009 makes it possible for Forest City Ratner to have an exclusive right to the Atlantic Yards site.

Brooklyn families in danger of displacement should be able to rely on the State to do what is necessary to realize the goals of the Atlantic Yards project when originally promised. It isn’t their fault that ESDC failed to prepare an SEIS in 2009 that could have led to a solution allowing Atlantic Yards to be completed in the timeframe originally promised. And it isn’t their fault that Forest City Ratner moved ahead with construction during the nearly three years the public has been waiting for it and ESDC to produce with the court-ordered SEIS. Especially because during that time, the median rent in Brooklyn has risen by a staggering 30%.

Two wrongs cannot make a right. ESDC’s failure to explore other options when Forest City asked for a fifteen-year delay in 2009 doesn’t justify its failure to do a proper analysis now. We call on the agency to put its responsibility to the public ahead of commitments to a private developer made based on its illegal actions.
greetings and thank you

my name is timothy young.

I am the chief executive director of the non profit puppetry arts. we are the little organization that does big things- no strings attached.

First and foremost, as a non profit, we do not endorse or have any opinion on any pending legislative or court proceedings in connection with FCR or the stadium.

I am here, however, to share with you our experience with the office of Forrest City Ratner and Barclays Stadium.

Our relationship began through the DNBA Ticket program, having received complementary tickets to numerous events giving them to our students, teachers, and volunteers. After introducing ourselves to FCR staff at a 5th Ave BID meeting, we have collaborated directly with the FCR office securing tickets and prizes for our students and low-income families. Barclays attends our own community festivals sharing information about the facility to the neighborhoods and we have attended their events for youth providing free puppet making and meet n’ greets with our characters.

Moving forward, our relationship with FCR and Barclays will continue. We will participate at the June family event with Barclays, they will attend our Puppetry Arts Festival of Brooklyn, and are currently talking with them about hosting our own themed event at the stadium itself. We appreciate the donations that both offices have made and continue to make to support our outreach. And we are keeping our fingers crossed that next season a Nets player will be able to meet with our boys group, which is a weekly lunch club of 4th and 5th grade boys without proper or significant positive male role models that I host at PS 15.

FCR and Barclays have been significant partners with our charity, following through with everything that they have offered to us. I understand there are many charities and organizations that are equally asking for support and sponsorships, we at Puppetry Arts are just grateful for what we have been given.

On that note, we encourage all community members to help keep this facility and its programs moving forward.

Thank you for your time.
Mr. Derek Lynch
Manager, Atlantic Yards Project
Community/Government Relations
Empire State Development
633 Third Avenue - 37th Floor
New York, NY 10017

Re: Draft comments on NYS ESD Atlantic Yards Modified General Project Plan ("the Proposed Amendment")

Dear Mr. Lynch,

Community Board 8 is concerned that the Extended Build-out Scenario in the Proposed Amendment is counter-productive in requiring a generation (21 years from 2014 to 2035) for the promised affordable housing to become available. The young children of the homeless families currently living in shelters will be adults by then. The shifting of up to 208,000 GSF of floor area from Phase I to Phase II of the Project is emblematic of the intrinsic problems embedded in this 21-year housing production timeframe.

Additionally, while Phase II is not within the reduced parking requirements of the Downtown Parking Text Amendment and the utilization survey results appear to indicate a reduced demand for Arena event parking spaces, the number of parking spaces planned do not appear to meet the normal requirements for the number of planned dwelling units.

The ESD needs to work much more closely with the local planning authorities and also include input from the affected community boards to make this project an effective and efficient use of the government tax credits buttressing the private financial gains at issue.

Yours truly,

Nizjoni Granville
Chairperson

cc: Elected Officials
May 30, 2014

Via Email (atlanticyards@esd.ny.gov) and Regular Mail

Derek Lynch
Empire State Development
633 Third Avenue
New York, NY 10017

Re: Comments by Develop Don’t Destroy – Brooklyn on the MGPP for the Atlantic Yards Arena and Redevelopment Project

Dear Mr. Lynch:

We are the attorneys for Develop Don’t Destroy – Brooklyn (DDDB) and submit these comments on the above-referenced MGPP. These comments are in addition to the May 12, 2014 comments on the DSEIS.

Failure to Comply with the UDCA

The proposed modification to the 2009 MGPP purports to only modify certain sections pertaining to the allocation of gross floor area between project phases and to reduce the amount of parking in the project. Apparently the balance of the 2009 MGPP is unchanged. That is problematic.

The MGPP continues, without any consideration of developments over the past years to leave, unchanged the findings that ESD originally made in 2006 and left unchanged in 2009. Of primary concern are the findings related to a determination that the project qualifies as a Land Use Improvement Project under the UDCA. This current iteration of the MGPP continues the fallacy that the purpose of the project is to alleviate blight. The issue of EDC’s finding in that regard was previously litigated and upheld, albeit by a very skeptical court. However, EDC
cannot simply parrot those findings again without recognizing the change in circumstances. Those circumstances were outlined in our previous comments and the comments of others who noted that in the current DSEIS it is claimed that blight is no longer an issue in the neighborhood and the protracted delay in the project will not have an adverse impact on community character and will not exacerbate blight conditions, because the market is already solving the problem. Simply put, the rational in the DSEIS cannot be reconciled with the unaltered statements in the 2009 MGPP that the purpose of the project and its qualification as a Land Use Improvement Project is to alleviate blight.

Similarly, the 2009 MGPP and the 2006 MGPP both relied upon estimates of the economic benefits of the project in terms of direct investment, construction jobs generated and the associated tax revenues. The 2014 proposed MGPP makes no changes to those projections and makes no attempt to update the 2006 projections based upon real world experience since Phase I commenced and changes in project construction. Obviously one of the primary changes is the use of prefabricated building modules for the residential buildings. We are not aware of any analysis that has been supplied to the EDC which updates the estimates of economic benefits by looking at the impacts of the change in building construction. Furthermore, there is nothing in the MGPP which recognizes, mandates or permits the use of prefabricated building modules. DDDB does not deny that there may be benefits to using prefabricated building techniques. As FCRC has argued it reduces building costs. However in doing so it also creates less employment opportunities to the community and reduces tax revenues. And of even greater significance, if the costs of construction are greatly reduced then the opportunity to create affordable housing may be increased. Presumably the calculation on the amount of affordable housing mandated in the MGPP was a function of the financial feasibility of constructing the project which of course included the cost of construction. If the cost is being reduced then ESD must reconsider the other elements of the project and evaluate if the number, size and levels of affordability of the housing units should be changed. ESD’s documents are silent on this issue.

Transfer of Ownership Interest

As ESD is well aware, FCRC is planning on transferring a 70% controlling interest in the project to the Greenland Group, a company controlled by the authoritarian government of China. It is our understanding that the ESD Board has been informed that it does not need to approve of the transfer of a controlling interest. (See Memorandum of Rachel Shatz, dated December 13, 2013). We disagree with Ms. Shatz’ conclusion.

First, it should be noted that Section F(6) of the 2009 MGPP specifically limits the ability of the project sponsor to transfer any aspect of the uncompleted project without the consent of both ESD and New York City. Furthermore, Section 10.2 of the 2009 Development Agreement also prohibits a transfer of ownership, including a transfer of the equity ownership of the any of the FCRC affiliates without ESD approval. It appears that ESD is ignoring those provisions of its own MGPP and contract agreement.
Furthermore, the Development Agreement noted the importance and reliance that EDC placed upon the continued involvement of FCRC in the project. However, as the December 13th memo from Ms. Shatz noted, that while the initial documents associated with the Greenland acquisition have a significant continuing role for FCRC in the joint venture, that role could be changed at any time and FCRC’s role eliminated. Therefore, ESD must make a determination and change the MGPP accordingly to recognize that FCRC’s continued involvement, for whatever benefit that may provide, cannot be relied upon.

DDDB remains opposed to the project as it continues to be proposed. It urges ESD to engage the community in a proper repurposing and assessment of available alternatives and urges ESD not to adopt the MGPP.

Very truly yours,

[Signature]

Jeffrey S. Baker

Cc: DDDB
Attn: Derek Lynch  
Empire State Development  
633 3rd Avenue  
New York, NY 10017

(Brief) Comments on the Proposed Amendment to the Atlantic Yards Modified General Project Plan

This is the third time I have made comments as part of an Atlantic Yards related environmental review process. I have continue to do so even though I believe the environmental review process for Atlantic Yards has been undermined beyond usefulness. I would like to think that even harsh criticism, when directed toward the public interest, can improve this project. But this environmental review, like the ones before it, is most likely to produce an outcome largely sketched out by the current Project Sponsor to maintain footprint control and maximize planning flexibility. I believe the only way to get meaningful improvements in the project for the public is to reform the project’s governance.

The community was not looking for an Atlantic Yards when it was proposed in 2003, and the project’s plans from that point have been developed with very little input from the public. The public and local elected officials were only able to understand the financial implications and assumptions of the project in any way as a product of a FOIL following project approval. In 2006, the only comments that appeared to meaningfully affect the project during the FEIS review were from the Department of City Planning and the Borough President, and many of those comments were apparently agreed upon well in advance. In 2009 both the State and its environmental consultants carefully calibrated their curiosity at the service of the developer who was in poor economic condition, and the result was undisclosed and unanalyzed risks for the community near the project. Now, the court-ordered DSEIS’s scope has been limited insincerely to what has been required by the court, even though it is easy to see that numerous issues that ought to be studied (for example a construction plan for the remaining Phase 1 work), are being ignored. In addition, it is almost impossible to make comments on issues like the location of the proposed school, because lack of transparency raises red flags.

So where is the project as a result of these environmental reviews? As far as I can tell, the declared principle goal, benefit, and use of the project (eliminating blight, most particularly by building over the rail yard), continues to get dusted under the rug, despite the continued implementation of eminent domain potentially reversing yet more development progress in the project site. The developer has announced considerable work it will start in the near future, but all current work is delayed. How is this work going to be financed moving forward? Apparently the best idea is to get another developer to provide the capital. Based on the current record of FCRC, without Greenland, the project may fail. With Greenland, accountability to the public about decision-making is unlikely to improve.
Since the time Atlantic Yards was announced in December 2003 until now, local residents, civic and community organizations and local elected officials have been excluded from meaningful involvement in the decision-making process for Atlantic Yards. Claims remain unverified; environmental commitments have often been unmet. So far the State has yet to propose a single way the local community, local elected officials and the general public will be meaningfully engaged in the planning and oversight of the project that those groups find acceptable. This is despite the fact the construction is already in the ninth year, and the project is likely to be built out over decades. Continued lack of transparency has led to very little public understanding of the project’s feasibility, and reasonable fears the project will either deliver less than promised, or cost the public more. This has come at a cost to the developer, who has never really been able to build a knowledgeable constituency enthusiastic about the project in an unqualified way. Reform of Atlantic Yards governance is long past due.

**PARKING**

Dean Street Block Association’s input to the DSEIS has already requested that the developer and ESDC help residents get RPP for the area.

I favor a parking plan that dis-incentivizes driving as a means of making the streets in and near the project livable and safe, while protecting valuable existing public open space. Using that principal as a guide, it seems the best course is reducing the number of parking spaces provided on-site. Planners should also look at diffusing the parking locations in the project (as is a feature to some extent of the 2006 Project) so that traffic is spread more evenly throughout the project’s streets.

The “Base Case Key-Plan” does not include all of the locations for parking in the 2006 Project Description. Excluded are a 350 space two level garage on the southwest quadrant of block 1120 with an entrance on 6th Avenue, and a 450 space two-level garage between buildings 6 and 7 with an entrance on Carlton Avenue. While it makes sense to me to reduce the number of parking spaces in the project, on the other hand it still may make sense to maintain the parking locations that were originally planned, just with each providing less parking. The guide shouldn’t be what is cheapest for the developer, it should be what makes the streets safer and more livable, especially given ongoing shortfalls in the provision of project open space, sidewalks that are lesser either as a permanent or a construction phase condition, and the reduced number of travel lanes in the project.

Atlantic Yards is a very dense project that has achieved its density in part by absorbing public streets. It makes good sense to enhance the neighborhood character and sense of safety of the remaining streets as a way to improve the project’s context and livability. Creating congestion on the project’s streets makes no sense.
SOME SUGGESTIONS FOR CONSIDERATION:

1). Dedicate the parking uses
Because arena patrons may be willing to pay more for one night than local residents can afford, operators of parking garages have an incentive to rent to arena patrons if they can. Dedicating the 986 parking spaces anticipated to be provided to residents and non-arena commercial uses specifically to those uses may make sense.

2). Pay for illegal parking enforcement.
Although limo use was studied in advance of implementing the TDM plan, (the data showed the TDM plan would not deter limo use), no contingencies were made to address the problem of limos coming to the arena and stationing themselves nearby to wait for their clients. The limos often park illegally and sometimes idle near fire hydrants, in turning lanes and no-standing lanes, and in bus stops near the arena. Limo drivers often stay in their vehicles, and it is a policy for enforcement to ask drivers to move along instead of issuing a ticket in order to avoid conflict. The result is a risk the taxpayer will have to subsidize the enforcement. The problem is generated by the arena and was identified, but not disclosed, in advance of the arena opening. The developer or the arena operator should be required to subsidize enforcement.

3). Ensure parking related to productions is put back below grade permanently.
In 2009 the arena was changed in numerous ways that were not disclosed to the public and not analyzed by the technical memo that accompanied the MGPP. Indeed, Frank Gehry has acknowledged that it was the size of his arena that “killed” the use of his plan. He states, “There was a business decision to change and make it a much smaller building.” One change was a reduction in the below-grade capacity of the arena. The other was the introduction of the use of elevators to the loading dock. Both changes produced negative affects for the community near the project, including the appearance above-grade of the satellite uplink lot, and above-grade parking on and near “the pad.” Although B2 was supposed to have parking below grade that would have opened within a few months of the arena opening, now that parking has been eliminated to save money and make room for arena storage.

Apparently because the NBA does not accept loading dock elevator-use, its buses are now parked above grade on the pad. Now every event uses the Pad in one form or another for everything from a horse’s stable, to a WrestleMania campground, to arena executive parking. The below-grade arena block parking should absorb all of these uses and more. The Project’s plan has never included permanent at-grade parking uses and that should be reiterated, not changed. And temporary/interim uses for parking should be phased out quickly.

4). Adjust the amount and location of Precinct parking to account for a growing precinct.
Employee parking for the 78th Precinct and FDNY Engine 215/Ladder Company 105 continues to be a problem in the immediate vicinity of the project because it produces combat parking on the sidewalk. In order to cover the arena, the 78th Precinct’s scale was increased, and the number of 78th Precinct employee cars parking in parking lanes and on sidewalks also increased. The Precinct is going to be expanded again, with two new units of 30 employees and numerous new official cars. Recent efforts by the Deputy Inspector to encourage the use of the 24 spaces provided on block 1129 have been partially successful, with ½ of the parking spaces taken up many days. Still, there is considerable parking on sidewalks, and the Precinct has expanded the range of its dedicated on street parking as well. There need to be improvements.

In order to encourage more utilization of the parking dedicated to the precinct in the project, the Precinct’s parking should be located in the B3 below grade lot where Precinct employees will more readily use it. The number of spaces should be increased to accommodate the expanding precinct. In addition, 4 spaces should be added for the ladder company if they commit to removing their parking from the sidewalks.
Supplemental SEQRA Findings Statement

Atlantic Yards Project
Empire Statement Development
June 27, 2014
SUPPLEMENTAL FINDINGS
BY THE NEW YORK STATE URBAN DEVELOPMENT CORPORATION
D/B/A EMPIRE STATE DEVELOPMENT
FOR THE ATLANTIC YARDS LAND
USE IMPROVEMENT AND CIVIC PROJECT

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I. Introduction

This Supplemental Statement of Findings is issued by the New York State Urban Development Corporation, doing business as Empire State Development ("ESD"), in accordance with a Decision and Order dated July 13, 2011 (the "Order"), issued by the New York State Supreme Court for New York County (the "Court"), and pursuant to the State Environmental Quality Review Act ("SEQRA"), N.Y. Envtl. Consrv. Law Article 8, and its implementing regulations adopted by the New York State Department of Environmental Conservation ("NYSDEC") and codified at Title 6 of the New York Code of Rules and Regulations ("N.Y.C.R.R.") Part 617 (the "SEQRA Regulations"). This statement supplements the Statement of Findings issued by ESD on December 8, 2006 (the "2006 Findings"), with respect to the environmental impacts of the Atlantic Yards Arena and Redevelopment Project (Atlantic Yards Land Use Improvement and Civic Project) (the "Project"), as summarized in the Modified General Project Plan dated December 8, 2006 (the "2006 MGPP"), and as analyzed in the Atlantic Yards Arena and Redevelopment Project Final Environmental Impact Statement dated November 27, 2006 (the "2006 FEIS").

In the Order, the Court directed ESD to prepare a supplemental environmental impact statement ("SEIS") assessing the environmental impacts of a delay in Phase II construction of the Project; conduct further environmental review proceedings pursuant to SEQRA in connection with the SEIS; and issue further findings with respect to Phase II of the Project. According to the Order, the supplemental environmental review required by the Court is limited to a delay in Phase II because, among other things, the Project had been approved initially by ESD in 2006 “only after preparation of a [FEIS] and public hearing, the sufficiency of which was affirmed on appeal”; and the challenge before the Court to the Project modifications approved by ESD in 2009 did not “involve a claim that further environmental review is required of the essential substantive features of the Project.” The order was affirmed by the Appellate Division of New York State Supreme Court on April 12, 2012.

Accordingly, on December 19, 2012, ESD issued a Draft Scope for the Court-ordered SEIS, and held a public scoping session on the Draft Scope on February 27, 2013. Written comments were accepted from issuance of the Draft Scope through the public comment period that ended on March 14, 2013. On February 6, 2014, ESD issued a Final Scope of Work reflecting the consideration of comments made during scoping and the identification of potential changes to the Phase II program. On March 28, 2014, the ESD Directors accepted the Draft Supplemental Environmental Impact Statement ("DSEIS"). At the same meeting, the ESD Directors adopted a Modified GPP (the "2014 MGPP") for public comment. The comment period on the DSEIS closed May 12, 2014. On June 12, 2014, the ESD Directors accepted the Final Supplemental Environmental Impact Statement ("FSEIS") as complete.

---

1 For planning purposes, the Project was divided in the 2006 FEIS into two phases: Phase I and Phase II. Phase I comprises: site clearance and environmental remediation; relocation of utilities and specified transportation improvements; six new buildings (including the Barclays Center Arena) west of 6th Avenue and associated below-grade permanent parking facilities; the new subway station entrance adjacent to the Arena; a reconstructed and improved Vanderbilt Yard for the Long Island Rail Road and associated rail facilities; a new Carlton Avenue bridge spanning the rail yard; and temporary surface parking facilities. Phase II comprises: a platform over the reconstructed rail yard; eleven buildings east of 6th Avenue and associated below-grade permanent parking facilities; additional infrastructure improvements; and the creation of 8 acres of publicly accessible open space.
The DSEIS and FSEIS (collectively, the “SEIS”) assess the environmental impacts of Phase II of the Project (including two proposed modifications described below) with a 2035 Build year (collectively referred to as the “Extended Build-Out Scenario”), as compared to the 2016 build year analyzed in the 2006 FEIS. The FSEIS also examines whether the mitigation for Phase II imposed by ESD in 2006 should be adjusted in light of the conclusions of the FSEIS, and whether any additional mitigation should be imposed to account for any new or different environmental impacts from the potential for prolonged construction of Phase II.

The FSEIS also considers two proposed modifications to the project program for Phase II: (1) a proposed shift of up to approximately 208,000 gross square feet (“gsf”) of floor area from Phase I of the Project to Phase II of the Project; and (2) a reduction in the number of parking spaces on the project site from 3,670 spaces as analyzed in the 2006 FEIS to 2,896 spaces. The proposed increase in the aggregate floor area of Phase II of the Project would not change the location, uses, size and form of the Phase II buildings as governed by the Project’s Design Guidelines, nor would it change the maximum square footage of any of the individual Phase II buildings as set forth in Exhibit C of the 2009 MGPP that ESD approved for the Project in 2006. The proposed shift of floor area from Phase I to Phase II would not affect the affordable housing requirements for Phase I or the Project as a whole, and would not modify the maximum square footage permitted for the Project. The proposed change in the number of parking spaces reflects lower demand for on-site Arena parking than was assumed in the 2006 FEIS.

The analyses contained in the FSEIS identify impacts resulting from Phase II of the Project under the Extended Build-Out Scenario in the same technical areas as those that were identified in the 2006 FEIS: community facilities (public school seats, the shortage of which would be reduced, but not eliminated by a public school within the Phase II site as proposed in both the 2006 FEIS and the FSEIS), construction-period open space (which would gradually be eliminated through the incremental availability of the Phase II open space), transportation (both upon completion of Phase II in the assumed Build Year of 2035 and during construction), and construction noise. To the extent practicable, mitigation has been identified for these significant adverse impacts. Since the type and nature of the impacts identified in the FSEIS are comparable to those identified in the 2006 FEIS, the measures identified to address such impacts are also comparable. As in the 2006 FEIS, with respect to public schools, operational traffic and construction traffic and construction noise, the measures that have been identified in the FSEIS only partially mitigate significant adverse impacts. In addition, practicable measures have not been identified to fully mitigate pedestrian impacts identified in the FSEIS on one sidewalk.

This statement sets forth ESD’s supplemental findings with respect to the environmental impacts of the Extended Build-Out Scenario, as analyzed in the FSEIS. This statement supplements the 2006 Findings, and does not preclude the development of the Project at a pace that is more consistent with the 10-year construction schedule set forth in the 2006 Findings as analyzed in the 2006 FEIS.

Part II of this Supplemental Findings Statement summarizes the Project background, status and description. Part III describes the SEQRA process and environmental analysis framework employed in the FSEIS. Part IV identifies the environmental impact areas that will not be affected by a delay in Phase II of the Project. Parts V and VI discuss the analyses set forth in the FSEIS, with particular emphasis on identification of significant adverse environmental impacts that will result from the construction and operation of Phase II of the Project under the Extended Build-Out Scenario. Part VII discusses mitigation measures, and Part VIII discusses alternatives considered in
connection with the Extended Build-Out Scenario. Part IX summarizes the unmitigated significant adverse impacts of the Extended Build-Out Scenario. Part X presents the rationale for selecting the Reduced Parking Alternative. Part XI presents a summary evaluation of impacts and Project benefits. Part XII presents the certification and supplemental findings required by SEQRA and the SEQRA Regulations.

A. Location of Action and Brief Description

The Project is located in the Atlantic Terminal area of Brooklyn, which is situated immediately to the south of Downtown Brooklyn in an area that lies at the junction of several Brooklyn neighborhoods. Portions of the project site are within the Special Downtown Brooklyn District created by the New York City Zoning Resolution (the “Zoning Resolution”). The Project occupies an approximately 22-acre area, roughly bounded by Flatbush and 4th Avenues to the west, Vanderbilt Avenue to the east, Atlantic Avenue to the north, and Dean and Pacific Streets to the south. The Project includes an arena, 16 buildings for residential, office, retail, community facilities, parking, and possibly hotel uses, and 8 acres of publicly accessible open space. The Project also includes a reconfigured and improved rail yard and a new direct entrance to the Atlantic Avenue/Pacific Street subway station complex. Section II.C below, provides the current project status.

B. Lead Agency

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II. Project Background, Status and Description

A. Introduction

In November 2006, ESD, in cooperation with the Metropolitan Transportation Authority (“MTA”) and the City of New York (the “City”), issued the FEIS for the Project. The 2006 FEIS was prepared under SEQRA and the SEQRA Regulations, with ESD as the lead agency. At its December 2006 meeting, the ESD Directors adopted its SEQRA findings and affirmed the 2006 MGPP for the Project.

The 2006 MGPP and 2006 FEIS described and examined the Project in two phases (Phase I, assumed to be completed in 2010, and Phase II, assumed to be completed in 2016). Phase I includes an Arena, four other buildings (Buildings 1, 2, 3, and 4) and a new subway entrance on the Arena Block, which is located at the southeast corner of Atlantic and Flatbush Avenues, in the area bounded by Atlantic, Sixth and Flatbush Avenues and Dean Street. Phase I also includes a building on Site 5, which is located at the southwest corner of Atlantic and Flatbush Avenues, and a new rail yard and associated facilities for the Long Island Rail Road (“LIRR”) south of Atlantic Avenue in an area spanning portions of the Arena Block to Vanderbilt Avenue. In addition, Phase I includes parking facilities located on the Arena Block, Site 5 and south of Atlantic Avenue between Sixth and
Vanderbilt Avenues, including temporary parking facilities on Block 1129, between Vanderbilt Avenue, Carlton Avenue, Pacific Street, and Dean Street. Phase I also includes site utilities and other infrastructure in the vicinity of the site. Phase II is comprised of a platform over the new LIRR yard, 11 buildings (Buildings 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, and 15) south of Atlantic Avenue between Sixth and Vanderbilt Avenues, below-grade parking facilities in that area, and 8 acres of publicly accessible open space in that area. Phase I includes all components of the Project west of 6th Avenue and some components east of 6th Avenue; all Phase II components are east of 6th Avenue.

In connection with the preparation of the 2006 FEIS and 2006 MGPP, Design Guidelines for the Project were prepared in close consultation with the New York City Department of City Planning (“DCP”). The Design Guidelines were annexed as Exhibit B to the 2006 MGPP and provide a design framework for the Atlantic Yards development. They establish “general goals and objectives” for the Project as a whole and provide specific design guidelines for each development parcel and the 8 acres of publicly accessible open space. The Design Guidelines also incorporate their own appendices that include drawings defining an envelope for each building, with dimensions establishing height limits and setback requirements.

The 2006 MGPP also included a one-page exhibit (“Exhibit C”) titled “Atlantic Yards Building Heights & Square Footages.” This document contains a table with the maximum height and floor area in gsf for each building, as well as the maximum floor area for Phase I of the Project, for Phase II of the Project, and for the Project as a whole.

In June 2009, ESD approved a resolution adopting certain modifications to the 2006 MGPP as set forth in a second Modified General Project Plan (the “2009 MGPP”). The 2009 MGPP did not modify the Design Guidelines, which were annexed as Exhibit B to the 2009 MGPP. The 2009 MGPP also did not modify Exhibit C to the 2006 MGPP, which was annexed as Exhibit C to the 2009 MGPP.

A Technical Memorandum (the “2009 Technical Memorandum”) was prepared that described the proposed modifications, changes related to design development, changes to the Project’s assumed schedule, and changes in background conditions, and (employing certain updated City Environmental Quality Review (“CEQR”) Technical Manual methodologies) assessed whether the Project as envisioned would result in any new or different significant adverse environmental impacts not previously disclosed in the 2006 FEIS. The 2009 Technical Memorandum discussed shifts in assumed completion years for Phase I of the Project from 2010 to 2014, and full build-out from 2016 to 2019. In addition, the 2009 Technical Memorandum assessed the potential for a delayed completion of Building 1 (the commercial building on the Arena Block) as well as a post-2019 build-out scenario for the Project, for which 2024 was selected as a hypothetical completion year.

On the basis of the 2006 FEIS and 2009 Technical Memorandum, ESD determined that an SEIS was not required or warranted in connection with the 2009 MGPP. However, that determination was challenged in a proceeding before the Supreme Court for New York County. In a Decision and Order dated November 9, 2010, the Court directed ESD to make additional findings on the effect of certain Project-related agreements on the schedule for construction of the Project, and on whether an SEIS should be prepared.
Thereafter, a second technical memorandum (the “2010 Technical Analysis”) was prepared to comply with that order. The 2010 Technical Analysis evaluated the potential for new significant adverse environmental impacts not previously disclosed in the 2006 FEIS from a prolonged delay beyond the 2024 hypothetical completion year assessed in the 2009 Technical Memorandum. For analysis purposes, the potential post-2024 condition was assumed to extend to 2035. On the basis of the 2006 FEIS, the 2009 Technical Memorandum and the 2010 Technical Analysis, ESD determined that an SEIS was not warranted. That determination was subsequently challenged.

In the Order dated July 13, 2011, the Court remanded “the matter…to ESD for further environmental review consistent with this decision, including preparation of a Supplemental Environmental Impact Statement assessing the environmental impacts of delay in Phase II construction of the Project; the conduct of further environmental review proceedings pursuant to SEQRA in connection with the SEIS, including a public hearing if required by SEQRA; and further findings on whether to approve the MGPP for Phase II of the Project.” The Court limited its order to Phase II of the Project, “[g]iven the extent to which construction of Phase I has already occurred, under a plan which has been subjected to and withstood challenge,” noting that “this is not a case in which the Project has been implemented without any prior ‘valid environmental review.’” In 2012, the Court Order was affirmed by the Appellate Division of State Supreme Court.

B. Project Background

1. Project Analyzed in the 2006 FEIS

The Project analyzed in the 2006 FEIS involved the redevelopment of 22 acres in the Atlantic Terminal area of Brooklyn, New York. The project site is roughly bounded by Flatbush and 4th Avenues to the west, Vanderbilt Avenue to the east, Atlantic Avenue to the north, and Dean and Pacific Streets to the south. The Project is a land use improvement and civic project of ESD, and will eliminate blighted conditions in the area by implementing development that will include a new Arena for the former New Jersey Nets National Basketball Association team (which is now completed), along with commercial office and retail, possible hotel, open space, and residential uses, including affordable housing. The Project will also partially relocate, platform over, and improve the LIRR Vanderbilt Yard (rail yard), which, together with a New York City Transit (“NYCT”) yard for retired buses, occupies approximately nine acres of the project site. (The buses have been removed since completion of the 2006 FEIS.)

The 2006 FEIS analyzed two build years for the Project: 2010 (assuming completion of Phase I), which included development of the entire program slated for the project site west of 6th Avenue, the new LIRR rail yard and new parking facilities; and 2016 (assuming completion of Phase II), when the buildings at the eastern end of the project site—together with the Phase I development—were assumed to be developed and occupied. As described in the 2006 FEIS, at full Build-Out, the approved Project will comprise the 150-foot-tall Arena and 16 other buildings with maximum heights ranging from approximately 184 feet to approximately 620 feet.

The 2006 FEIS examined two variations of the project program, reflecting what was anticipated as the range of reasonable worst-case development scenarios for the programming of three of the Project’s 17 buildings: (1) a residential mixed-use variation containing approximately 336,000 gsf of commercial office space, 165,000 gsf of hotel use (approximately 180 rooms), 247,000 gsf of retail space, and up to approximately 6.4 million gsf of residential use (approximately 6,430 units); and (2)
a commercial mixed-use variation with more commercial office use in three buildings closest to Downtown Brooklyn and potentially containing up to approximately 1.6 million gsf of commercial office space, 247,000 gsf of retail space, and approximately 5.3 million gsf of residential use (approximately 5,325 units). Both variations will provide eight acres of publicly accessible open space, and an enclosed, publicly accessible Urban Room. Both variations also assumed that community facility uses will occupy portions of the retail and residential space. In addition, both program variations included approximately 3,670 parking spaces. Both variations included as part of the Project a new subway entrance at the southeast corner of Atlantic and Flatbush Avenues, which will provide direct pedestrian access at the western end of the project site to the Atlantic Avenue/Pacific Street subway complex. In addition, the Project as described in the 2006 FEIS also will include several roadway and pedestrian circulation changes near the project site. Finally, as mitigation, both variations included, at the option of the New York City Department of Education, a 100,000 gsf public school on the Phase II project site.

2. Project Modifications Considered in the 2009 Technical Memorandum

In June 2009, ESD approved a resolution adopting certain modifications to the 2006 MGPP in the 2009 MGPP. The 2009 MGPP allowed the project sponsors (affiliates of Forest City Ratner Companies [“FCRC”]) to acquire certain areas of the project site and the air rights over the rail yard in stages, rather than all at once at the outset of the Project.

In addition, certain design changes were made to the Project. In a letter to the Speaker of the State Assembly dated December 20, 2006 (and thus after the 2006 FEIS), FCRC stated that it would cap the height of the Project’s tallest building (Building 1) at less than 512 feet so that the Williamsburgh Savings Bank building would remain the tallest building in Brooklyn. (Subsequently, new residential buildings at 388 Bridge Street and 111 Lawrence Street surpassed the height of the Williamsburgh Savings Bank building.) At that time, it was assumed that the floor area of Building 1 eliminated by a height reduction would be distributed to the other Phase I buildings within the Design Guideline bulk envelopes for those buildings. Other design changes included the elimination of the private open space on the roof of the Arena; changes to the arena footprint and design layout that resulted in a relocation of 100 parking spaces off the Arena Block; reconfiguration of the LIRR rail yard including a partial relocation of the LIRR drill track; retaining the existing 6th Avenue Bridge; and crosswalk widenings and other changes to lay-by lanes on the Arena Block.

3. Project-Related Agreements with Public Agencies

At a master closing held on December 21-23, 2009, several hundred contracts were executed to implement the Project, many of which were placed in escrow until certain conditions were satisfied. Among the parties to these contracts were ESD, MTA, LIRR, New York City Transit Authority, the City of New York, Brooklyn Arena Local Development Corporation, several FCRC affiliates and various other entities. After acquisition by condemnation of certain Project properties (as discussed below), several of the documents were released from escrow on March 4, 2010, and became effective on that date, and, after vacant possession of certain of these properties was obtained, the remainder of the documents were released from escrow and became effective on May 12, 2010, the “Project Effective Date.” A general overview of several of the more important contracts is provided below to present background information on the status of Project implementation to date, and to highlight contractual provisions relevant to the outside dates of the schedule and the
potential sequence of future construction of Project buildings under the Extended Build-Out Scenario.

a. Agreements Relating to Public Funding

In 2006 and 2007, the State Legislature appropriated $100 million towards the Atlantic Yards Project. On September 12, 2007, in order to implement these appropriations, and after affirmation of the 2006 MGPP by the ESD Directors, ESD and certain FCRC affiliates entered into the State Funding Agreement, whereby certain FCRC affiliates agreed, subject to certain specific conditions, to carry out the Project in accordance with the General Project Plan (as modified from time to time), and ESD agreed, subject to certain specified conditions, to reimburse the FCRC affiliates for up to $100 million for certain costs incurred by the FCRC affiliates for Project infrastructure. The infrastructure costs eligible for reimbursement under the State Funding Agreement included the new subway station entrance on the Arena Block, the Carlton Avenue Bridge over the rail yard, the LIRR temporary and permanent rail yard, the platform over the rail yard, environmental remediation, Arena-related parking facilities and certain sitework and utilities. As of September 17, 2009 (the date the 2009 MGPP was affirmed by the ESD Directors), ESD had funded or approved disbursements totaling approximately $75 million (of the $100 million) for infrastructure costs incurred by FCRC affiliates. On December 23, 2009, and again on August 27, 2010, the State Funding Agreement was amended to encompass, among other things, additional infrastructure work and certain other Project costs. The balance of the $100 million State contribution towards the Project has been paid to FCRC affiliates to reimburse the affiliates’ infrastructure expenses for the Project in accordance with the Agreement.

The City also provided capital funds towards the Project. On September 12, 2007, the New York City Economic Development Corporation (“EDC”) and ESD signed the City Funding Agreement under which EDC agreed to provide ESD with up to $100 million to fund the purchase of certain land comprising the Arena Block contingent upon FCRC having spent $100 million on eligible Project infrastructure not reimbursed by State or City contributions. On October 20, 2009, and again on August 27, 2010, the City Funding Agreement was amended, initially to increase funds available for Project land purchase by $31 million (to $131 million total) and subsequently to provide an additional $32.5 million for further Project and City infrastructure, including Carlton Avenue bridge work and certain water main work not required for the Project, but built on behalf of the City. The $131 million of acquisition funds, and the bulk of the $32.5 million of infrastructure funds, have been expended. The City is also expected to provide subsidies to the Project’s affordable housing units through the Project’s participation in the City’s affordable housing programs.

As a condition of receiving the State or City funding, these funding agreements impose certain obligations on FCRC affiliates. The funds received must be utilized solely for construction of the identified Project infrastructure work. More generally, the funding agreements oblige the FCRC affiliates to carry out the Project in accordance with the General Project Plan as the same may be modified from time to time.

b. Land Acquisition Funding, Property Management and Relocation Agreement

On September 18, 2009, ESD and certain FCRC affiliates entered into the Land Acquisition Funding, Property Management and Relocation Agreement as amended by the First Amendment to
Land Acquisition Funding, Property Management and Relocation Agreement, dated December 23, 2009 (the document as amended is referred to below as the “Land Acquisition Agreement”), in which ESD agreed to acquire certain properties required for the Project, including, if required, commencing eminent domain proceedings, and certain FCRC affiliates agreed to pay the costs incurred by ESD in connection with the acquisition of those properties. ESD commenced an eminent domain proceeding in the New York State Supreme Court for Kings County on December 23, 2009 for portions of the project site. The properties sought to be acquired in that proceeding were:

- The Arena Block (comprising Block 1118, Block 1119, Block 1127, the segment of Pacific Street between Flatbush and Sixth Avenues and the segment of Fifth Avenue between Flatbush and Atlantic Avenues), for the Arena, Urban Room, new subway entrance, and residential Buildings 1 through 4;
- Block 1129, for interim surface parking and construction staging and thereafter Buildings 11 through 14 and open space;
- Block 1120, Lot 35, for interim use as access to the Vanderbilt Yard and surface parking, and thereafter Building 7 and open space;
- Block 1121, Lots 42 and 47, for interim use in connection with the Vanderbilt Yard and thereafter Building 10 and open space; and
- Pacific Street between Carlton and Vanderbilt Avenues, for interim surface parking and construction staging and thereafter Buildings 9, 11, and 13 and open space.

On March 1, 2010, the New York State Supreme Court for Kings County vested title in all of those aforementioned properties in ESD.

On June 5, 2011, ESD commenced an eminent domain proceeding in the New York State Supreme Court for Kings County to acquire permanent and temporary easements in two properties adjacent to the Vanderbilt Yard. The two properties in which easements were sought to be acquired were: Block 1120, Lots 19 and 28. ESD sought the easements in order to permit the installation of a support-of-excavation system. The support-of-excavation system was necessary in order to protect the as-built structures on Lots 19 and 28 during the excavation for construction of the new Vanderbilt Yard. The Lot 19 easements were acquired on June 30, 2011. The Lot 28 easements were acquired on December 22, 2011.

Pursuant to the Land Acquisition Agreement, the FCRC affiliates have reimbursed (and continue to reimburse) ESD for the cost of acquiring these properties.

c. The Development Agreement

The Development Agreement among ESD and certain FCRC affiliates, which was executed in December 2009 and effective in March 2010, requires FCRC, through those affiliates, to develop and construct the Project defined in the MGPP, in accordance with the Design Guidelines.

The Development Agreement establishes the general legal framework for the Project and sets forth the contractual commitments among the parties on matters such as property acquisition, ownership
and control; asbestos remediation and building demolition; Project construction; Project construction schedules; implementation of environmental remediation and mitigation measures; affordable housing requirements; school construction obligations; the provision of open space; parking requirements; events of default; and remedies for default. Some provisions of the Development Agreement relating to Project construction are as follows:

- FCRC was required to substantially complete the Arena by 6 years after May 12, 2010 (the “Project Effective Date”), subject to specified force majeure provisions. The Arena was completed in 2012, well within this deadline. All Arena pre-conditions were also timely satisfied, including but not limited to construction of the new subway entrance and reconstruction of the Carlton Avenue Bridge.

- FCRC must commence and construct the new LIRR rail yard in accordance with the Yard Relocation and Construction Agreement.

- The Development Agreement outlines a process for the development of a non-Arena building. Upon acquisition by ESD of the applicable property, ESD and an FCRC affiliate enter into an interim ground lease with respect to the property under which the tenant has the right to request a development lease for all or a portion of the property demised under the interim ground lease. The tenant is then required to deliver a completion guaranty in accordance with the terms of the development lease prior to the commencement of construction under the development lease. Upon completion of construction of the applicable building under the development lease, ESD conveys fee title to the premises to the tenant or its designee, and the development lease is terminated.

- The Development Agreement allows FCRC to assign its interest under an interim lease or a development lease (and thus its right to develop the building to be constructed under a development lease) to another developer (or to a joint venture of FCRC and another developer), subject to certain terms and conditions, allowing additional capital resources to flow into the development process. FCRC is also permitted, subject to certain terms and conditions, to enter into a joint venture with another developer or investor (or multiple joint ventures with more than one developer or investor) for one or more of the Project buildings. Such an assignment or joint venture is subject to the Project requirements, including those imposed by the General Project Plan, Development Agreement, and the applicable lease provisions.

- FCRC must substantially complete a minimum of 1.5 million gross square feet of Phase I development (not including the Arena) not later than 12 years after the Project Effective Date (i.e., by May 12, 2022), subject to specified force majeure provisions.

- In addition to the 12-year outside date for substantial completion of most of the Phase I development, deadlines are imposed for the construction of individual Phase I buildings. Subject to specified force majeure provisions, FCRC must begin construction of (i) the first non-Arena building on the Arena Block within 3 years of the Project Effective Date (i.e., by May 12, 2013) (this obligation was timely met, with ground being broken for Building 2 in December 2012); (ii) the second non-Arena building on the Arena Block within 5 years of the Project Effective Date (i.e., by May 12, 2015); and (iii) the third non-Arena building on the Arena Block
within 7 years of the Project Effective Date (i.e., by May 12, 2017), with certain rights to increase the time frames by up to 3 years in certain circumstances.

- Within 10 years of the Project Effective Date (i.e., by May 12, 2020), subject to specified force majeure provisions, FCRC is required to commence construction of one of the residential buildings on Block 1129.

- Within 15 years of the Project Effective Date (i.e., by May 12, 2025), subject to specified force majeure provisions, FCRC is required to commence construction of the LIRR platform and deliver a guarantee of completion of the platform.

- FCRC must use commercially reasonable efforts to cause the Substantial Completion of the Project to occur by December 31, 2019 but in no event later than the Outside Phase II Substantial Completion Date, in each case as extended on a day-by-day basis as a result of specified force majeure provisions. The Outside Phase II Substantial Completion Date is the 25th anniversary of the Project Effective Date (i.e., May 12, 2035).

Under the Development Agreement, the project sponsors and their contractors must comply with the Amended Memorandum of Environmental Commitments (“MEC”). The MEC specifies certain environmental commitments and mitigation measures with respect to implementation of the Project.

In connection with the preparation of the FSEIS, a second amended MEC (also referred to herein, as the “MEC”) has been prepared to supplement and refine the measures imposed to avoid or mitigate the significant environmental impacts identified over the course of the environmental review process with respect to construction of the Project. It is anticipated that ESD and the project sponsors will enter into an agreement by which the second amended MEC is substituted for the MEC that was annexed as an exhibit to the Development Agreement in 2009.

d. Leases with FCRC Affiliates

As set forth in the Development Agreement, and as mentioned in ESD’s legal notice dated June 26, 2009, simultaneously with the acquisition of any parcels by ESD, those parcels are to be leased to FCRC affiliates under “interim leases” prior to the time they are slated for construction, and “development leases” as the time for construction of each individual parcel approaches. At the December 2009 closing, ESD entered into various interim leases with FCRC affiliates for the Arena Block and certain of the Phase II properties. These leases became effective shortly after March 1, 2010 when ESD acquired title to certain parcels on the project site pursuant to the vesting Order of the New York State Supreme Court for Kings County as described above. Some of the more relevant provisions of the leases with respect to the Phase II properties are discussed briefly below.

On March 4, 2010, ESD as landlord entered into an agreement of interim lease with an FCRC affiliate (Atlantic Yards Development Company, LLC) as tenant with respect to land acquired by ESD on and adjoining Blocks 1120 and 1121 (Lot 35 on Block 1120; the portion of Lots 42 and 47 on Block 1121 lying at and above a specified horizontal plane; and the northerly half of Pacific Street between Carlton and Vanderbilt Avenues). An amendment to this lease was made on February 28, 2012. The interim lease provides that the Project buildings on Blocks 1120 and 1121 may only be constructed if and when the interim lease tenant has caused the creation of individual
development parcels pursuant to the terms of the interim lease. The interim lease allows its rights to be assigned to a Permitted Developer not affiliated with FCRC under certain circumstances.

On March 4, 2010, ESD as landlord entered into an agreement of interim lease with an FCRC affiliate (AYDC Interim Developer, LLC) as tenant with respect to land acquired by ESD on and adjoining Block 1129 (all lots on Block 1129 and the southerly half of Pacific Street between Carlton and Vanderbilt Avenues). The interim lease provides that the Project buildings on Block 1129 may only be constructed if and when the interim lease tenant has caused the creation of individual development parcels pursuant to the terms of the interim lease. The interim lease allows its rights to be assigned to a Permitted Developer not affiliated with FCRC under certain circumstances.

On July 26, 2011, ESD as landlord and an FCRC affiliate (AYDC Regional Development Company, LLC) as tenant entered in a development lease with respect to a development parcel on Block 1129 (Parcel 12, the development site for Building 12). The development lease allows its rights to be assigned to a Permitted Developer not affiliated with FCRC in certain specified circumstances. On the same date, an amendment was made to the interim lease for Block 1129 severing the premises demised under this development lease from the premises demised under the interim lease.

On February 28, 2012, ESD as landlord and an FCRC affiliate (AYDC Regional Development Company, LLC) as tenant entered in a development lease with respect to a development parcel on Block 1129 (Parcel 11, the development site for Building 11). The development lease allows its rights to be assigned to a Permitted Developer not affiliated with FCRC in certain specified circumstances.

Also on February 28, 2012, ESD as landlord and an FCRC affiliate (AYDC Regional Development Company, LLC) as tenant entered in a development lease with respect to a development parcel on Block 1129 (Parcels 13/14, the development site for Buildings 13 and 14). The development lease allows its rights to be assigned to a Permitted Developer not affiliated with FCRC in certain specified circumstances.

e. MTA-Related Agreements

At the December 2009, March 2010 and May 2010 closings, MTA, LIRR, ESD, ESD-affiliate Brooklyn Arena Local Development Corporation, various FCRC affiliates, and various other entities entered into a complex series of agreements, declarations and transactions under which, among other things: ESD acquired title to certain MTA properties and leased those properties over to an FCRC affiliate for development and operation of the Arena; MTA subdivided the air space above the Vanderbilt Yard to create up to six separate air space parcels, and granted FCRC affiliates the right to acquire such parcels for development of the Project, subject to extensive obligations imposed under related agreements; and MTA created the easements necessary to allow the Project to be constructed. A brief summary of some of the fundamental terms of certain of these agreements is set forth below.

1. Sale-Purchase Agreement for Arena Block Properties

Pursuant to the Sale-Purchase Agreement dated March 4, 2010, MTA conveyed Block 1119, Lot 7 (on the Arena Block) to ESD upon payment of the purchase price by an FCRC affiliate. ESD (through Brooklyn Arena Local Development Corporation) subsequently entered into a ground
lease with an FCRC affiliate for construction and operation of the Arena on this and certain other Arena Block properties.

2. **Declaration of Easements by MTA for Vanderbilt Yard, Brooklyn, Block 1120, Lot 1 and Block 1121, Lots 1, 42, and 47; and Air Space Parcel Purchase and Sale Agreement for Air Space over Block 1120, Lot 1 and Block 1121, Lot 1**

Under these documents, MTA subdivided portions of the Vanderbilt Yard property into a “Yards Parcel” lying below a specified horizontal plane and an “Air Space Parcel” above that plane, and granted easements allowing Project construction within and over the Yard. The Air Space Parcel may be subdivided into six Air Space Subparcels (corresponding to the six buildings over the Yard, i.e., Buildings 5, 6, 7, 8, 9, and 10) to facilitate acquisition and development of the Air Space Subparcels. Key provisions include:

- An FCRC affiliate is granted the right “from time to time” until June 1, 2031, to purchase any of the Air Space Subparcels, subject to certain conditions. One such condition is that FCRC has constructed the new LIRR rail yard in accordance with the Yard Relocation and Construction Agreement (which is discussed below).

- At the closing of such Air Space Subparcel, MTA is to deliver fee title to such Subparcel to a specified FCRC affiliate or its designee. It is anticipated that ESD will be the designee, and will simultaneously lease such Air Space Subparcel to an affiliate of FCRC. The FCRC affiliate that has so acquired the Air Space Subparcel for the Project is granted the right to convey its rights in such Air Space Subparcel to another entity (such as a third-party developer) subject to certain conditions.

- The MTA may terminate FCRC’s right to acquire the Air Space Parcel if the new LIRR rail yard is not completed by 90 days after September 1, 2016, subject to certain extensions and payment of per diem fees.

- The Declaration also: (i) creates various easements allowing construction of the platform and other Project components within and above the Yards Parcel; and (ii) imposes upon the developer of those improvements various obligations relating to the design, construction and maintenance of the Project components within and over the Yards Parcel.

- Each separate Air Space Subparcel owner must build and contribute to the continued maintenance of its portion of the platform in accordance with plans and specifications approved by the MTA parties.

The specific parties to the Air Space Parcel Purchase and Sale Agreement, dated as of March 10, 2010, are MTA as seller and an FCRC affiliate (Atlantic Yards Development Company, LLC) as purchaser. LIRR is also a party to this agreement. Pursuant to this agreement, the FCRC affiliate holds the exclusive right to purchase the air space parcel over the rail yard on Phase II of the project site. ESD is not a party to this Agreement, but it contemplates a conveyance of title from the FCRC affiliate to ESD and a leaseback to FCRC.
3. **Yard Relocation and Construction Agreement**

The Yard Relocation and Construction Agreement among MTA, LIRR, and certain FCRC affiliates, effective as of March 2010, sets forth the terms and conditions for the construction of the new Vanderbilt Yard. Under that agreement, FCRC was obligated to first provide a temporary rail yard and maintenance facility to support rail operations for an interim period, and then construct a new rail yard and associated facilities (such as an employee facility, access ramp, parking area, substation, drill track and storage area). Construction of the temporary rail yard has already been completed in accordance with this Agreement. Under the Agreement:

- The new yard must be designed and constructed in accordance with specific design criteria, which are attached as exhibits to the Agreement. The Agreement also puts into place an orderly process for the development, review and approval of the design for the new yard, and the schedule for its construction.

- Several preconditions must be satisfied before construction of the new yard may commence, including the delivery of a guarantee of the performance of the work from Forest City Enterprises, Inc. (a publicly traded Ohio corporation) to the MTA and the posting of a letter of credit in favor of the MTA.

- Construction of the permanent yard was initially required to begin by June 30, 2012, subject to specified force majeure provisions. That deadline was subsequently modified by the MTA in connection with FCRC’s commitment to continue construction of certain rail yard improvements. Currently, the contractual outside date for FCRC’s delivery of a completion guarantee to MTA for the permanent rail yard is June 30, 2014. The New Yard Construction Completion deadline of September 1, 2016 remained unchanged.

After preparation of the DSEIS, FCRC proposed to resequence certain construction work related to the rail yard and the foundations for the platform and Phase II buildings over the rail yard, by preplacing the foundations for the platform and Phase II buildings when constructing the permanent rail yard on Block 1120 and the southern half of Block 1121. This proposal would require that the New Yard construction completion deadline be extended to December 1, 2017. The proposal was examined in a SEQRA technical memorandum dated June 12, 2014.

4. **Air Space Parcel Development Agreement**

The parties to this Agreement, dated March 2010, are MTA, LIRR and certain FCRC affiliates. The Agreement sets forth the parties’ obligations with respect to the construction of the Project in and above the Vanderbilt Yard. Certain relevant provisions are summarized below:

- The Agreement allows work on the new platform(s) over the Yard to be performed within up to three separate “Platform Construction Periods,” with the work within each period being completed as a single coordinated development. The Air Space Subparcels affected during each Platform Construction Period must be contiguous to each other, and the work in each subsequent Platform Construction Period must be contiguous to completed work. The Agreement allows the Platform Construction Periods to be “continuous with one another and [to] overlap in timing.” It also expresses the MTA parties’ preference, but not a requirement, that construction of the platform proceed from east to west across the rail yard.
The Agreement establishes an orderly process for the MTA parties’ review of the design of the platform(s), requiring among other things, phased design submissions by FCRC.

Similarly, an orderly process is set up for the development and periodic updating of a schedule for the construction of each phase of the platform work.

FCRC is obligated to have substantially completed construction of the entire platform within 25 years from the “Project Effective Date” (i.e., May 12, 2035), subject to specified force majeure and other provisions.

C. Project Purpose, Benefits and Current Status

The purpose and need of the Project has not changed since the publication of the 2006 FEIS and issuance of the 2006 Findings. As stated in the 2006 FEIS, the overarching goal of the Project is to transform a blighted area into a vibrant mixed-use community. The Project aims to provide a state-of-the-art arena (completed in September 2012), necessary affordable and market-rate housing, first-class office space, publicly accessible open space, local retail and community services, a hotel (under one variation of the project program), a new subway entrance (completed in September 2012), and an improved rail yard. The Project’s buildings would contribute to the Brooklyn skyline and the open space would connect the surrounding neighborhoods, which are currently separated by the open rail yard and a major avenue (Atlantic Avenue). With the removal of numerous blighted buildings on the project site and the completed construction of the arena and new transit entrance on the project site, the Project has begun to realize some of these goals.

Since approval of the Project in December 2006, a number of project-related construction and design tasks have been undertaken. Key areas of construction include clearance of most of the buildings on the project site; completion and opening of the Arena, which is now known as Barclays Center; completion and opening of the new subway entrance on the Arena Block; the re-routing of water, sewer, and utility lines around the Arena Block; a new water main built on behalf of the City on Atlantic Avenue; roadway modifications; work on the new LIRR rail yard and the new Carlton Avenue Bridge spanning the rail yard; construction of a surface parking lot on Block 1129; and commencement of construction of the first residential building (Building 2) on the Arena Block (on which ground was broken on December 18, 2012). Concurrently, ESD and the project sponsors have implemented many of the commitments and mitigation measures described in the 2006 FEIS and the 2009 MEC and have provided relocation assistance to residents and businesses displaced from the project site. ESD maintains an active website to provide updates on the Project and a venue for public information on the Project’s construction.

Progress to date on key construction and mitigation tasks includes:

• **Site Clearance**: Abatement and demolition work has been completed across most of the project site.

• **Water and Sewer Improvements**: The water and sewer infrastructure work for Phase I of the Project has been completed, including new sewer pipe installation along Flatbush Avenue, installation of a new water main on the west side of Flatbush Avenue, installation of a new trunk water main and associated distribution main along Atlantic Avenue, and the relocation of certain storm water drains and discharges.
Street Network and Roadway Improvements: Portions of Pacific Street and 5th Avenue have been permanently closed, and the new traffic flow has been implemented. Traffic flow on Pacific Street between 4th and Flatbush Avenues has been reversed from one-way westbound to one-way eastbound. The segment of 4th Avenue between Atlantic and Flatbush Avenues has been converted to one-way southbound to improve traffic flow at the Flatbush Avenue/Atlantic Avenue/4th Avenue intersection. Curb extensions have been completed at various locations along Atlantic Avenue, Flatbush Avenue, Dean Street, Pacific Street and 4th Avenue. Raised medians along Atlantic Avenue east of Flatbush Avenue are complete.

Rail Yard Reconfiguration: Construction of the temporary LIRR rail yard has been completed. Work in anticipation of the new LIRR permanent rail yard is underway. Work related to the demolition and reconstruction of the Carlton Avenue Bridge, necessary for construction of the new yard, has been completed, and the new bridge was opened to traffic in September 2012. Work has continued in the rail yard since that time. The MTA is currently considering an extension of the construction completion date of the permanent yard to December 1, 2017, to allow for the construction of foundations for the buildings and platform above the yard in coordination with the permanent yard.

Subway Entrance: The new subway entrance at the southeast corner of Atlantic and Flatbush Avenues has been completed and has been operational since September 2012.

Arena Construction: Arena construction has been completed, and the arena was opened on September 28, 2012.

Building 2 Construction: Construction has commenced on Building 2, the first residential building on the Arena Block, and is expected to be completed in 2015.

Building 4 Design: On October 17, 2013, ESD approved certain minor modifications to setbacks along 6th Avenue at all levels of the building and at the upper portion of the southern façade of Building 4 as specified in revised Design Guideline Drawings SK-1935, SK-1943 and SK-1944.

Measures to Reduce or Avoid Construction Impacts: ESD has been monitoring the conformity of construction to the requirements of the MEC. MEC measures include the following items (among others): Maintenance and Protection of Traffic (“MPT”) Plans have been implemented to minimize traffic disruption during construction; rodent control measures have been implemented on the project site; measures such as vibration monitoring and Phase 1B archaeological studies have been taken to protect historic resources during construction; an emissions reduction program has been implemented, including the requirement to use ultra-low sulfur fuel and diesel particulate filters on certain construction equipment; and, the project sponsors have offered double-glazed or storm windows and air conditioning units to all affected sensitive uses as identified in the 2006 FEIS (e.g., residential, community facility, houses of worship) to partially mitigate the Project’s noise impacts during construction.

Relocation: Former project site residents and businesses have been provided with relocation offers by the project sponsors, and the majority of the buildings on the project site have been vacated.
• Barclays Center Transportation Demand Management Plan ("TDM Plan"): A draft TDM Plan was presented to the local community and public officials in late May 2012 in preparation for the opening of the Arena. The primary goals of the Plan are to encourage transit use and to reduce the use of automobiles for travel to Arena events. The Plan outlines measures to inform Arena patrons of mass transit options; enhance mass transit service during post-game peak hours; develop event day operational plans; reduce on-site parking on Block 1129 in the Arena-opening condition; encourage bicycling as a means to and from the Arena with the provision of free, secured bike parking for event ticket holders; and develop a coordinated parking system within the area. The public comment period on the draft TDM Plan closed on July 3, 2012 and a Final TDM Plan was accepted by ESD in August 2012. One element of the TDM Plan was the reduction of Arena-parking on Block 1129 from the 1,100 spaces assumed in the 2009 Technical Memorandum to 541 parking spaces for event-goers (and an additional 24 parking spaces on Block 1129 reserved for NYPD use), in the Arena opening condition; this is a reduction of 535 parking spaces from the 1,100 spaces assumed in the 2009 Technical Memorandum.

Additionally, a program was undertaken to observe transportation conditions and to assess the effectiveness of the TDM Plan. This program included travel pattern surveys of event attendees. There was also a post-opening traffic study focused on approximately 56 intersections in the vicinity of the Arena in early 2013 as required by the 2006 FEIS. In June 2013, the results of the program were shared with the public and confirmed that the TDM Plan was successful in meeting the goals for the program established in the 2006 FEIS.

In addition to the above, the project sponsors have put forward a plan to install a green roof on Barclays Center as a new sustainable feature of the Arena. The green roof would also reduce the potential for the transmission of noise from the arena. The green roof will consist of the construction of a secondary roof with a structural system to hold a green sedum tray system very similar to the sedum roof at the transit entrance in front of the Arena. The sedum tray system will cover most of the roof and will consist of approximately 130,000 square feet of sedum, making it one of the largest green roofs in New York City. The installation of this Phase I component will commence in 2014. A SEQRA technical memorandum examining the potential environmental impacts of the installation of the green roof has been prepared and is dated June 11, 2014.

D. Joint Venture with Greenland

In December 2013, Forest City Enterprises, Inc. ("FCE") announced that FCE and Shanghai-based Greenland Group Co. ("Greenland") had signed an agreement for a joint venture to develop portions of Phase I of the Project and all of Phase II of the Project. As described by FCE, Barclays Center and Building 2 would not be assigned to the joint venture, but the joint venture would: complete construction of the new LIRR rail yard; build the platform over the new rail yard; build Buildings 1, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, and 15 and Site 5; create the 8 acres of publicly accessible open space; and make certain modifications to the Barclays Center roof.

As further described by FCE, under the joint venture Greenland acquired a 70 percent ownership interest in the Project (excluding the Arena and B2, as noted above), and agreed to co-develop the Project with FCE and its affiliates and to pay for 70 percent of its development costs going forward. In its filing with the Securities and Exchange Commission on December 10, 2013, FCE stated that the creation of the proposed joint venture “will help accelerate vertical development of the project,
including the delivery of affordable housing.” The statement also noted that the joint venture “would develop the project consistent with the approved master plan [i.e., the 2009 MGPP and Design Guidelines].” The joint venture documentation includes a target development schedule for Phase II construction that is substantially shorter than the one analyzed in the FSEIS. The schedule is comparable in duration to the schedule studied in the 2006 FEIS.

On December 13, 2013, ESD issued a memorandum examining the proposed Greenland transaction and concluding that it did not raise any issues that warranted examination in an SEIS.

E. Proposed Modifications and Phase II Project Component Description

As project planning has progressed, the project sponsors have further developed the design of certain buildings and propose modifications to certain project elements. None of the proposed uses of the project buildings have changed; in addition, they would all still need to conform with the Design Guidelines and the maximum square footages for each building and for the overall Project as detailed in Exhibit C of the 2009 MGPP. The maximum number of residential units and required affordable units will not be altered by the modifications. At the time of the preparation of the DSEIS and FSEIS, the project sponsors had proposed two modifications: a shift in up to approximately 208,000 gsf of floor area from Phase I to Phase II; and a reduction in the number of on-site parking spaces, as described below. Subsequently, in response to public comments on the DSEIS and the proposed 2014 MGPP Modifications approved for public comment on March 28, 2014, ESD and certain FCRC affiliates have negotiated certain proposed modifications to the Project documents to impose additional phasing requirements with respect to the construction of the Project’s affordable housing units and make related adjustments to the requirements of the Project documents. These proposed modifications, which were negotiated after preparation of the FSEIS, are also described below.

1. Proposed Shift in Floor Area From Phase I to Phase II

The 2006 FEIS analyzed a Phase I program that anticipated a certain amount of programming to be developed within the maximum building envelopes for each of the development sites on both the Arena Block and on Site 5. As described in the 2009 Technical Memorandum, it is assumed that the height of Building 1 would be reduced from 620 feet (as analyzed in the 2006 FEIS) to 511 feet, so that this structure would be less than the height of the nearby Williamsburgh Savings Bank building. In December 2006, when the project sponsors agreed to limit the height of Building 1 to 511 feet, it was anticipated that the floor area that would be lost in Building 1 could be accommodated within the maximum design envelopes of the other proposed buildings on the Arena Block (Buildings 2 through 4). At the time, these buildings were designed to be integrated with the Arena, with portions of their envelopes extending above the arena. Because the Arena has been developed as a stand-alone building, it is no longer feasible to utilize the full envelope of Buildings 2 through 4 as set forth in the Design Guidelines and as a result, it is likely that the Phase I program will be slightly less than as described in the 2006 FEIS. Therefore, the project sponsors propose to shift up to approximately 208,000 gsf of floor area that was anticipated as part of the Phase I development program into the Phase II development program. This shift in floor area would be distributed among the Phase II residential buildings and is anticipated to be allocated to the buildings proposed for Block 1129 (Buildings 11, 12, 13 and 14), Block 1128 (Building 15) and Block 1120 (Building 6). The maximum building envelopes for the Phase II buildings as set forth in the Design Guidelines
and the maximum square footages for each building and for the overall Project as detailed in Exhibit C of the 2009 MGPP would not be affected by this proposed shift in floor area.

2. **Proposed Reduction In On-Site Parking**

With respect to on-site parking, the data collected from the opening of the Barclays Center on September 28, 2012 through the last day of the first Nets season on May 4, 2013 show that during this time period there were an average of 122 automobiles parked on Block 1129 for an Arena event, and an average of 160 automobiles parked on Block 1129 for a Nets game. Only six events at the Arena during this time period resulted in more than 300 event-related automobiles using the parking lot on Block 1129. Records for the parking facility since May 4, 2013 have shown a decline in both the average and peak utilization. Consequently, as project planning has progressed, the project sponsors have proposed modifications to the number of parking spaces and the location of parking facilities to be provided on the project site.

The 2006 FEIS analyzed a parking plan that anticipated a total of 3,670 parking spaces on the project site. These spaces included: a below-grade parking facility with approximately 350 parking spaces below Building 2 and Building 3 on the Arena Block; a below-grade parking facility with approximately 350 spaces in the southwest corner of Block 1120; a below-grade parking facility with approximately 450 spaces in the northeast portion of Block 1120; a below-grade parking facility with approximately 150 spaces below Building 15; a below grade parking facility with approximately 400 spaces below Site 5; and a below-grade parking facility with approximately 1,970 spaces on Block 1129.

Subsequently, in 2009 (as analyzed in the 2009 Technical Memorandum), due to the reconfiguration of below-grade space on the Arena Block, up to 100 spaces of the 350 spaces of parking that would have been provided under Building 2 were relocated from the Arena Block to Block 1129. Moreover, Building 2 is currently under construction and does not provide for any below-grade parking in its footprint.

The proposed parking plan for the project site analyzed in the SEIS would locate between 50 and 100 parking spaces below Building 3 on the Arena Block; eliminate the below-grade parking facility on the southwest corner of Block 1120; and reduce the size of the below-grade parking facility on Block 1129 to account for the lower anticipated demand for on-site Arena parking.

Under this proposal, the overall total parking proposed on the project site would be reduced from 3,670 spaces as analyzed in the 2006 FEIS to 2,896 spaces. The FSEIS also assesses a “Reduced Parking Alternative,” under which the overall total parking proposed on the project site would be reduced to 1,200 spaces. The Reduced Parking Alternative is described in greater detail below.

F. **Description of Phase II Project Components**

At the time of the 2006 FEIS, two variations of the project program were under consideration to allow for flexibility in the program of three of the proposed project’s Phase I buildings: (1) a residential mixed-use variation and (2) a commercial mixed-use variation, which would allow for more commercial office use in the three buildings closest to Downtown Brooklyn. The differences between the residential and commercial mixed-use variations applied only to the proposed development programs of Buildings 1 and 2 and on Site 5 in Phase I. Since the 2006 FEIS, the
The program for Building 2 (currently under construction) has been finalized to include only residential and retail uses. Therefore, for analysis purposes in the FSEIS, the commercial mixed-use variation applies only to Building 1 and Site 5 in the Phase I development (thus reducing the amount of commercial space and increasing the amount of residential space in the commercial mixed-use variation as compared with that assumed in the 2006 FEIS), because that variation now assumes a residential program for Building 2. In addition, in light of the reduction in the height of Building 1 after preparation of the 2006 FEIS and subsequent planning, the current program for Building 1 will include a smaller residential program in the residential mixed-use variation than that assumed in the 2006 FEIS, but the office, hotel and retail components in Building 1 will be the same as proposed in the 2006 FEIS.

Table 1, below, provides a comparison of the 2006 FEIS and FSEIS residential and commercial mixed-use programs. As shown in the table, the Project will introduce a maximum total of 6,430 dwelling units (Phases I and II).

As shown in Table 1, the Phase II development could include up to 4,932 dwelling units and approximately 156,000 square feet of local retail in 11 buildings to be located on Blocks 1120, 1121, 1128, and 1129 to the east of 6th Avenue. The local retail space may also house community facility uses, such as the intergenerational community center planned for Phase II of the Project which would include space for a child care facility.

At the time of the 2006 FEIS, a 100-seat child care facility was planned as part of the Project. While the 2006 FEIS did not identify any significant adverse child care impacts, the analysis of publicly funded child care facilities in the 2009 Technical Memorandum found that the updated background conditions and updated methodologies would result in additional demand for publicly funded child care facilities in the study area, which could result in a future shortfall of child care slots. Therefore, the project sponsors have committed to monitor and, if necessary, work with the Administration for Children’s Services (“ACS”) to provide up to approximately 250 additional child care slots either on-site or in the vicinity of the site to meet Project-generated demand.

Additionally, to partially mitigate the significant adverse impact on public schools identified in the 2006 FEIS, the project sponsors have committed to provide, at the election of the Department of Education (“DOE”), adequate space for the construction and operation of a 100,000 gsf elementary and intermediate school in the base of one of the Phase II residential buildings. Therefore, the proposed program for the SEIS includes the development of the proposed 100,000 gsf school. The floor area for the proposed school will be in addition to the floor area indicated in the table (i.e., the proposed school will not replace any of the floor area dedicated to residential use in the Phase II building in which it could be located).

a. Phase II Residential Uses

In Phase II of the Project, residential use is planned for each building. Of these, there will be a mix of market-rate condo units, and market-rate and affordable rental units. As per the Project commitments, Phase I and Phase II of the Project will include a minimum of 2,250 units of affordable housing on site for low-, moderate-, and middle-income persons and families, and at least 30 percent of the residential units built on the Arena Block (in buildings 1, 2, 3, and 4) in Phase I (but no fewer than 300 units) will be affordable units. The remainder of the affordable units will be built in Phase II (the FSEIS assumed that no affordable units would be built on Site 5). Therefore,
if FCRC were to construct Phase I so as to minimize the inclusion of affordable housing units, consistent with the Project document requirements analyzed in the SEIS, Phase II would include approximately 2,737 market-rate (condo and rental) units and approximately 1,771 affordable units (for a total of approximately 4,508 units) under the residential mixed-use variation, and approximately 3,132 market-rate (condo and rental) units, and up to approximately 1,800 affordable rental units (for a total of approximately 4,932 units) under the commercial mixed-use variation. Additionally, as per the Project documents, not more than 50 percent of the Phase II units are permitted to be built without completion of at least 50 percent of the Phase II affordable units. In addition, the Development Agreement requires that, subject to specified contingencies, not more than 50 percent of the Phase II units are permitted to be built without completion of 50 percent of the Project affordable units. It should be noted that while the FSEIS assumes for purposes of analysis the minimum required number of affordable units in Phase I, the project sponsors may elect to build more than this minimum, which would have the effect of increasing the number of affordable units in Phase I and decreasing the number of affordable units in Phase II.
## Table 1
Comparison of 2006 FEIS and FSEIS Residential and Commercial Mixed-Use Variation Programs

<table>
<thead>
<tr>
<th>Proposed Uses</th>
<th>2006 FEIS</th>
<th>FSEIS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Residential Mixed-Use Variation</td>
<td>Commercial Mixed-Use Variation</td>
</tr>
<tr>
<td>Phase I: Development of Arena Block and Site 5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Residential</td>
<td>2,085,000 gsf (2,110 units)</td>
<td>994,000 gsf (1,005 units)</td>
</tr>
<tr>
<td>Hotel (180 rooms)</td>
<td>165,000 gsf</td>
<td>0 gsf</td>
</tr>
<tr>
<td>Commercial</td>
<td>336,000 gsf</td>
<td>1,606,000 gsf</td>
</tr>
<tr>
<td>Arena</td>
<td>850,000 gsf</td>
<td>850,000 gsf</td>
</tr>
<tr>
<td>Parking (spaces)</td>
<td>2,346 spaces</td>
<td>2,346 spaces</td>
</tr>
<tr>
<td>Private Open Space</td>
<td>±1 acres</td>
<td>±1 acres</td>
</tr>
<tr>
<td>Publicly Accessible Open Space</td>
<td>0 acres</td>
<td>0 acres</td>
</tr>
<tr>
<td>Phase II: Development East of 6th Avenue</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Residential</td>
<td>4,278,000 gsf (4,320 units)</td>
<td>4,278,000 gsf (4,320 units)</td>
</tr>
<tr>
<td>Hotel</td>
<td>156,000 gsf</td>
<td>156,000 gsf</td>
</tr>
<tr>
<td>Parking (spaces)</td>
<td>2,920 spaces</td>
<td>2,920 spaces</td>
</tr>
<tr>
<td>Publicly Accessible Open Space</td>
<td>8 acres</td>
<td>8 acres</td>
</tr>
<tr>
<td>Phase I and Phase II: Full Build-Out</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Residential</td>
<td>6,363,000 gsf (6,430 units)</td>
<td>5,272,000 gsf (5,327 units)</td>
</tr>
<tr>
<td>Hotel</td>
<td>165,000 gsf</td>
<td>0 gsf</td>
</tr>
<tr>
<td>Parking (spaces)</td>
<td>3,670 spaces</td>
<td>3,670 spaces</td>
</tr>
<tr>
<td>Publicly Accessible Open Space</td>
<td>±1 acres</td>
<td>±1 acres</td>
</tr>
</tbody>
</table>

**Notes:** All gross square foot numbers are rounded to the nearest thousand.

1. In the SEIS, the Phase I program is considered as part of baseline conditions for the Future Without Phase II condition (the No Build condition).
2. In the SEIS, the Phase II program is considered the Extended Build-Out Scenario, for the Future With Phase II condition (the Build condition).
3. A portion of the retail and residential space is anticipated to house community facilities. Approximately 13,000 gsf of retail space is located in the Arena.
4. Includes 1,506 temporary spaces.
5. Includes 711 temporary spaces that will be eliminated through the development of Phase II.
6. Phase II (and thus the Full Build-Out) may also contain a 100,000 gsf public school at the option of DOE.
7. The 662,000 gsf of Arena floor area does not include the approximately 13,000 gsf of retail space in the Arena.
8. The SEIS also examines a Reduced Parking Alternative under which the Project would include 1,200 parking spaces (290-340 spaces in Phase I and 860-910 spaces in Phase II).

As described in the 2006 FEIS, affordable units will be reserved for households making between 30 percent and 160 percent of citywide Area Median Income (“AMI”) for the New York City metropolitan area. The AMI is set annually for metropolitan areas and non-metropolitan counties by the U.S. Department of Housing and Urban Development (“HUD”), and varies according to family size. It is therefore referred to as the median family income (“MFI”). As of December 11, 2012, MFI for the New York, NY HUD Metro Fair Market Rent (“FMR”) Area for a family of four
was $85,900. The affordable housing program will be subject to adjustment to accommodate the requirements of any city, state, or federal affordable housing program utilized for this housing.

Rent for all rental units introduced under the proposed project will be rent stabilized, and rent for the affordable units will be targeted at 30 percent of household income. Table 2 shows the distribution of the affordable housing units across household income bands, assuming a household size of four persons per household. If the household size were lower, the minimum and maximum incomes for each income band would be lower.

Ten percent of the total rental units will be reserved for senior residents.

Additionally, it is a Project goal that 50 percent of the affordable units on a square foot basis will be two- and three-bedroom units, subject to the availability of programmatic support for larger affordable housing units by the city, state, and federal housing programs utilized for the affordable housing at the project site.

The affordable housing program will be subject to adjustment to accommodate the requirements of any city, state, or federal affordable housing program utilized for this housing. Notwithstanding such adjustments, income bands and distribution of units across income bands will be subject to applicable agency approval.

<table>
<thead>
<tr>
<th>Income Band(\text{%})</th>
<th>AMI Income Range</th>
<th>Number of Affordable Units</th>
<th>Minimum Income for Family of 4(\text{$})</th>
<th>Maximum Income for Family of 4(\text{$})</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income Band 1</td>
<td>30-40%</td>
<td>185</td>
<td>$25,770</td>
<td>$34,360</td>
</tr>
<tr>
<td>Income Band 2</td>
<td>41-50%</td>
<td>555</td>
<td>$35,219</td>
<td>$42,950</td>
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<tr>
<td>Income Band 3</td>
<td>60-100%</td>
<td>353</td>
<td>$51,540</td>
<td>$85,900</td>
</tr>
<tr>
<td>Income Band 4</td>
<td>101-140%</td>
<td>353</td>
<td>$86,759</td>
<td>$120,260</td>
</tr>
<tr>
<td>Income Band 5</td>
<td>141-160%</td>
<td>353</td>
<td>$121,119</td>
<td>$137,440</td>
</tr>
</tbody>
</table>

Notes:
1. Income limits were estimated based on the HUD-calculated Very Low-Income (50 percent) Limit.
2. All dollar values are presented in 2013 dollars. Income minimums and maximums are based on the median family income (MFI) which is set annually for metropolitan areas and non-metropolitan counties by HUD. As of December 11, 2012, MFI for the New York, NY HUD Metro FMR Area for a family of four was $85,900.
Sources: FCRC; HUD FY 2013 Income Limits; AKRF, Inc.

b. Phase II Retail Uses

Consistent with the assumptions of the 2006 FEIS, the Phase II program under the Extended Build-Out Scenario will include an approximately 156,000 gsf retail component consisting of retail and eating establishments primarily serving the local population and tenants on the project site. As described above, a component of this retail space will also be for use as a community facility. These retail spaces will not have footprints large enough to house “big box” retail.

c. Phase II Open Space and Community Facilities

As described in the 2006 FEIS, when completed, Phase II of the Project under the Extended Build-Out Scenario will include eight acres of publicly accessible open space.
On Block 1120, the space between Pacific Street and Buildings 5, 6 and 7 will be landscaped, creating a green corridor along the Pacific Street block with the new residential buildings serving as a backdrop to the landscaped edge. The open space will continue along the Pacific Street corridor eastward on Blocks 1121 and 1129 through the introduction of an undulating walking path, preserving this corridor as a pedestrian thoroughfare. The open space will have a variety of active and passive spaces and planted and paved areas, and will incorporate features such as playing fields, water features, walking paths, seating areas, and extensive landscaping. The open space has been planned, and the buildings around the open space have been arranged, to promote public access to and use of the space by the general public. In the north-south direction, the open space will extend to Atlantic Avenue. The publicly accessible open space will be available for public use from 7:00 AM to 10:30 PM from May through September, and from 7:00 AM to the later of 8:00 PM or sunset in other months, seven days a week. This open space will be owned by a conservancy or other not-for-profit entity established by the project sponsors, which will be responsible for maintenance, operation and security of this public amenity. In addition, some of the residential buildings constructed during Phase II may have private rooftop open space.

A dedicated southbound bicycle path will enter the project site along Atlantic Avenue at Cumberland Street and will continue southbound between Buildings 6 and 7. The route will turn east running along Pacific Street where it will reenter the project site at a pedestrian pathway at Carlton Avenue, continuing southeast around Building 14 to Dean Street. The bike path will continue eastward along Dean Street toward Vanderbilt Avenue where it will connect with the larger city bicycle network. There will be a storage area for 400 bicycles on the Arena Block, anticipated to be located in the base of Building 3. The bicycle station will include space for supporting ancillary uses.

A community facility element will be an intergenerational community center located in the base of one of the buildings on Block 1120 (programming and exact site location to be determined); this approximately 15,000-sf community center will replace a portion of the retail space. The intergenerational facility will consist of child care and youth and senior centers in one building with an atrium. The childcare center will accept Agency for Child Development (“ACD”) vouchers. Additionally, the Project will include, at the election of DOE, adequate space for the construction and operation of a 100,000 gsf elementary and intermediate school in the base of one of the Phase II residential buildings. As per the MEC, the location of the proposed school will be determined by the project sponsor and DOE; however the FSEIS assumed that it will be located within the base of either Building 6 or Building 15. It is currently anticipated that the public school will be located in the base of Building 15.

d. Phase II Parking

Upon Phase II completion, the Project (both Phases I and II) would provide up to 2,896 below-grade attended parking spaces on the project site under the base-case scenario analyzed in the SEIS. These would include: in Phase I, approximately 50–100 spaces in a below-grade facility beneath Building 3 with access from Dean Street and 400 spaces in a below-grade facility on Site 5 with access from Pacific Street, and in Phase II, 450 spaces in a below-grade facility on Block 1120 with access from Carlton Avenue, 150 spaces in a facility below Building 15 on Block 1128 with access from Pacific Street, and 1,796-1,846 below-grade spaces on Block 1129 with access from Dean Street and Carlton and Vanderbilt Avenues.
As noted above, the FSEIS also assesses a Reduced Parking Alternative under which the overall total parking proposed on the project site would be reduced to 1,200 spaces. Under the Reduced Parking Alternative, the 1,200 spaces would be distributed as follows: in Phase I, approximately 50-100 spaces in a below-grade facility beneath Building 3 with access from Dean Street and 240 spaces in a below-grade facility on Site 5 with access from Pacific Street, and in Phase II, up to 910 below-grade spaces on Block 1129 with access from Dean Street and Carlton and Vanderbilt Avenues.

III. SEQRA Process and Environmental Analysis Framework

A. The SEQRA Process

The review under SEQRA has been conducted in coordination with the review of the proposed amendment to the MGPP under the Urban Development Corporation Act (Chapter 174, Section 1, Laws of 1968; codified at N.Y. Unconsol. Laws § 6251 et seq.). The steps involved in this process are described below.

ESD issued and distributed for public review the Draft Scope of Work for a Supplemental Environmental Impact Statement on December 19, 2012. A public scoping session was held on February 27, 2013, in the Founders Hall of St. Francis College at 182 Remsen Street, in Brooklyn. Written comments were accepted from issuance of the Draft Scope of Work through the public comment period which ended March 14, 2013. A Final Scope of Work reflecting the consideration of comments made during scoping and the identification of potential changes to the Phase II program was issued on February 6, 2014, with a Response to Comments document. An amended Response to Comments document was made available on February 26, 2014.

The DSEIS was then prepared in accordance with the Final Scope of Work. On March 28, 2014, the ESD Directors accepted the DSEIS, and a Notice of Completion was issued. At the same meeting, the ESD Directors adopted the 2014 MGPP for public comment. Paper copies of the Executive Summary of the DSEIS, along with the Notice of Completion, and the entire DSEIS on a CD-ROM were sent to public agencies, the Mayor of the City of New York, the Brooklyn Borough President’s Office, other elected officials, and the community boards in the vicinity of the project site. The entire DSEIS was made available to the public on the ESD web site, and paper copies were also made available for inspection at ESD’s office, 633 Third Avenue, New York, NY 10017, and branches of the Brooklyn Public Library at: Grand Army Plaza, 496 Franklin Avenue, 25 4th Avenue, and 93 St. Edwards Street. Paper copies of the Executive Summary of the DSEIS and a CD-ROM including the entire DSEIS were made available at no charge from ESD upon request, and hard copies of the entire DSEIS were available for purchase (at a price set to cover the costs of copying the document).

A Public Hearing Notice was published on ESD’s website and also in the New York Daily News on March 31, 2014, stating the date for and location of the public hearing on the DSEIS and the proposed 2014 MGPP, and stating that the comment period on the DSEIS would close on May 12, 2014, and the comment period on the proposed amendment to the 2009 MGPP would close on May 30, 2014. In addition, the notice was published in the Environmental Notice Bulletin on April 2, 2014, and was duly distributed in accordance with the SEQRA Regulations. On April 30, 2014, ESD held the public hearing on the DSEIS and 2014 MGPP at the Long Island University located at 75 DeKalb Avenue, Room HS107, Brooklyn, NY 11201, from 5:30 to 10:07 p.m. All persons
wishing to make oral comments during the public hearing were heard during this time. Approximately 68 people spoke at the April 30 public hearing.

ESD accepted comments on the DSEIS orally and in writing at the April 30 public hearing, and in writing by mail and email from the Notice of Completion on March 28, 2014, through May 12, 2014. ESD received comments orally and/or in writing from approximately 113 people and organizations.

On June 11, 2014, ESD posted the FSEIS on its web site. On June 12, 2014, the ESD Directors accepted the FSEIS. The FSEIS includes a summary of, and responses to, substantive comments submitted with respect to the DSEIS. It also incorporates revisions to the DSEIS that were made subsequent to the issuance of the DSEIS. The revisions reflect updated analysis with additional or more accurate information, refinement of mitigation measures, and responses to public and agency comments. Immediately after acceptance of the FSEIS on June 12, 2014, a Notice of Completion was published, and the FSEIS was duly circulated and made available at the same locations as the DSEIS had been made available, including the ESD web site, plus the Clinton Hill library.

A number of State and City agencies were consulted in the supplemental environmental review process, including the Metropolitan Transportation Authority, Long Island Rail Road, MTA NYC Transit, the New York City Department of Transportation (“DOT”), the School Construction Authority (“SCA”) and the DOE. Certain of these agencies provided particular assistance to ESD in the review of those matters within the agency’s area of expertise. DOT reviewed the traffic and parking analyses and proposed traffic mitigation measures appearing in the DSEIS and FSEIS, and advised ESD that it concurs with the findings included in the FSEIS with respect to these subject areas. DOT has also advised ESD that it finds the traffic mitigation measures identified in the document to be feasible. SCA and DOE provided ESD with information used in the SEIS analysis of potential impacts to public school seats and mitigation.

Having reviewed the DSEIS, FSEIS and supporting and related documents, each of which is incorporated by reference into this supplemental statement of findings, and the comments received on the FSEIS, ESD makes the supplemental findings and conclusions set forth below based on those documents and the administrative record.

B. Overview of the Environmental Impact Analysis Approach in the FSEIS

1. FSEIS Methodology

The FSEIS was prepared in accordance with the procedures and requirements of SEQRA and the SEQRA Regulations. Like the 2006 FEIS for the Project, the SEIS generally follows the guidelines

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2 At the public meeting of the ESD Directors to consider the FSEIS, one commenter brought to ESD’s attention that one e-mail comment was not addressed. It was subsequently determined that the comment was received by ESD’s computer system but had been quarantined by the system and therefore not received by ESD’s project team. The comment raised an issue concerning whether the SEIS should look to an Islanders hockey game, rather than a Nets basketball game, in formulating the No-Build scenario for purposes of analysis. (Because the arena has already been built, it is included in the “No-Build” scenario for the Phase II project analyzed in the SEIS.) In a memorandum dated June 18, 2014, ESD’s traffic consultant (Philip Habib & Associates) addressed this issue. In that memorandum, the consultant explained that this question has been considered in preparing the SEIS, and that it was determined that it would be more appropriate to account for a Nets game in developing No-Build conditions. Among the reasons cited were the lower attendance at hockey games and the availability of the adjoining LIRR Atlantic Terminal as a mode of transportation for Long Island hockey fans.
set forth in the *CEQR Technical Manual* published by the City of New York to assist its agencies in complying with SEQRA and its City counterpart, known as CEQR. While this guidance is not binding on ESD, it served as a general guide as to the methodologies used in evaluating potential impacts in this SEIS, where appropriate. In some technical areas, there have been material changes to the *CEQR Technical Manual* since publication of the 2006 FEIS. The analyses presented in the DSEIS were generally conducted in accordance with the guidance outlined in the 2012 *CEQR Technical Manual*. Two weeks prior to the issuance of the DSEIS, an update to the *CEQR Technical Manual* was released by the New York City Mayor’s Office of Environmental Coordination. Because the DSEIS was already in production at the time of the release of the 2014 *CEQR Technical Manual*, ESD prepared a technical memorandum after issuance of the DSEIS to address the revisions to the *CEQR Technical Manual*. This technical memorandum, which is included as Appendix F to the FSEIS, considered whether one or more analyses contained in the DSEIS should be revised in light of the updated guidance set forth in the 2014 *CEQR Technical Manual*. On the basis of that technical memorandum ESD determined that, as a result of the changes to the *CEQR Technical Manual*, the FSEIS air quality analyses should examine the potential for the parking facilities to result in significantly elevated PM concentrations, and an equation used in one of the technical analyses of transit facilities (relating to the width increment threshold for subway stairways and passageways) should be updated. In accordance with the technical memorandum, ESD concluded that the other changes in the 2014 *CEQR Technical Manual* did not warrant changes to the analysis presented in the DSEIS.

2. **FSEIS Overview**

In accordance with the Order, ESD prepared the FSEIS to examine the potential environmental impacts of a prolonged delay in the completion of Phase II of the Project, referred to as the Extended Build-Out Scenario in the FSEIS and in this supplemental findings statement. The environmental impacts that would result from a delay in Phase II construction of the Project can be categorized as being related to the construction of the Project over an extended period of time or the completion and resulting operation of the Project at a later date.

The FSEIS includes a detailed construction-period analysis for Phase II of the Project under the Extended Build-Out Scenario using three illustrative construction phasing plans (described below) that consider concentrated periods of construction as well as less concentrated but more continuous construction for an extended period of time. Phase II contains eleven buildings that may be built in a variety of different years and sequences in the Extended Build-Out Scenario. ESD has chosen the three illustrative construction phasing plans to allow the FSEIS to identify the impacts from a reasonable range of potential construction phasing schedules and sequences in the Extended Build-Out Scenario.

With respect to potential operational impacts, the FSEIS assumes a 2035 analysis year as the year Phase II of the Project would be completed (the Build Year) under the Extended Build-Out Scenario, in accordance with the Court Order. The FSEIS presents comparisons of the results of the environmental assessment using the 2035 Build Year to the conclusions of the 2006 FEIS, which assumed a 2016 Build Year as the reasonable worst-case development scenario.

For many of the technical analyses, the FSEIS includes a description of (1) existing conditions, (2) an assessment of conditions in the future without Phase II of the Project (the “Future without Phase II,” or the “No Build Condition”), and (3) an assessment of conditions in the future with Phase II of
the Project in the Extended Build-Out Scenario (the “Future with Phase II,” or the “Build Condition”). Potential impacts of the Phase II Project are based on a comparison between conditions in the Future with Phase II (the Build Condition) and conditions in the Future without Phase II (the No Build Condition). In addition, where appropriate, a comparison of the results of the environmental assessment in the FSEIS is made to the conclusions of the 2006 FEIS, which assumed a 10-year build-out.

For technical areas in the FSEIS that require particular analysis periods for quantified assessments, the identification of reasonable worst-case impacts were determined following appropriate methodologies for that technical area. For example, for transportation systems, reasonable worst-case conditions are generally based on a combination of construction worker and truck traffic and expected periods with temporary lane or roadway closures. For the air quality analysis, assessments of the potential reasonable worst-case adverse impacts are determined based on the range of expected construction-related equipment, trucks, and workers over the anticipated construction period.

Because the Order directed ESD to prepare an SEIS “assessing the environmental impacts of delay in Phase II Construction,” Phase I of the Project—including the Arena and the other Project buildings west of 6th Avenue, the new roadway configurations for the area and the Phase I parking plans—are assumed to be part of the background condition for the 2035 operational analysis Build Year. During the construction period, those Phase I Project elements that have already been completed and those that are anticipated to be completed by a particular construction period analysis year, are included as part of the background condition. Thus, all Phase I elements of the Project, including associated mitigation measures as well as any recent changes to the traffic network, are accounted for in the FSEIS as part of the baseline conditions for the Future Without Phase II (i.e., the No Build condition). This approach: (i) is consistent with the directive in the Order to perform a review of a delay in Phase II construction; and (ii) reflects the fact that Phase I was previously subject to a judicially validated environmental review, that ESD’s prior approval of Phase I was not disturbed by the Order, and that construction of Phase I is now well under way.

To comply with the Court Order, specifically, to evaluate the potential environmental impacts of a prolonged delay in the completion of Phase II of the Project, the Extended Build-Out Scenario assumes the completion of the various Phase I elements according to the specified timeframes outlined above, and assumes Phase II of the Project would be built over a period of approximately 18 years from 2018 to 2035, with the possibility of certain Phase I elements overlapping with construction of Phase II. As described in Chapter 3A, “Construction Overview,” of the SEIS, under the Extended Build-Out Scenario, most of the Phase I construction elements are assumed to be substantially completed before the start of Phase II construction and are incorporated in the future background baseline. Building 1 and Site 5 may be constructed anytime during the overall construction period and could occur during Phase II construction. Accordingly, for each of the various technical areas analyzed, the SEIS either takes into account the effects of the operation of Building 1 and Site 5 as background conditions or the possibility that there may be an overlap between the construction of these buildings and the Phase II construction, depending on which condition would represent the reasonable worst-case relevant to that technical area. Therefore, where appropriate the SEIS studied the concurrent construction of Phase I and Phase II buildings because Building 1 and Site 5 were assumed to coincide with the Phase II construction period.
As explained in the SEIS, the three illustrative phasing plans analyzed in the SEIS are not intended to serve as a prediction of the exact schedule and sequence of the Phase II construction, but rather have been developed to illustrate how the timing of the construction of certain Project components may vary and to provide for a reasonably conservative analysis of the range of environmental effects associated with a delayed build-out of Phase II. The three illustrative construction phasing plans serve as the basis of the construction impacts analyses because they provide a range of potential impacts within the envelope of the reasonable worst-case construction schedule under the Extended Build-Out Scenario. Based on these illustrative phasing plans, each technical analysis conservatively focuses on reasonable worst-case periods of peak construction to identify the potential for significant adverse impacts with respect to that technical area. For each technical area, the analysis accounts for intense periods of construction during which several Project elements are being constructed simultaneously, including, where relevant, significant overlap between Phase I and Phase II construction.

It is important to note that neither the 2009 MGPP nor the SEIS would preclude construction of Phase II of the Project faster than the 2035 Build Year that was used for analysis purposes in the SEIS to comply with the Court Order. The 2006 FEIS analyzed the potential impacts of the completion of both the Phase I and Phase II of the Project in a 10-year timeframe. Thus, the potential impacts from construction under this shorter, more intensive timeframe have been identified and mitigation measures to address those impacts have been included in the Project’s MEC.

The recent announcement by the project sponsors of their current plans to construct Building 3 and certain Phase II buildings concurrently is an example of a schedule that could occur for Project construction that may be shorter than the 25-year schedule studied in the FSEIS pursuant to the Court Order. Because the 2006 FEIS and FSEIS together analyzed a wide range of scenarios – some condensed (with multiple Project buildings and other elements under concurrent construction) and some extended – ESD has identified impacts and devised practicable mitigation measures for Project construction scenarios falling within the wide range of schedules examined over the course of this comprehensive environmental review.

3. FSEIS Development Program Variations and Extended Build-Out Scenario Illustrative Construction Phasing Plans

As described above, the Project will introduce a maximum total of 6,430 dwelling units (Phases I and II). With the proposed shift of up to approximately 208,000 gsf of floor area from the Arena Block in Phase I to Phase II parcels, the residential mixed-use variation could include up to 1,922 units in Phase I, and up to 4,508 units in Phase II, and the commercial mixed-use variation could include up to 1,498 units in Phase I and up to 4,932 units in Phase II. The total number of units built at the completion of the Project will not exceed 6,430 (the same number of residential units analyzed in the 2006 FEIS). Therefore, for the purposes of the Phase II analysis, the development under the Extended Build-Out Scenario could include up to 4,932 dwelling units and approximately 156,000 square feet of local retail in 11 buildings to be located on Blocks 1120, 1121, 1128 and 1129 to the east of 6th Avenue. The local retail space may also house community facility uses.

As noted above, the FSEIS construction analyses assess the potential for significant adverse construction impacts with the prolonged construction of Phase II under three Extended Build-Out Scenario illustrative construction phasing plans. The construction phasing plans are partially guided
by certain contractual agreements between the project sponsors and ESD as well as between the project sponsors and MTA, which dictate the outside dates for starting and completing certain project buildings and components. The Extended Build-Out Scenario illustrative construction phasing plans are not intended to serve as a prediction of the exact sequence of the Phase II construction, but rather were developed to illustrate how the timing of the construction of certain project components may vary and to provide for a reasonably conservative analysis of the range of environmental effects associated with a prolonged build-out of Phase II. Although it is possible that some or all of the buildings planned for Phase II would be constructed using prefabricated, or modular, construction techniques, the FSEIS assumes that each building would be constructed using conventional construction methods, as such methods generally involve more on-site construction activity and would be the reasonable worst case scenario for the purpose of analyzing potential construction impacts. Where relevant, differences in potential impacts related to conventional and modular construction techniques are discussed qualitatively in the FSEIS. For all construction phasing plans, the FSEIS assumed that all required infrastructure and open space will be provided with or before the building being constructed, although the programming of certain open space is expected to differ during the construction period from the programming envisioned upon completion of Phase II, because certain permanent open space features cannot be feasibly constructed in sections. Moreover, the construction of an adjoining building may require use of a portion of the open space associated with a previously constructed adjoining building. The three illustrative construction phasing plans, described below, are designed to comply with all of the contractual agreements among the project sponsors, ESD and MTA.

a. **Construction Phasing Plan 1: Continuous Sequential Phasing With Block 1129 First**

Under this Extended Build-Out Scenario illustrative phasing plan, construction is assumed to begin on Block 1129 with Building 14. Construction would then generally proceed west to east, with Buildings 13, 12, and 11. Building 15 on Block 1128 would be completed before construction begins on Block 1121 on the first portion of the platform over the LIRR Vanderbilt Yard. Buildings 8, 9, and 10 would be constructed on that platform while construction begins on the platform over the western portion of Block 1120 on which Building 5 would be built. Construction on the eastern portion of the platform over Block 1120 will also begin as Buildings 9 and 10 are constructed. Buildings 5, 6, and 7 would be constructed last.

b. **Construction Phasing Plan 2: Continuous Sequential Phasing**

This Extended Build-Out Scenario illustrative construction phasing plan begins with the construction of Building 15 on Block 1128. Similar to Construction Phasing Plan 1, this phasing plan takes advantage of the fact that Block 1128 is situated on land, i.e., would not require the construction of a platform before building construction can begin. The construction of the platform over the western portion on Block 1120 would begin generally at the same time, followed by Building 5 on top of the platform. Construction would continue with Building 14 on Block 1129, which is subject to a contractual agreement that construction on this block must begin by May 2020. After Building 14, construction would proceed generally clockwise: the portions of LIRR platform on Block 1120 under Buildings 6 and 7, followed by each building, respectively; and the platform over Block 1121, with Buildings 8, 9, and 10 being constructed as each portion of the platform is complete. The remainder of Block 1129 (Buildings 13, 12, and 11) would be completed last under this phasing plan.
c. **Construction Phasing Plan 3: Start and Stop Sequential Phasing with Intense Construction Activities**

The third Extended Build-Out Scenario illustrative construction phasing plan was designed to illustrate construction that would start as described in Construction Phasing Plan 1, stop for a period of time for unforeseen reasons, and then restart with concentrated construction until project completion in 2035.

Construction under this phasing plan would proceed in the same general sequence as Construction Phasing Plan 1 above. However, after the construction of Building 14 on Block 1129 to fulfill the aforementioned contractual obligation, construction is assumed to stop for several years. The remainder of the site would be completed when construction resumes; construction would end in 2035.

**IV. Areas of Environmental Impact That Would Not Be Affected By The Extended Build-Out Scenario**

**A. Construction Period Impacts That Would Not Be Affected By The Extended Build-Out Scenario**

Several of the environmental issues analyzed in the 2006 FEIS would not be affected by an extended construction period for the Phase II development. As a result, these areas did not undergo a detailed analysis in the FSEIS and the relevant discussions and conclusions set forth in the 2006 Findings remain applicable. The analyses not included for detailed construction assessment in the FSEIS, and the reasons for screening out these analysis areas are summarized below.

1. **Construction – Cultural Resources**

The construction of Phase II of the Project under the Extended Build-Out Scenario would not result in different effects to archaeological or architectural resources that were not previously identified in the 2006 FEIS. Delayed construction and modifications to the construction sequencing would not change the stipulations in the Letter of Resolution among ESD, the project sponsors and the New York State Office of Parks, Recreation and Historic Preservation (“OPRHP”). The project sponsors would continue to implement a Construction Protection Plan (“CPP”) to avoid construction-related impacts on historic resources within 90 feet of Project construction.

At the time of the publication of the 2006 FEIS, both the SN/R-listed Prospect Heights Historic District and the New York City Landmarks (“NYCL”)-eligible Prospect Heights Historic District were included in the analysis of impacts. A CPP was prepared in consultation with OPRHP to avoid adverse demolition/construction-related impacts to buildings within the Prospect Heights Historic District that were identified as being within 90 feet from the project site. Vibration monitoring at these sensitive resources commenced in 2008. Since the 2006 FEIS, the NYCL Prospect Heights Historic District has been designated by the New York City Landmarks Preservation Commission, which defined the boundaries slightly differently than those analyzed in the 2006 FEIS. As a result, the CPP has been amended to include additional historic resources within the expanded boundaries of the Prospect Heights Historic District that are within 90 feet of the project site where construction activity associated with the Atlantic Yards project has or will occur. In a letter dated May 5, 2013, the OPRHP accepted the CPP revisions and found the CPP
appropriate to protect historic resources. As per the updated CPP, future vibration monitoring would include these additional resources.

As stated in the FSEIS (Response to Comment 3J-15), the CPP will be amended to clarify that vibration monitoring is required at any historic resource within 90 feet of Project-related construction work, including utility work.

Therefore, construction of the Extended Build-Out Scenario would not have any significant adverse construction impacts on cultural resources that were not previously identified in the 2006 FEIS.

2. **Construction – Shadows**

The construction of Phase II of the Project under the Extended Build-Out Scenario would not result in any new shadows during the construction period because the Design Guidelines approved by ESD in 2006 would not be affected by the pace of construction.

3. **Construction – Hazardous Materials**

Construction and development of the Phase II components under the Extended Build-Out Scenario would have the same potential for exposure to hazardous materials and require the same commitments as described in the 2006 FEIS and included in the 2009 MEC. While the Extended Build-Out Scenario would affect the timing of the construction of the buildings, it would not result in changes to the footprint of the project site or commitments to implement a Construction Health and Safety Plan, community air monitoring plan during excavation, and other remediation measures; and thus, the delayed construction would not affect the analysis presented in the 2006 FEIS. The FSEIS does, however, include updated information regarding hazardous materials identified on the project site since 2006 and/or encountered during the construction of Phase I project elements. The list of site remediation and post-construction measures identified in the 2006 FEIS are also reviewed and evaluated to ensure that no significant adverse impacts would occur with respect to hazardous materials. For these reasons, the construction of Phase II of the Project under the Extended Build-Out Scenario would not affect the conclusions in the 2006 FEIS for hazardous materials impacts from construction activities or result in significant adverse impacts with respect to hazardous materials.

4. **Construction – Infrastructure**

The construction of Phase II of the Project under the Extended Build-Out Scenario would not affect the Project’s Phase II programming in a manner that would alter the infrastructure demands of the Project during construction, nor would it obviate the project sponsors’ obligations for the provision of adequate infrastructure including water supply, sanitary sewerage, measures to control stormwater runoff, solid waste management, and energy during construction.

In terms of stormwater specifically, impervious surface coverage on the project site would remain the same throughout the construction period as under existing conditions and therefore stormwater flows from the project site would also remain unchanged until building construction begins on any given portion of the site. A large portion of the site as it exists now is taken up by Vanderbilt Yard which is largely unpaved and represents a pervious surface through which stormwater can percolate. As the project introduces more impervious surfaces into the project site, stormwater flow would have to become more controlled. Stormwater would be captured and detained through the
stormwater detention/retention measures outlined in the MEC; these measures would be constructed as each building goes online. Furthermore, as described in the FSEIS, the construction of each building and surrounding amenities would be conducted in accordance with a stormwater pollution prevention plan (“SWPPP”) which would include fully designed and engineered stormwater management practices to be followed during construction.

Overall sewer infrastructure demand throughout the Project’s construction would be controlled through the stormwater and sewage minimization measures outlined in the MEC (i.e. detention and retention facilities, stormwater recycling, high-efficiency/low-flow fixtures), as well as implementation of any other Best Management Practice (“BMP”) measures to minimize stormwater and sanitary flow that may be incorporated during design. These measures would be brought on line as each Phase II building is constructed to satisfy the requirements of the New York City Department of Environmental Protection (“NYCDEP”) Site Connection Proposal for each building.

A delayed construction of Phase II would not change the methods for disposing of construction-generated waste, which would be disposed of off-site at appropriate landfills by private carters. Similarly, a delay in construction of Phase II of the Project under the Extended Build-Out Scenario would not alter the requirements for energy for construction activities; energy would be provided to the construction site through grid-power and, if necessary, on-site generators.

Additionally, as noted in the FSEIS, since the publication of the 2006 FEIS, the City released its Green Infrastructure Plan, which presents an approach to improving water quality by reinforcing public and government support for green infrastructure to control stormwater runoff, in addition to building targeted traditional infrastructure. A critical goal of the Green Infrastructure Plan is to manage runoff from impervious surfaces through detention and infiltration source controls. In support of this goal, in 2012, NYCDEP released a new stormwater performance standard: new developments applying for NYCDEP site connection approvals must design stormwater controls and apply BMPs so that the rate of stormwater flowing from the site to sewers does not exceed 10 percent of the allowable flow or 0.25 cubic feet per second, whichever is less. (Allowable flow is the stormwater flow from a development that can be released into existing storm or combined sewer based on the drainage plan for the area and built sewers.) The intended result of this standard is to slow the flow of stormwater to the sewers in order to decrease the stress on the sewer infrastructure during rain events and to reduce the incidence of combined sewer overflows. The performance standard, which is applicable city-wide, is more stringent than what was analyzed in the 2006 FEIS; all buildings constructed as part of the Project would be required to conform to this standard.

For these reasons, the Extended Build-Out Scenario would not result in significant adverse impacts with respect to infrastructure.

5. Construction – Public Health

The FSEIS evaluates potential air quality, noise and hazardous material impacts from the prolonged construction of Phase II of the Project under the Extended Build-Out Scenario. As described in the FSEIS, the construction of Phase II of the Project would not result in significant adverse air quality, operational noise or hazardous material impacts but, as was the case with the 10-year construction schedule analyzed in the 2006 FEIS, would result in significant adverse construction noise impacts that are only partially mitigated. Therefore, a public health analysis is presented to address the
Project’s significant adverse construction noise impacts. The Extended Build-Out Scenario would not result in significant adverse public health impacts in other analysis areas.

B. Operational Impacts That Would Not Be Affected By The Extended Build-Out Scenario

A number of environmental impact analysis areas would not be affected by the delayed completion of Phase II of the Project under the Extended Build-Out Scenario, or the proposed modifications to the 2009 MGPP. As a result, these areas did not undergo a detailed analysis in the FSEIS, and the relevant discussions and conclusions set forth in the 2006 Findings remain applicable. The analyses not included for detailed assessment in the FSEIS, and the reasons for screening out these analysis areas are summarized below.

1. Operation – Land Use, Zoning, and Public Policy

Since the Phase II program remains substantially unchanged from that assessed in the 2006 FEIS and there are no new or proposed modifications to the previous land use, zoning, and public policy determinations, there would be no changes to the 2006 FEIS conclusion that upon completion, the Project would not result in significant adverse impacts with respect to land use, zoning, and public policy as a result of the Extended Build-Out Scenario. The proposal to shift up to approximately 208,000 gsf of floor area from the Arena Block in Phase I to Phase II parcels would increase the floor area of Phase II from approximately 4,434,000 gsf as studied in the 2006 FEIS to approximately 4,642,090 gsf (an increase of 4.7 percent), but the location, uses, size and form of the Phase II buildings as governed by the Project’s Design Guidelines would not change nor would the shift introduce new land uses or zoning on the project site or increase the overall size of the Project, as a resulting increase in the floor area of the Phase II buildings would be offset by decreases in the floor area of the Phase I buildings. The Phase II buildings would continue to conform to Exhibit C of the 2009 MGPP which details the maximum permitted square footage for each of the Phase II buildings. The shift in floor area from Phase I to Phase II would not affect the analysis of land use, zoning, and public policy presented in the 2006 FEIS. Similarly, the proposed reduction in on-site parking would not affect this analysis, as the Project’s parking demand would continue to be satisfied on the Project site or in nearby off-street parking facilities.

With respect to conditions in the study area, most public policy and zoning initiatives anticipated in 2006 have been implemented. The 2006 Findings found that the Project would offer the opportunity to further some of the City’s policies for housing and commercial development in Brooklyn, including removing blight and eliminating negative environmental conditions; maximizing the development of appropriate land use; strengthening the tax base of the City by encouraging development and employment opportunities; providing affordable housing and market-rate housing of high quality; and providing appropriate community facilities, parks and recreational uses, retail shopping, and parking. While the completion of Phase II of the Project at a later date would delay the delivery of some of these benefits (2035 under the Extended Build-Out Scenario compared to the 2016 in the 2006 FEIS), none of the benefits related to Phase II would be achieved in the Future Without Phase II. As Phase II of the Project, even under the Extended Build-Out Scenario, would provide numerous benefits related to the public policies noted above, it would not be inconsistent with the goals and objectives of those policies.
Several additional zoning and public policy initiatives have been implemented since completion of the 2006 FEIS, including PlaNYC, contextual rezonings, historic district designations, and other changes. Contextual rezonings include the Fort Greene/Clinton Hill Rezoning (2007), the Boerum Hill Rezoning (2011) and the Crown Heights West Rezoning (2013). These contextual rezonings impose additional restrictions on development in those neighborhoods and further strengthen the conclusion in the 2006 Findings that the Project would not spur substantial changes in the firmly established neighborhoods that surround the Project site.

Phase II of the Project would also be consistent with the goals of the Inclusionary Housing Program and the City’s policies to encourage the construction of affordable housing.

Other zoning changes include the Downtown Brooklyn Parking Text Amendment (2012) and the Special 4th Avenue Enhanced Commercial District (2011). The Special 4th Avenue Enhanced Commercial District would not be affected by the completion of Phase II of the Project under the Extended Build-Out Scenario. Phase II of the Project is not within the area covered by the Downtown Brooklyn Parking Text Amendment, and therefore this text amendment is not relevant to the analysis of a delay in the construction of Phase II. However, this text amendment and the rationale for the amendment are considered in the assessment of the parking demand of the Project and in the Reduced Parking Alternative.

With regard to public policy, the Project would assist in meeting many of the goals and objectives established in PlaNYC, by providing new housing (including affordable housing), providing new open spaces, developing an underused area to knit neighborhoods together, fostering transit-oriented development, providing new subway access, greening underutilized street and sidewalk space, and incorporating responsible design in terms of water utilization, stormwater management, transportation efficiency, energy demand, air quality emissions (including use of natural gas, rather than more polluting fuels), and effects on and from climate change. In addition, the Project is registered with the United States Green Building Council (“USGBC”) as a Leadership in Energy and Environmental Design (“LEED”) project, and has been accepted into the LEED-Neighborhood Development pilot program. The completion of Phase II of the Project at a later date would delay the delivery of some of the Project benefits that would be supportive of PlaNYC, but would not conflict with the goals of PlaNYC. In addition, none of the benefits related to Phase II would be achieved in the Future Without Phase II. Because Phase II of the Project, even in the Extended Build-Out Scenario, would provide numerous benefits related to PlaNYC, as described above, it would not be inconsistent with the goals and objectives of PlaNYC.

In addition, the Prospect Heights Historic District was established in 2006. The 2006 FEIS identified the Prospect Heights Historic District as an eligible historic resource. At the time the district was designated by the Landmarks Preservation Commission (“LPC”), the boundaries of the district were expanded slightly from the boundaries assumed in the 2006 FEIS. Accordingly, the CPP required under the Letter of Resolution with OPRHP was modified to assure the protection of the resources within such expanded area during Project construction. In light of the adjustments made to the CPP, construction for Phase II under the Extended Build-Out Scenario would not have a significant adverse impact on the expanded district.

As described above and consistent with the 2006 Findings and 2006 FEIS, upon completion of the Project under the Extended Build-Out Scenario, there would be no significant adverse impacts on land use, zoning, and public policy.
2. **Operation – Cultural Resources**

The completion of Phase II of the Project at a later date and the proposed changes to the 2009 MGPP would not result in different effects to archaeological or architectural resources than those that were previously identified in the 2006 FEIS. Neither delayed Phase II completion nor the proposed modifications since the 2009 MGPP would change the stipulations in the Letter of Resolution among ESD, the project sponsors, and OPRHP.

For these reasons, the Extended Build-Out Scenario would not have any significant adverse impacts on cultural resources that were not previously identified in the 2006 FEIS.

3. **Operation – Urban Design and Visual Resources**

The FSEIS contains a detailed analysis of the urban design and visual resource impacts of a prolonged construction period for Phase II. A delay in the completion of Phase II of the Project, however, would not affect the conclusions of the 2006 FEIS with respect to urban design or visual resources in the operational (i.e., Project-completion) condition, because a delay in completing Phase II of the Project would not affect the bulk, uses, the type or arrangement of the Phase II buildings upon their completion at a later date. The open space layout would also remain unchanged from that assessed in the 2006 FEIS. The proposed shift of up to approximately 208,000 gsf of floor area from Phase I to Phase II of the Project would increase the floor area of Phase II from approximately 4,434,000 gsf as studied in the 2006 FEIS to 4,642,090 gsf (an increase of 4.7 percent), but the location, uses and form of the Phase II buildings would not change. The Phase II buildings would continue to conform to the Design Guideline maximum envelopes for each of the Phase II buildings approved by ESD in 2006, which formed the basis for the description of the Phase II buildings in the 2006 FEIS. Similarly, any reduction in on-site parking would reduce the size of below-grade parking facilities, and would not affect urban design or visual resources. For these reasons, the Extended Build-Out Scenario would not result in adverse environmental impacts with respect to urban design and visual resources upon completion of the Project.

4. **Operation – Shadows**

The 2006 FEIS identified significant adverse shadow impacts on an open space resource at the Atlantic Terminal Houses and mitigation measures were developed to improve that open space. Also, incremental shadows on the Church of the Redeemer from Site 5, were determined to reduce light through its stained glass windows. The project sponsors and the Church reached an agreement to undertake measures to offset and address the shadow impacts.

As described in the 2006 FEIS, the Design Guidelines envelopes were developed to provide flexibility and allow for the final design of the individual buildings to evolve as the Project is built out. The 2006 FEIS shadows analysis was prepared using a 3D model of the Project that depicted building forms that were guided by the Design Guideline envelopes. The shift of up to approximately 208,000 gsf of floor area from the Arena Block to certain Phase II parcels would not require modification of the Design Guidelines or the maximum square footages for each building or for the overall Project as detailed in Exhibit C of the 2009 MGPP; however this shift would increase the potential for several of the Phase II buildings to be built up to the maximum floor area and bulk permitted by those Design Guidelines. Therefore, a screening assessment examining the effects of additional bulk that would maximize the build-out of certain Phase II building forms as per the
Design Guideline envelopes was prepared, and concluded that even with the proposed shift in floor area from Phase I to Phase II the Extended Build-Out Scenario would not change the conclusions of the 2006 FEIS with respect to potential shadows impacts. Moreover, an assessment of the area within the shadow sweep of the Phase II buildings and examination of the list of No Build projects in this area establish that no new sun-sensitive resources have been identified in this area since preparation of the 2006 FEIS. The stipulations in the MEC with respect to the Atlantic Terminal Houses open space and the Church of Redeemer would not be affected by a delay completion date for Phase II or the proposed changes to the 2009 MGPP.

5.  Operation – Hazardous Materials

The completion of Phase II of the Project at a later date would not affect the conclusions in the 2006 FEIS for hazardous materials; however, the FSEIS provides an update of conditions with respect to hazardous materials on the Project site since the 2006 FEIS. Construction and development of the Phase II components would have the same potential for exposure and require the same commitments as described in the 2006 FEIS and MEC. Moreover, the MEC has been amended to clarify requirements with respect to vapor intrusion in light of the proposed changes to the configuration of the parking garages at the site. In particular, residential and community facility uses are required (i) to be located above ventilated underground parking or other facilities or above the platform over the ventilated rail yard and/or (ii) to incorporate equivalently effective engineering controls, such as a vapor barrier and/or sub-slab depressurization system. The project sponsors are required to submit engineering plans demonstrating compliance with these requirements to ESD (or, if applicable, the Mayor’s Office of Environmental Remediation) with respect to each of the Project buildings prior to the commencement of the construction thereof.

6.  Operation – Infrastructure

Neither a delay in the completion of Phase II of the Project nor the proposed modifications to the 2009 MGPP described above would affect the Project’s Phase II programming in a manner that would alter the water and sewer infrastructure demands of the Project. Many of the water and sewer infrastructure improvements required for the completion of the Project have been completed, including new sewer pipe installation along Flatbush Avenue, installation of a new water main on the west side of Flatbush Avenue, installation of a new trunk water main and associated distribution main along Atlantic Avenue, and the relocation of certain storm water drains and discharges.

While the Extended Build-Out Scenario would delay the construction of the remaining off-site infrastructure improvements and infrastructure on the site itself (such as new site-sewer connections and stormwater controls), it would also result in a delay in additional demand for water and sewer service. Additionally, the delay in completing Phase II of the Project under the Extended Build-Out Scenario would not result in increased stormwater runoff and associated sewer system impacts since the existing conditions on the site would remain unchanged.

While continued development within the Red Hook Pollution Control Plant drainage area where the project site is located may add demand for sewer infrastructure capacity, ongoing NYCDEP infrastructure improvements and recently enacted NYCDEP regulations would ensure that this continued development, in combination with the Project’s infrastructure demand, would not overload sewer infrastructure.
NYCDEP is continuing work to upgrade sewer infrastructure in the area around the project, including upgrades to the Gowanus Canal Pump Station, which pumps sanitary and stormwater flows to the Red Hook Water Pollution Control Plant. Additionally, since the publication of the 2006 FEIS, the City released its Green Infrastructure Plan (discussed above), strengthening its performance standards and reducing the potential for the Project to result in stormwater impacts. A critical goal of the Green Infrastructure Plan is to manage runoff from impervious surfaces through detention and infiltration source controls. In support of this goal, in 2012 NYCDEP released a new stormwater performance standard: new developments applying for NYCDEP site connection approvals must design stormwater controls and apply BMPs so that the rate of stormwater flowing from the site to sewers must not exceed 10 percent of the allowable flow or 0.25 cubic feet per second, whichever is less. The intended result of this standard is to slow the flow of stormwater to the sewers in order to decrease the stress on the sewer infrastructure during rain events and to reduce the incidence of combined sewer overflows. The performance standard, which is applicable city-wide, is more stringent than what was analyzed in the 2006 FEIS; all buildings constructed as part of the Project would be required to conform to this standard.

Going forward, in the 20 years from the release of the 2010 Green Infrastructure Plan, NYCDEP is planning for $2.4 billion in public and private funding for targeted green infrastructure installations, as well as $2.9 billion in cost-effective gray infrastructure upgrades to reduce combined sewer overflows (“CSOs”) in the city overall. The City estimates that approximately 1.5 billion gallons of CSO flows would be removed annually by 2030 through the application of green infrastructure alone.

In terms of the Project, specifically, the completion of Phase II of the Project at a later date would not obviate the project sponsors’ obligations for the provision of adequate infrastructure on and around the site, including water supply and sewer infrastructure and measures to control stormwater runoff. The stormwater and sewage minimization measures outlined in the MEC would be constructed as previously agreed upon, and the required stormwater controls and BMPs to minimize stormwater and sanitary flow would be brought on line as each Phase II building is constructed to satisfy the requirements of the aforementioned NYCDEP Site Connection Proposal for each building.

Neither a delay in the completion of Phase II of the Project nor the proposed modifications to the 2009 MGPP would affect the Project’s Phase II programming in a manner that would alter the solid waste and energy demands of the Project. The solid waste generated by development associated with Phase II of the Project would be accommodated by The New York City Department of Sanitation (“DSNY”) solid waste collection services (for solid waste generated from residential uses) and private contractors (for solid waste generated by commercial users) at the completion of the Project. Similarly, a delay in the completion of Phase II of the Project would not obviate the need for localized upgrades in electrical and gas transmission lines; these would be completed at the appropriate time to support Phase II development.

7. Operation – Public Health

The FSEIS evaluates potential air quality, noise and hazardous material impacts from a delay in the completion of Phase II of the Project under the Extended Build-Out Scenario. As described in the FSEIS, Phase II of the Project would not result in significant adverse air quality, noise or hazardous
material impacts in the operational (*i.e.*, Project completion) condition and therefore would not result in any significant adverse public health impacts upon completion of the Project.

V. Consideration of Relevant Construction-Related Environmental Impacts, Facts and Conclusions Analyzed in the FSEIS

The FSEIS includes a detailed analysis of the construction of Phase II of the Project under the Extended Build-Out Scenario using the three illustrative construction phasing plans to evaluate the impacts of prolonged Phase II construction.

An issue that was the subject of particularly close scrutiny in preparation of the SEIS was the degree to which the project sponsors have adhered to prior commitments, imposed in connection with the 2006 FEIS, to adhere to construction practices that would minimize or mitigate the potential for significant adverse construction-related impacts. The SEIS indicated that the project sponsors have generally been in compliance with these requirements, notwithstanding specific instances identified in which the project sponsors' contractors failed to comply with a particular requirement. Nevertheless, the following compliance program improvements were developed in connection with the preparation of the SEIS, and these have been incorporated into the MEC requirements for the Project:

- **Six-Month Look-Ahead Reports.**
  - The project sponsors will provide ESD and its environmental monitor (presently, Hennington, Durham & Richardson Architecture and Engineering, P.C. (“HDR”)) with six month look-ahead reports at regular intervals that will describe, in general terms, the activities anticipated on the project site for the next six months (including major milestones for areas of new construction activity, excavation, construction, MPT, soil and groundwater remediation work, and soil characterization). Among other things each look-ahead will include an assessment of the level of on-site environmental monitor (“OEM”) staffing that should be deployed during the relevant period to properly monitor compliance with the MEC. That assessment will provide a basis for discussion regarding the level of staffing for the relevant period among ESD, HDR, and the project sponsors.

- **Contractor Training.**
  - The project sponsors will target their PowerPoint presentation so that it provides specific instructions to contractors on the requirements of the MEC. The project sponsors may tailor the presentation so that it focuses on MEC requirements that relate specifically to a particular project component. ESD and HDR will be provided with the opportunity to comment on the PowerPoints prior to their use in contractor training.
  - PowerPoint presentations will be presented by the OEM to all foremen, project managers, field managers, and similar key personnel of all subcontractors upon mobilization, and every 90 days thereafter, with sign-in sheets to track attendance.

- **Contracts.**
  - The project sponsors will include in their construction contracts, and require their contractors to include in all subcontracts, an exhibit incorporating an excerpt from the MEC that sets forth all construction-related requirements contained in that document. The project sponsors’ construction contracts will expressly require each contractor to comply with all the terms of the MEC that apply to its construction activity, and to require its subcontractors to do the same.
The project sponsors will add to their standard MEC-related contractual terms a provision that reiterates the project sponsors' remedies for a contractor's non-compliance with the MEC, including the rights to withhold payment or terminate the contract; such provision, however, will be in addition to other remedies available to the project sponsors to address any contractor's noncompliance with an MEC requirement. FCRC is required to cause its contractors to address any substantive non-compliance within 7 days of written notice thereof by ESD (or if compliance within such 7-day period is not practicable) as soon as is practicable under the circumstances.

Staffing and Off-Hour Work.

Each six month look-ahead report will include a reassessment of staffing levels, and OEM staff will be adjusted as appropriate in light of any changes anticipated to the level of construction activity during future reporting periods.

The OEM will provide an update on upcoming after-hour and/or weekend construction work at each weekly meeting with HDR, during which it will be agreed upon by ESD and the project sponsors whether such work requires the presence of an ME. The OEM is ultimately responsible for ensuring that a proper level of monitoring coverage is maintained, even where after-hours or weekend work is performed on short notice from the contractor.

Traffic.

Sufficient staff will be available to patrol the project site regularly to check for non-compliance with the truck protocol requirements concerning idling and/or queuing. The staff devoted to monitoring compliance with the truck protocol will be adjusted based upon the level of construction activity at the site. Staffing for overseeing compliance with truck protocol requirements will be assessed in the six month look-ahead reports, and discussed at weekly meetings with HDR.

Staff assigned to oversee compliance with the truck protocol will be properly trained in the truck protocol and will direct drivers to comply with MEC requirements.

A system will be instituted to facilitate the reporting of truck protocol violations to the project sponsors. Material violations of the truck protocol will be reported by staff to the project sponsors' management representatives, and the project sponsors will keep a record of such reported incidents.

The project sponsors will advise HDR at the weekly meetings of any circumstance where a contractor or driver has been found to be a repeat violator of the truck protocols. The project sponsors and ESD will agree, on a case-by-case basis, on the steps to be taken to deal with the repeat violator. Those measures may include, without limitation, providing warnings, invoking contract sanctions and/or banning from the site such companies and/or drivers in the event that violations continue after reasonable warning has been given.

The project sponsors will ensure that contractor logistics plans maximize the utilization of the Pacific Street queuing area between Carlton Avenue and Vanderbilt Avenue or other designated location for truck marshalling and queuing to the extent practicable and appropriate, so long as such areas are available. The project sponsors will provide HDR and ESD with copies of the logistics plans for review and comment.

Maps that identify acceptable truck routes to and from the project site will be provided to all contractors as part of the MEC training program. The project sponsors or its contractors will take measures to ensure that the trucks follow such routes. Among other things, contractors will be directed to provide those maps to their trucking subcontractors, and require that the maps be distributed to drivers and kept available for reference in the cabs at all times. The Pacific Street queue area (if part of the then currently effective logistics plan) will be incorporated into these truck routing maps so long as that area is available.
• **Air Quality.**
  ◦ The project sponsors and its contractors will assign sufficient staff to allow for careful monitoring of contractor compliance with MEC dust control measures, and staffing will be keyed to the level of dust-generating construction activities at the site. Staffing levels will be assessed in the six month look-ahead reports and discussed at the weekly meetings with HDR.
  ◦ As one element of the MEC training program, contractors will be instructed on how to complete and submit documentation needed to confirm compliance with the diesel particulate filter (“DPF”) requirement of the MEC. Such instruction will be provided at a level of detail commensurate with the training needs of the contractors on the site.
  ◦ Where practicable, all equipment subject to the DPF requirement (or equivalent controls) will be prominently labeled with a label prepared by the project sponsors that indicates that the equipment has a DPF (or equivalent controls) that complies with the MEC emission control requirement. Information on how to label compliant equipment will be provided as part of contractor training. Additional labels are not required for equipment with USEPA labels indicating that the emission controls on such equipment satisfy requirements that are at least as stringent as those required by the MEC.

• **CAQM Compliance Plan.**
  ◦ In 2014, the CAQM Compliance Plan was updated to reference the contractors and personnel working at the project site and to reflect current protocols and procedures. Exhibits to the CAQM Compliance Plan were updated to improve the effectiveness of the CAQM Compliance Plan.

• **Dust Suppression and Wheel Washing.**
  ◦ Prior to the commencement of construction activities for each major work phase, the project sponsors or its contractor(s) will prepare a fugitive Dust Management Plan that identifies: the location of the fixtures to be used in controlling dust at the site (including without limitation hydrants or other points of water supply), any wheel washing stations, gravel placement locations, hoses, dust suppression agents and any other equipment and material to be used in complying with the dust suppression requirements of the MEC. The project sponsors will require its contractors to adhere to such plans, and HDR will refer to such plans in assessing the project sponsors' compliance with the dust suppression requirements of the MEC. ESD and HDR will be provided with the opportunity to comment on the plans prior to their implementation in the field.
  ◦ Gravel cover will be applied to unpaved surfaces which are regularly traveled. Unless gravel cover is applied, unpaved haul roads and excavation surfaces will be adequately watered by watering trucks or misting, so that surfaces remain damp when in use during construction. If watering activities are not practicable due to below-freezing conditions or other safety considerations, alternate dust suppression techniques may be utilized such as broom sweeping of truck tires and the use of other dust suppression agents. The Dust Management Plan will address such alternate dust suppression techniques.
  ◦ A wheel washing station will be constructed at each truck exit, whereby truck wheels will be washed, and the water will be contained and recycled to avoid tracking mud out of the site. If construction of a wheel washing station is not practicable at a construction site exit due to site conditions, the circumstances giving rise to any claim of impracticability will be set forth in the relevant Dust Management Plan, and in such circumstances, the Dust Management Plan prepared by the project sponsors or its contractor will include a substitute program for wheel cleaning that will achieve equivalent results, taking into account weather conditions, space availability, site pitch, catch basin location and other relevant factors.
• **Soil Stockpiling.**
  ◦ In order to avoid excessive dust conditions, the MEC requires that any soil stockpiled on site be adequately moistened or covered by a tarp, dust suppression agent or other effective means. This requirement will be specifically incorporated into the training materials for the relevant contractors. Stockpiles of contaminated material will continue to be managed in accordance with the HASP approved by the NYSDEC.

• **Air Monitoring.**
  ◦ The project sponsors have procured five new particulate monitors, four of which have been deployed on a daily basis at the site to monitor particulate levels associated with construction activities as required by the MEC. OEM personnel will follow the manufacturer's recommendations for operation and maintenance of this monitoring equipment, and routine inspections of the dust monitoring equipment will be conducted by the OEM to ensure functionality. OEM personnel will follow the best management practices previously developed by HDR in operating this equipment, or equally effective procedures.

• **Noise.**
  ◦ A written protocol has been developed to confirm that certain "noisier" equipment complies with the noise levels set forth in Table 17c-3 of the 2006 FEIS.
  ◦ The OEM staff will check applicable equipment for compliance with the MEC noise requirements when the equipment is first mobilized. They will do so pursuant to the protocol described above. The OEM staff also will regularly check equipment in use on-site against the Construction Noise Mitigation Plan or the Alternative Construction Noise Mitigation Plan (as applicable) posted for the site to confirm that there are no discrepancies, or revise such plans as necessary.
  ◦ The project sponsors will assure that perimeter fencing meets both the requirements of the MEC and the New York City Noise Code, which requires that perimeter fencing meet the STC rating of 30 or greater.
  ◦ The project sponsors will erect and maintain a minimum 8 foot high perimeter barrier (constructed of 3/4” thick plywood), with a 16 foot high barrier (of 3/4” thick plywood) adjacent to sensitive locations where practicable and feasible.
  ◦ Where 16-foot barriers are not practicable and feasible adjacent to sensitive receptors, the project sponsors will install the best feasible and practicable additional noise path controls, which may include noise curtains or other barriers within the site between the noise sources and sensitive receptors, angled/cantilevered fences, and/or other practicable pathway controls.
  ◦ Delivery trucks will be operated behind the noise barriers where practicable.
  ◦ In an effort to avoid delays occasioned by Con Edison scheduling constraints, the project sponsors will continue to submit electrification requests as early in the construction sequence as practicable, and follow up with Con Edison on a regular basis until electrification has been timely accomplished, subject to scheduling restraints of other entities not under the project sponsors’ control.
  ◦ Construction staging areas that are located within 200 feet of a sensitive receptor and are used in connection with nighttime work will be shielded (by noise mitigating fencing and/or blanketing) on the side facing those sensitive receptors by New York City Noise Code and MEC-compliant noise mitigating fencing and/or blanketing, unless ESD determines that shielding is not required because of the level of anticipated activities and/or duration of such activities.
Where practicable, quiet construction procedures and equipment will be used, including where practicable the use of a bed liner made of thick rubber, spray-on liner, plywood, sand or gravel on dump trucks to mitigate the noise of the first load being dropped into the dump truck.

Where practicable and feasible, sound-mitigated backup alarms will be used such as backup alarms that lower backup alarm noise in response to more quiet ambient conditions (such as night-time work) or backup alarms that use white noise or other mitigating technologies for trucks and equipment expected to operate at or make deliveries to the Project site during any phase of extended night-time work or night-time module deliveries.

- General Compliance.

- The project sponsors have agreed to pursue the services of a qualified outside engineering firm or construction management firm to serve as the OEM for the Project pursuant to a scope to be reviewed by ESD and that thereafter, the project sponsors will not engage a different engineering firm as the OEM, or move the OEM function in-house, without the prior reasonable approval of ESD. In the event the project sponsors propose to change the OEM, it will submit the following information to ESD: (i) the qualifications of the proposed staff establishing that it would consist of one or more engineers with substantial construction management experience in New York City; (ii) a description of what job duties, if any, such staff members would have apart from serving as the OEM for the Atlantic Yards Project; and (iii) the proposed reporting and documentation procedures to be put into place for the OEM work.

- The project sponsors will make arrangements for the engineering firm to assign one or more engineers with substantial construction management experience in New York City to monitor compliance with the construction-related requirements of the MEC (the “OEM Engineers”). The OEM Engineers may be assisted by qualified staff members (Monitoring Engineers, or “ME’s”). During periods of active construction activity, an OEM Engineer will be assigned to work primarily from a construction trailer or other on-site location to facilitate daily monitoring of the contractors’ compliance with MEC requirements.

- During periods of active construction work, the project sponsors will submit to ESD a report summarizing its contractors’ compliance with the requirements of the MEC during the previous three months, non-compliance issues that have been identified, steps taken to address any instances of non-compliance and plans to prevent the reoccurrence of any such instances of non-compliance. The quarterly report is to be submitted to ESD within 45 days of the end of the 3-month period to which it relates.

The SEIS conclusions with respect to the environmental impacts of Phase II construction under the Extended Build-Out Scenario are summarized below.

**A. Construction – Zoning and Public Policy**

Phase II of the Project under the Extended Build-Out Scenario would not result in significant adverse impacts with respect to Zoning and Public Policy.

The 2006 FEIS analyzed the consistency of the Project with zoning and public policy and found that, upon completion, the Project would not result in any significant adverse impacts associated with those categories. The 2006 FEIS found that the Project would offer the opportunity to further some of the City’s policies for housing and commercial development in Brooklyn, including removing blight and eliminating negative environmental conditions; maximizing the development of appropriate land use; strengthening the tax base of the City by encouraging development and
employment opportunities; providing affordable housing and market-rate housing of high quality; and providing appropriate community facilities, parks and recreational uses, retail shopping, and parking. The completion of Phase II of the Project at a later date would delay the delivery of some of the aforementioned Project benefits. Under the Extended Build-Out Scenario, Phase II would be completed by 2035, compared with the 2016 completion date assumed in the 2006 FEIS. However, none of the benefits related to Phase II would be achieved in the No Build condition (i.e., the Future Without Phase II). As Phase II of the Project, even under the Extended Build-Out Scenario, would provide numerous benefits related to public policies analyzed in the 2006 FEIS, it would not be inconsistent with the goals and objectives of those policies. In addition, as described below, construction of Phase II of the Project under the Extended Build-Out Scenario would not result in any conflicts with zoning or other public policy changes that have been implemented in the ¾-mile study area since the completion of the 2006 FEIS.

1. Zoning

Since the 2006 FEIS, three contextual rezonings within the study area have been approved: the Fort Greene/Clinton Hill Rezoning, the Boerum Hill Rezoning, and the Crown Heights West Rezoning. These contextual rezonings impose additional restrictions on development, as their objectives are to prevent out of scale development in those neighborhoods, match new zoning to existing built character and land uses, and incentivize the development of modest amounts of new affordable housing. Therefore, these rezonings would further strengthen the 2006 FEIS conclusion that the Project would not be expected to spur substantial changes in the firmly established neighborhoods that surround the project site. The completion of Phase II of the Project at a later date would not alter these conclusions of the 2006 FEIS.

As Phase II is incrementally constructed, it would also provide a higher proportion of affordable units than would the Inclusionary Housing Program in the designated areas under the Fort Greene/Clinton Hill Rezoning and Crown Heights West Rezoning. The affordable housing provided by Phase II would be targeted to a greater range of incomes than the Inclusionary Housing Program (which is targeted to households earning up to 80 percent AMI), because the affordable housing in Phase II, based on currently available programs, would be targeted towards five income bands (see Table 2, above). Construction of Phase II of the Project would be supportive of the City’s goal to create new units of affordable housing.

In 2012, the Downtown Brooklyn Parking Text Amendment was approved, which reduces parking requirements in Downtown Brooklyn, including portions of the Phase I project site. The text amendment is expected to result in the provision of parking supply that better reflects actual parking demand in Downtown Brooklyn, which—like the project site—features some of the best transit access in the city, including numerous subway and bus lines. Phase II of the Project is not within the area covered by the Downtown Brooklyn Parking Text Amendment, and therefore this text amendment is not relevant to the analysis of a delay in the construction of Phase II. However, since the project site exhibits many of the characteristics of Downtown Brooklyn, that text amendment is discussed in the consideration of the Reduced Parking Alternative.

2. Public Policy

At the time of the publication of the 2006 FEIS, both the State and National Register (“SN/R”)-listed Prospect Heights Historic District and the NYCL-eligible Prospect Heights Historic District
were included in the analysis of impacts. Since the 2006 FEIS, the NYCL Prospect Heights Historic District has been designated by the LPC, and the boundaries have been defined slightly differently than those analyzed in the 2006 FEIS. Accordingly, the CPP required under the Letter of Resolution with OPRHP was modified to include new historic resources within the expanded boundaries of the Prospect Heights Historic District that are within 90 feet of future construction activity associated with the Project. In light of the adjustments made to the CPP, construction of Phase II under the Extended Build-Out Scenario would not have a significant adverse construction impact on the expanded district.

PlaNYC was established in 2007, and provides a policy framework for sustainable planning in New York City. Even with a prolonged period of construction, the Project would assist in meeting many of the goals and objectives established in PlaNYC, such as by providing new affordable and market-rate housing to meet the needs of current and future residents at a transit-accessible location, providing new open spaces, and utilizing public land to facilitate development that would eliminate blighted conditions. The completion of Phase II of the Project at a later date would delay the delivery of some of the Project benefits that would be supportive of PlaNYC, but would not conflict with the goals of PlaNYC. Under the Extended Build-Out Scenario, Phase II is assumed to be completed in 2035, compared with the 2016 completion date assumed in the 2006 FEIS. Thus, the full achievement of the Project’s benefits related to PlaNYC would be delayed under the Extended Build-Out Scenario. However, none of the benefits related to Phase II would be achieved in the No Build condition (i.e., the Future Without Phase II). Because Phase II of the Project, even in the Extended Build-Out Scenario, would provide benefits related to PlaNYC, it would not be inconsistent with the goals and objectives of PlaNYC.

**B. Construction – Socioeconomic Conditions**

Construction activities of Phase II under the Extended Build-Out Scenario would not result in any significant adverse socioeconomic impacts. Construction would not impede access to businesses surrounding the project site or reduce the visibility of their signage, and curbside deliveries to surrounding businesses would not be significantly affected. It is possible that some limited reduction in pedestrian flow could occur along Vanderbilt Avenue at times during the construction period if some pedestrians choose alternate routes to avoid walking past the Phase II project site. However, any such reduction in pedestrian flow would be countered by the presence of construction workers and by new residential population as the Phase II buildings are completed, and would not substantially affect the vast majority of businesses or lead to business failures that could in turn affect neighborhood character.

While the use of CEQR Technical Manual criteria indicates that there is no potential for significant adverse socioeconomic impacts, a more detailed analysis was conducted in the FSEIS in response to public concerns raised with respect to the effects of prolonged construction of Phase II of the Project on socioeconomic conditions in the area. This additional analysis of socioeconomic conditions surrounding the Atlantic Yards project site indicates that Project development to date has not led to business or residential disinvestment in the ¼-Mile Study Area around the project site. Residential trends in the ¼-Mile Study Area have generally followed trends in the surrounding neighborhoods, with average sales prices and rents increasing.

Retail corridors closest to the Arena site have experienced increased investment since the announcement of the Project. While retail vacancy has increased, based on discussions with brokers
these vacancies are the result of renovation of storefronts for new tenants rather than retail disinvestment. Increases in both retail employment and total employment in the ¼-Mile Study Area outpaced those in the ¾-Mile Control Area over the analysis period. Overall, demographic trends, real estate and employment data, and discussions with brokers in the area indicate that ongoing construction on the project site has not resulted in any substantial negative effect on neighborhood conditions or property values in the ¼-Mile Study Area as compared with the ¾-Mile Control Area.

Findings from case studies of other development sites in New York City that have experienced prolonged construction and/or periods of construction delay, including Riverside South, First Avenue Properties, Battery Park City, and Metro Tech, are consistent with findings on the effects of the Atlantic Yards Project to date. The case studies indicate that prolonged construction—in some cases construction that lasted for decades and is still ongoing—has not led to decreased property values or other signs of disinvestment in the ¼-Mile Study Area compared with the ¾-Mile Control Area for each of the case studies. Across all case studies, demographic and housing trends indicate that population and income growth and residential property values in the ¼-Mile Study Area kept pace with or exceeded growth in the ¾-Mile Control Areas over the course of the analysis period. Trends in commercial office and retail rents and sale values also indicate that prolonged construction or periods of delay for case study developments did not have any detrimental effect on commercial property values in the ¼-Mile Study Areas compared with the ¾-Mile Control Areas.

The FSEIS estimates certain of the economic benefits of Phase II of the Project assuming conventional construction techniques and also assuming use of the modular construction technique. Under either technique, construction of the Phase II development would generate substantial economic and fiscal benefits for the city and the state. Investment for construction of Phase II of the Project is estimated at approximately $2.43 billion in 2013 dollars ($2.15 billion, for modular construction), exclusive of financing, insurance, land value, and other costs that are not directly part of the expenditures for construction. Direct employment generated by construction of Phase II is estimated at 9,148 person-years of employment (9,051 person-years for modular construction). Total employment, including jobs in business establishments providing goods and services to the contractors and jobs resulting from spending of construction wages, is estimated at 16,765 person-years of employment in New York State, of which 13,909 person-years would be in New York City (16,589 person-years and 13,762 person-years, respectively, for modular construction). Construction activity would generate an estimated $173.41 million in tax revenues for New York City, the MTA, and New York State ($153.41 million for modular construction). In addition, New York City would receive revenue from the mortgage recording fees and real property transfer tax from the condominium units.

C. Construction – Community Facilities

1. Indirect Effects

   a. Public Schools

Like the Project analyzed in the 2006 FEIS, a delay in Phase II of the Project with the Extended Build-Out Scenario would have a significant adverse indirect impact on elementary and intermediate schools. The significant adverse indirect impact on study area elementary schools would occur with the completion of the first Phase II building, under any of the three construction phasing plans. With regard to intermediate schools, a significant adverse impact would first occur beginning with
the completion of the second Phase II building under both Construction Phasing Plan 1 and Construction Phasing Plan 3, and upon completion of the first Phase II building under Construction Phasing Plan 2. However, the delayed completion of Phase II of the Project would not itself create additional demand on schools, and the magnitude of the significant adverse impact identified in the FSEIS reflects conservative methodology that does not account for long-term projections for increasing study area school capacity, possible future shifts in Community School District (“CSD”) boundaries or sub-district boundaries, or construction of additional school facilities. The impact to public school capacity would gradually increase over time until Phase II is completed, as additional students are introduced to the study area by additional Phase II buildings. The elementary and intermediate school seat shortfalls would be partially mitigated by the construction of a new public school on the Phase II project site, at the election of DOE. There would not be a shortfall of high school seats in Brooklyn under any of the construction phasing plans.

b. Child Care

The construction of Phase II of the Project under the Extended Build-Out Scenario would not result in significant adverse indirect impacts with respect to child care facilities. Utilization of publicly funded child care services would steadily increase until such time as the 100 slots that the project sponsors are obligated to provide, as per the MEC, become operational. Consistent with CEQR Technical Manual methodology, a significant adverse impact on child care facilities may result if, in the Future With Phase II, there would be a 5 percent increase in utilization, compared with the Future Without Phase II, and overall utilization is above 100 percent. Prior to the completion of the new child care facility, utilization could increase by up to 5.98 percent, in 2032 under Construction Phasing Plan 1 and 2033 under Construction Phasing Plan 3. (The methodology for the analysis, however, does not take into account the likelihood of new day care centers opening up in the area to meet rising demand.) Once the child care facility is provided, however, any increase in utilization would diminish. Upon completion of Phase II in 2035, the increase in child care utilization attributable to the Phase II would be 1.56 percent, well below the 5 percent significance threshold. During the construction of Phase II under the Extended Build-Out Scenario, there could be a temporary condition where the increase in child care utilization attributable to Phase II would exceed the CEQR Technical Manual threshold for a significant adverse impact of 5 percent, but due to the short duration of this shortfall (approximately two years, in the Extended Build-Out Scenario) and the 100 new child care slots that would be provided by the project sponsors, this temporary condition would not be considered a significant adverse impact. In addition, the project sponsors have committed to monitoring child care enrollment and capacity in the study area as the project progresses, and to the extent necessary to avoid a significant adverse impact, make arrangements with one or more duly licensed day care providers for the long-term operation of a duly licensed child care center (or centers) to provide up to approximately 250 additional child care slots, either on or in the vicinity of the project site.

2. Direct Effects

With respect to direct effects on community facilities, the construction of Phase II under the Extended Build-Out scenario would not displace any existing community facilities. In addition, no significant adverse impacts to air quality would result from construction of Phase II under the Extended Build-Out Scenario of the Project at any sensitive receptor locations, including community facilities.
The proposed on-site school and intergenerational community center would be constructed with adequate noise attenuation, and therefore would not experience significant construction noise impacts under the Extended Build-Out Scenario.

One existing public school (P.S. 753, located at 510 Clermont Avenue) would experience significant adverse noise impacts during the construction of certain Phase II buildings. Under Construction Phasing Plan 1, one or more floors along the south and west facades of the school building would experience exterior noise level increments exceeding CEQR Technical Manual impact criteria for up to nine years. Under Construction Phasing Plan 2, one or more floors along the east, south and west facades of the school building would experience exterior noise level increments exceeding CEQR Technical Manual impact criteria for up to seven years. Under Construction Phasing Plan 3, one or more floors along the south and west facades of the school building would experience exterior noise level increments exceeding CEQR Technical Manual impact criteria for up to eleven years. P.S. 753 already has double-glazed windows and an alternate means of ventilation. In light of the noise levels predicted on the exterior of the school facades, and the typical noise attenuation provided by double-glazed windows and alternate ventilation, the resulting interior noise levels in the public school would be below 45 dBA L10(1) (the CEQR Technical Manual’s acceptable interior noise level criteria for schools), except during an approximately one year period under Construction Phasing Plans 1 and 3 or an approximately two year period under Construction Phasing Plan 2, when noise levels are predicted to slightly exceed this threshold. Because interior noise levels would be acceptable except during limited periods when the acceptable threshold are expected to be slightly exceeded, the temporary construction noise impacts on P.S. 753 would not impair the operation of the school, and therefore are not considered a significant adverse community facilities impact.

Construction of Phase II under the Extended Build-Out Scenario would not result in the temporary or permanent closure or displacement of any community facilities. During the construction of Phase II, construction activities would not adversely affect any libraries, police or fire stations, publicly funded day care facilities, or health facilities, as none are located in close proximity to the Phase II construction sites.

D. Construction – Open Space

1. Analysis of Extended Duration of the Temporary Significant Adverse Impact on Passive Open Space Resources in the Non-Residential Study Area Identified in the 2006 FEIS

Under the Extended Build-Out Scenario, the temporary significant adverse impact on the ratio of acres of passive open space per 1,000 workers (the “passive worker ratio”) in the non-residential study area associated with Phase I of the Project would be eliminated during construction of Phase II by 2029 or 2031 (depending on the illustrative construction phasing plan), when approximately 3.36 to 3.41 acres of new publicly accessible passive open space would be provided by the Phase II development. Therefore, compared with the Phase II schedule analyzed in the 2006 FEIS, the Extended Build-Out Scenario would prolong the temporary significant adverse impact on the passive worker ratio in the non-residential study area that was identified in the FEIS. The extended duration of this adverse impact would be partially mitigated by improvements to Times Plaza (discussed further below).
2. **Analysis of Adequacy of Open Space Resources During the Phase II Construction Period Under the Extended Build Out Scenario**

There would be no significant adverse indirect or direct open space impacts arising as a result of Phase II construction under the Extended Build-Out Scenario.

**a. Indirect Effects Within the ¼-Mile Non-Residential Study Area**

Under all three Extended Build-Out Scenario construction phasing plans, the passive worker ratio would gradually increase as Phase II buildings come online and add new passive open space resources to the ¼-mile non-residential study area. Overall, Phase II of the Project would improve the passive worker ratio, and at no point during the build out of Phase II would the percentage change in the passive worker ratio from the Future Without Phase II to the Future With Phase II be negative. Therefore, there would be no significant adverse indirect impacts in the non-residential open space study area under the Extended Build-Out Scenario.

**b. Indirect Effects Within the ½-Mile Residential Study Area**

In the ½-mile residential study area, the ratio of total acres of open space (i.e., combined passive and active publicly accessible open space) in the residential study area per 1,000 residents (the “total residential ratio”) and the ratio of acres of passive open space in the residential study area per 1,000 residents (the “passive residential ratio”) would each gradually increase over time. By contrast, the ratio of acres of active open space in the residential study area per 1,000 residents (the “active residential ratio”) would gradually decrease with time.

At no point during the build out of Phase II under the Extended Build-Out Scenario would the percentage change in the total residential ratio from the Future Without Phase II to the Future With Phase II be negative, under Construction Phasing Plan 1 and 3. Under Construction Phasing Plan 2, there would be a 0.3 percent decrease in the total residential ratio after the completion of the first Phase II building (Building 15, which would provide 0.13 acres of open space) in 2021, after which the ratio would steadily increase. This temporary decrease of less than 1 percent in the total residential ratio would not be considered a significant adverse impact, due to the small size of the decrease, the relatively short duration of this condition, the new open space resources that would be provided as Phase II buildings are constructed, and the availability of open space resources not included in the quantitative analysis, including Prospect Park and Fort Greene Park.

The passive residential ratio would increase over the construction period of Phase II under the Extended Build-Out Scenario. Compared with the Future Without Phase II, at no point during the build out of Phase II would the percentage change in the passive residential ratio from the Future Without Phase II to the Future With Phase II be negative, under all three Construction Phasing Plans. Upon the completion of Phase II in 2035, the overall increase in the passive residential ratio would be 36 percent.

The active residential ratio would gradually decrease over the Phase II construction period under the Extended Build-Out Scenario, with a maximum decrease of approximately 6.9 percent under Construction Phasing Plans 1 and 3 (occurring after the completion of Building 9, the seventh Phase II building to be completed), and with a maximum decrease of approximately 10.4 percent under Construction Phasing Plan 2 (occurring after the completion of Building 12, the second to last Phase
II building). However, as additional active features come online, the active residential ratio would improve slightly, and under all three construction phasing plans, at the completion of Phase II in 2035, would decrease by approximately 5.6 percent.

Residents would continue to have access to resources that are not included in the quantitative analysis, including two destination open space resources (Fort Greene Park and Prospect Park) that are within walking distance of the Phase II project site, but are not within the ½-mile study area.

The overall effect of Phase II of the Project would be to improve the availability of publicly accessible open space in the study area. Due to the new open space resources that would be provided by Phase II, and the availability of open space resources not included in the quantitative analysis (in particular, Prospect Park and Fort Greene Park, two destination parks within walking distance of the Project site), the decreases in the active residential ratio would not be considered a significant adverse impact. Overall, there would be no significant adverse indirect open space impacts associated with Phase II of the Project under the Extended Build-Out Scenario, under any of the three construction phasing plans.

c. Direct Effects

Phase II would not result in any direct displacement of existing open space resources under the Extended Build-Out Scenario. There would be no significant adverse impacts on existing open spaces due to air emissions, noise, or vibration during the construction of Phase II. Therefore, there would not be any significant adverse impacts due to direct effects on study area open spaces during the Extended Build-Out Scenario under any of the illustrative construction phasing plans.

Noise levels in areas where new Project open spaces would be developed would exceed CEQR Technical Manual guidelines due to existing traffic noise from nearby roadways, with or without Phase II construction activities, but the Phase II construction activities under any of the three analyzed illustrative construction phasing plans would result in noise level increases at Project open space locations during certain time periods. Open space areas with a line of sight to active construction activities would experience more elevated noise levels during those activities. While these noise levels are not desirable, there is no effective practical mitigation that can be implemented to avoid these levels during construction. Noise levels in many of the city's parks and open space areas that are located near heavily trafficked roadways and/or near construction sites experience comparable and sometimes higher noise levels.

E. Construction – Urban Design and Visual Resources

Construction activities of Phase II under the Extended Build-Out Scenario would not result in any significant adverse impacts on urban design and visual resources. However, to improve visual conditions in the area during the period of construction, where feasible and practicable, for construction sites east of 6th Avenue, construction fencing facing Vanderbilt Avenue, Dean Street, Carlton Avenue, Pacific Street or 6th Avenue will be visually enhanced with temporary art displays curated by Artbridge or a similar organization if such fencing is to remain in place for more than one year. This requirement has been incorporated into the amended MEC. It does not apply to the landscaped screening currently in place around the temporary parking lot on Block 1129.
The Phase II project site does not include any visual resources. Construction of the Phase II buildings would not obstruct views to any identified visual resources in the area. Therefore the construction of Phase II of the Project would not result in significant adverse impacts to visual resources under the CEQR Technical Manual criteria.

The delayed completion of Phase II under the Extended Build-Out Scenario would prolong interim site conditions that were identified in the 2006 FEIS, including a surface parking lot on Block 1129 and the presence of the open rail yard. The surface parking spaces would be provided in a temporary condition until they are located below-grade in conjunction with the build-out of the Project buildings (Buildings 11, 12, 13 and 14) on Block 1129. Views to surface parking areas are common in mixed-use neighborhoods in New York City. As per the MEC, the interim surface parking lot and construction staging area on Block 1129 would continue to be screened and landscaped around its perimeter under the Extended Build-Out Scenario, similar to its appearance in existing conditions. The design of the fence along with the landscaping would continue to provide a visual buffer for pedestrians and residents of the adjacent neighborhood. The approximately 10-foot tall metal fence is set back approximately four feet from the property line to establish a landscaping zone. The fence allows for some pedestrian visibility into the parking facility from the sidewalk. Blooming shrubs and evergreens are also located in the landscape buffer to provide a soft edge and layers of screening. The existing directional lighting would continue to minimize off-site light intrusion into the surrounding neighborhood. Moreover, views of the parking lot would be limited to immediately proximate areas. Due to these factors, the prolonged presence of the interim parking use on Block 1129 under the Extended Build-Out Scenario would not result in significant adverse urban design impacts.

The Extended Build-Out Scenario would prolong the time period in which views to Blocks 1120 and 1121 would include the open rail yard that exists under current conditions. Therefore, a portion of – or the entire rail yard – on Blocks 1120 and 1121 would be visible for a longer period of time. Since the rail yard is located below-grade, existing views are limited to immediately proximate areas. In addition, views to the open rail yard exist currently and would continue in the Future Without Phase II, and the elimination of these views is considered a benefit of the Project. Therefore, the delayed completion of the Phase II development on these blocks is not a significant adverse urban design impact.

At any stage of construction during construction of Phase II under the Extended Build-Out Scenario, irrespective of the construction phasing plan, views of the Phase II project site would depend on the pedestrian’s viewpoint. The Urban Design analysis in the FSEIS considers the appearance of the project site from multiple pedestrian vantage points during an extended construction period.

From a pedestrian’s perspective, the appearance of areas of the Phase II project site under active construction would be similar to other construction sites in the city. Portions of adjacent streets and sidewalks would be used for staging activities; active construction sites would be surrounded by protective fencing; and for periods of time, large pieces of construction equipment would be seen beyond the protective fencing, followed by building superstructures. Throughout the construction period, access to surrounding residences, businesses, and institutions in the study area would be maintained, and thus there would continue to be pedestrian activity around the Phase II project site. To the extent practicable, measures outlined in the MPT Plans would be designed so that vehicle lane and sidewalk closures are kept to a minimum and that adequate pedestrian access is provided.
subject to NYCDOT approval. Phase II sites would be maintained in their existing conditions until right before demolition. Further, the project sponsors are obligated under the 2009 MGPP and MEC to maintain the sites in a clean and secure manner.

Open space on the Phase II project site would be iteratively created as each proposed building is completed. Street trees would be provided along the perimeter of the site consistent with New York City Department of Parks and Recreation (“DPR”) requirements and regulations. The new Project open spaces in interim and permanent conditions and the replacement street trees would incrementally enhance the pedestrian experience.

1. **Views Analysis from One Block Away From the Project Site**

Other than from Atlantic Avenue east of the Phase II project site, street-level views to the Phase II project site from one city block away are highly constrained. Most eye-level views are limited to a narrow portion of the project site. Views of the project site along Atlantic Avenue from one block east encompass the Phase II building sites along Atlantic Avenue, which would be viewed in the context of the intensely urban and heavily trafficked character of Atlantic Avenue. Skyward views from the pedestrian perspective could include construction cranes and the superstructures of Phase II buildings under construction and/or completed Phase II buildings, depending on the vantage point, the point in time, and the construction phasing plan. However, skyward views of these construction conditions would not adversely affect the pedestrian experience on these blocks as the changed views would not significantly affect the streetscape at the pedestrian level. Skyward views of cranes and construction would be temporary and would change as construction proceeds. While the duration of these views would be extended under the Extended Build-Out Scenario, such views would be typical of skyward-facing views of construction sites for tall buildings in New York City, and would be similar in nature to views currently available, when looking up, of numerous construction sites in the downtown Brooklyn area. In addition, pedestrian views of the Phase II buildings under construction and associated construction equipment would not obstruct views of any visual resources in the area.

2. **Views Analysis from 100 Feet of the Project Site**

From many vantage points 100 feet from the project site, pedestrian views of Phase II construction activities would be highly constrained. These would include views from the south along 6th, Carlton and Vanderbilt Avenues and views from the north along South Portland and South Oxford Streets and Vanderbilt Avenue and views from the east and west along Dean Street. More expansive views of the project site are available from the east and west along Atlantic Avenue as well as views to the south from 100 feet north of Atlantic Avenue along Carlton and Clermont Avenues. At any point these views are likely to include interim site conditions and a larger amount of construction activity than views from the narrower streets with more limited viewsheds. The more expansive views would include large portions of the Phase II project site, which could include conditions similar to existing conditions (including interim conditions), active construction, and completed buildings. Pedestrian-level views to the site would be mainly of completed buildings or sites remaining as in the Future Without Phase II, rather than active construction sites because active construction would take place at only a limited number of buildings sites at any one time under the Extended Build-Out Scenario. While views from locations along the Atlantic Avenue corridor, and some locations 100 feet north of Atlantic Avenue would include Phase II construction activity for a prolonged time period under the Extended Build-Out Scenario, these views are already intensely urban in character.
and are already heavily influenced by high volumes of traffic and activity. In addition, as Project buildings are completed, views to the project site would include those completed buildings, which would partially obscure construction activities and interim conditions located behind them.

3. Views Analysis from Adjacent Sidewalk Locations to the Project Site

Pedestrian views from sidewalks on streets adjacent to active construction would consist of conditions that would be typical of any construction site in the City. Those views would include construction workers, equipment and activities taking place above the construction fence, truck traffic entering and leaving the project site, large pieces of equipment such as cranes, and the MPT elements including barriers and fences and sidewalk bridges. Prior to the start of construction activities, adjacent sidewalks would provide views to certain portions of the project site, depending on a pedestrian’s vantage point. Construction fencing would be installed at the perimeter of the site under construction and would limit views into certain areas of the project site, while views to areas of the site not under construction would remain available. Once project site buildings are complete, views from adjacent sidewalks would include the nearest completed building, along with other more distant completed buildings, on-going construction activities elsewhere on the project site, and longer views that would include the surrounding streetscapes.

Under the Extended Build-Out Scenario, construction activities would be concentrated on some blocks and would be visible from certain adjacent viewpoints for an extended period of time. Views of the interim parking use would be screened by landscaping and fencing, until such time as the surface parking lot would be incrementally replaced with below-grade parking facilities. From sidewalks on the streets adjacent to the project site prior to the beginning of construction activities, a pedestrian would have expansive views of the project site, including of the open rail yard, which would extend to intervening buildings and the buildings adjacent to (or across the street from) the Phase II project site boundaries. These wide views would gradually be changed by construction activities (including, eventually, platforms over the rail yard) and then new Phase II buildings. As Phase II buildings are constructed, they would partially obscure views to other buildings under construction and other construction staging activities. Phase II construction activities, and new Phase II buildings, would also incrementally obscure or partially obscure views to buildings beyond the project site boundaries. Therefore, the existing wide views that are available from project site-adjacent locations would be reduced over time, as new construction activities and buildings are incrementally introduced to the Phase II project site.

Compared with views 100 feet from the project site, Phase II construction activities would have a substantial effect on views from locations adjacent to the project site, due to the close proximity and focused character of these views. Due to the localized nature of these views, a relatively low number of pedestrians would be affected by these changes. No unique views, or views of any important visual resources, would be impacted.

4. Summary of Effects of Prolonged Phase II Construction on Views

Views of the project site from more than one block away are extremely limited and would not be significantly affected by prolonged construction activities under the Extended Build-Out Scenario. Views from 100 feet of the project site are generally constrained except along the Atlantic Avenue corridor and in certain locations from north of Atlantic Avenue. Views from these vantage points would be experienced in the context of the urban character of Atlantic Avenue. Construction
activities would be visually prominent from sidewalk locations on streets adjacent to the project site. Although construction activities on individual building sites would be typical of those on numerous other construction sites throughout the City, the Phase II construction activity would occur at multiple building sites and would be visible for a prolonged duration from many nearby vantage points under the Extended Build-Out Scenario. However, as Project buildings are completed, views to the project site would include those completed buildings, which would partially obscure construction activities and interim conditions located behind them. No unique views, or views of any important visual resources, would be impacted, and the Phase II construction would incrementally replace views of the below-grade rail yard, interim surface parking lot and existing warehouse buildings and other structures as construction proceeds. Therefore, Phase II construction under the Extended Build-Out Scenario would affect views from areas with a limited geographic scope and would not adversely affect a large number of people. For these reasons, construction of Phase II of the Project under the Extended Build-Out Scenario would not result in significant adverse impacts to Urban Design. However, the visual effects of construction activities at sidewalks on streets adjacent to the project site would contribute to the localized significant adverse neighborhood character impacts (discussed below).

F. Construction – Hazardous Materials

The 2006 FEIS concluded that the Project would not result in significant adverse impacts with respect to hazardous materials. Construction activities on the project site since the 2006 FEIS have been substantially consistent with the procedures set forth in the 2006 FEIS and MEC. In general, demolition and construction conducted at the project site to date have encountered (and addressed) the same types of contamination anticipated and discussed in the 2006 FEIS. The same procedures for assessing and managing contamination, and measures to avoid impacts, would be implemented during the Phase II work (with certain adjustments to improve the compliance program as discussed in the introduction to Section V.), and the longer construction period assumed for the Extended Build-Out Scenario would not result in additional impacts with respect to hazardous materials. Therefore, no significant adverse impacts would occur for Phase II of the Project under the Extended Build-Out scenario.

G. Construction – Transportation

1. Traffic

During peak construction under all three Extended Build-Out Scenario illustrative construction phasing plans, the project-generated trips would generally be fewer than the project-generated trips that would be expected upon the full build-out of Phase II of the Project. An exception would be during the peak construction periods for Construction Phasing Plan 3, when multiple buildings and certain railroad yard platform segments would be under concurrent construction at the project site and a number of the Phase II buildings would also be in operation. The detailed construction traffic analysis of two peak construction periods for Construction Phasing Plan 3, which represent the reasonable worst case periods for construction traffic impacts, shows that significant adverse traffic impacts would occur at numerous locations. While these analyses considered specific points in time during Phase II construction under Construction Phasing Plan 3 (primary worst-case in 2032 and secondary worst-case in 2027), the impact findings and determination of mitigation requirements would be applicable to other construction periods during which comparable activities would occur. Overall, significant adverse traffic impacts were identified at 36 intersections during the 1st quarter.
of 2032 (when Buildings 5, 9, and 10, and the platform segments for Buildings 6 and 7 are assumed to be under concurrent construction at the project site) and at 14 intersections during the 4th quarter of 2027 (when Buildings 11, 12, 13, and 15 are assumed to be under concurrent construction at the project site) under the illustrative construction schedule for Construction Phasing Plan 3. The proposed operational traffic mitigation measures (described in Section VII) would mitigate many of the construction impacts during these peak periods. In some cases, variations of the operational mitigation measures or additional measures have been recommended to fully mitigate certain impacts during construction. Similar to the operational traffic impact analysis and findings from the 2006 FEIS, there would be locations where impacts could not be mitigated or could only be partially mitigated. It should be noted that subsequent to the DSEIS, the recommended traffic mitigation measures were further reviewed by NYCDOT, and additional measures were explored, resulting in the elimination or modification of some of the measures included in the Project’s traffic mitigation plan. The mitigation measures outlined in the DSEIS included a variety of signal timing changes, lane re-striping and changes to curbside parking regulations. Subsequent to the issuance of the DSEIS, NYCDOT determined that some of the parking regulation and lane re-striping measures should not be implemented. As a result, the traffic mitigation analysis in the FSEIS indicates that fewer of the intersections identified as impacted in the DSEIS would be fully mitigated. For the primary worst-case in 2032, no practicable mitigation measures would be available to fully mitigate the impacts at 17 intersections, and for the secondary worst-case in 2027, unmitigated impacts were identified for two intersections.

2. Parking

In the Extended Build-Out Scenario, peak parking demand for construction workers is assumed to occur during the peak construction period under the illustrative construction schedule for Construction Phasing Plan 3 when, on average, 314 construction worker vehicles are projected to arrive at the project site during the 6 to 7 AM morning peak hour. Since this volume represents 80 percent of the total projected day shift vehicle trips for construction workers, the total peak parking demand would be 392 vehicles. As the 300 on-site parking spaces available to accommodate Arena demand would generally be available to construction workers, most of the projected peak construction worker parking demand could be accommodated by these 300 on-site parking spaces. Based on the off-street and on-street parking utilization in the ¼ mile study area of the Project, should fewer on-site parking spaces be provided for construction workers, the construction peak parking demand could be accommodated by the available off-street parking facilities in the ¼ mile study area of the Project. Since all projected construction worker parking demand would be met, no parking shortfall is anticipated during Phase II construction of the Project under the Extended Build-Out Scenario. These findings are generally consistent with those of the 2006 FEIS.

3. Transit and Pedestrians

Construction workers who do not travel via auto would be distributed among the various subway and bus routes, station entrances, and bus stops near the project site. These trips would also occur predominantly during construction peak hours that are outside of the typical commuter peak periods. Furthermore, appropriate measures for maintaining temporary sidewalks and overhead protections would be provided throughout Phase II construction of the Project. However, during construction on Blocks 1120 and 1121, due to the anticipated staging areas and MPT plans, there may be times when pedestrian access along the south side of Atlantic Avenue east of 6th Avenue would be restricted to facilitate construction activity. Consultation with NYCDOT’s OCMC would
be undertaken to determine the feasibility of closing pedestrian access for the affected segments during periods of Phase II construction when Blocks 1120 and 1121 are under construction. Diverting pedestrian flow to other sidewalks in the area is not expected to result in a substantial increase in pedestrian traffic at those locations. At other sidewalks bordering the project site, more limited closures are anticipated and, where necessary, temporary sidewalks would be provided to maintain pedestrian flow. MPT plans would be prepared and approved by NYCDOT to provide adequate sidewalk sheds to protect pedestrians, including arena patrons, during Phase II construction. Therefore, no significant adverse construction-related transit or pedestrian impacts are expected to occur during Phase II construction of the Project under the Extended Build-Out Scenario. These findings are generally consistent with those of the 2006 FEIS.

H. Construction – Air Quality

Consistent with the conclusions of the 2006 FEIS, no significant adverse impacts on air quality are predicted during Phase II construction with the Extended Build-Out Scenario. Measures would be taken to reduce pollutant emissions during construction in accordance with applicable laws, regulations, and building codes, including dust suppression measures and the idling restriction for on-road vehicles. In addition, the project sponsors have committed to a robust emissions reduction program, including early electrification, the use of ultra-low sulfur diesel (“ULSD”) fuel, and the use of diesel particulate filters on diesel equipment in excess of 50 hp. Most of these measures are described in further detail in the 2006 SEQRA Findings Statement, and therefore are not described in detail in this Supplemental Findings Statement. In connection with the preparation of the FSEIS, however, the project sponsors committed to several additional measures to reduce the potential for construction-related impacts to air quality, including: (i) the preparation of a Dust Management Plan, prior to the commencement of construction activities for each major work phase, that identifies the location of the fixtures to be used in controlling dust at the site, any wheel washing stations, gravel placement locations, hoses, dust suppression agents and any other equipment and material to be used in complying with dust suppression requirements; (ii) a commitment that the project sponsors assign sufficient staff to allow for careful monitoring of contractor compliance with the required dust control measures with staffing keyed to the level of dust-generating construction activities at the site; (iii) the commitment that the project sponsors’ on-site environmental monitoring staff will follow the manufacturer’s recommendations for operation and maintenance of the air monitoring equipment (and the best management practices previously recommended by ESD’s Environmental Monitoring Firm or equally effective procedures), and routine inspections of the equipment will be performed to ensure functionality; (iv) a commitment to adequately moisten or cover by a tarp, dust suppression agent or other effective means any soil stockpiled on site; (v) a commitment that (excluding construction activities relating to Building 2, Building 3 or the rail yard and except in narrowly specified circumstances) non-road construction equipment with a power rating of 50 hp or greater must meet at least the USEPA Tier 3 emission standard and that all non-road diesel engines rated less than 50 hp must meet at least the USEPA Tier 2 emission standard; (vi) a commitment that (except in narrowly specified circumstances) non-road construction equipment with a power rating of 50 hp or greater must meet the Tier 4 emissions standard beginning in 2022; and (vii) a commitment to label equipment to facilitate monitoring of DPF and emission control requirements.

With the implementation of these emission reduction measures, and those specified in the 2006 FEIS, the analysis of construction-related air emissions in the FSEIS determined that PM$_{2.5}$, PM$_{10}$, annual-average NO$_2$, and CO concentrations would be below their corresponding de minimis thresholds or National Ambient Air Quality Standards (“NAAQS”) respectively. Therefore, the
construction of Phase II of the Project under the Extended Build-Out Scenario would not result in significant adverse air quality impacts due to construction sources.

I. Construction – Noise and Vibration

1. Noise

Consistent with the findings of the 2006 FEIS, construction of Phase II of the Project under the Extended Build-Out Scenario would have the potential to result in significant adverse impacts with respect to construction noise. This conclusion is based on an analysis of each of the three illustrative construction phasing plans, using a modeling analysis that conservatively predicts noise levels by assuming that peak hourly noise levels represent the entire day of construction and peak monthly levels represent the entire year in most years. Since the results of this analysis reflect peak hourly noise levels during peak months of construction, the noise levels predicted by this analysis would not occur constantly throughout the predicted duration of impact.

Construction on the proposed building sites would include noise control measures beyond those required by the New York City Noise Control Code, including both path and source controls. Most of these measures are described in the 2006 SEQRA Findings Statement, and therefore are not described in this Supplemental Findings Statement. In connection with the preparation of the FSEIS, however, the project sponsors committed to several additional measures to reduce construction noise, including: (i) a commitment to develop a written protocol for confirming that noisier equipment meets the noise levels set forth in the New York City Noise Code or Table 3J-1 of the FSEIS, whichever is lower; (ii) a commitment for the OEM to check applicable equipment for compliance with the MEC Noise Requirements when the equipment is first mobilized; and (iii) a commitment, where practicable and feasible, to use sound-mitigated backup alarms such as backup alarms that lower backup alarm noise in response to more quiet ambient conditions (such as night-time work) or backup alarms that use white noise or other mitigating technologies for trucks and equipment expected to operate at or make deliveries to the Project site during any phase of extended night-time work or night-time module deliveries. In addition, the MEC has been modified to require the project sponsors to provide one air conditioner per bedroom or main living room with a window along a significantly impacted façade, and to replace broken air conditioners as and to the extent required to mitigate continued construction-related significant impacts.

The results of the detailed construction noise analysis indicates that of the 489 buildings in the study area, elevated noise levels are predicted to occur at one or more floors of approximately 124 buildings under Construction Phasing Plan 1, at one or more floors of approximately 160 buildings under Construction Phasing Plan 2, and at one or more floors of approximately 134 buildings under Construction Phasing Plan 3. The 2006 FEIS identified significant adverse noise impacts from the construction of Phase II at approximately 176 buildings, but the SEIS identified impacts at a number of locations on buildings not identified in the 2006 FEIS as locations that would experience significant adverse noise impacts from the construction of Phase II.

The Extended Build-Out Scenario would result in construction occurring over a longer overall period of time, and result in noise level increases occurring over a longer duration. In addition to resulting in significant adverse construction noise impacts at some locations not predicted to experience significant adverse construction noise impacts in the 2006 FEIS, this also would result in longer durations of impact at some locations that were predicted to experience significant adverse
construction noise impacts in the 2006 FEIS. At locations with line of sight to several Phase II buildings the increased duration of construction at those building sites would extend the overall duration of construction noise level increases.

The elevated noise levels resulting from construction would be reduced at a receptor location as construction activities move out of the line of sight of that receptor location. The construction noise impacts would not be expected to occur over the entire duration of Project construction at any noise receptor, because while construction activities are occurring at buildings to which a receptor does not have a direct line of sight, the receptor would tend not to experience the elevated noise levels due to construction. Furthermore, many of the loudest pieces of construction equipment, including excavators, asphalt paving equipment, concrete trowels, concrete trucks, portable cement mixers, etc., are mobile, and move about the site throughout the days and months of construction, resulting in a range of construction noise levels at a particular receptor location.

Affected locations include residential and institutional areas adjacent or with a line of sight to the proposed development sites. However, most affected buildings have receptor noise control measures (i.e., double-glazed windows and air-conditioning) or have previously been offered receptor control noise measures by the project sponsors (in accordance with the mitigation requirements stipulated in the 2006 FEIS and MEC). Buildings with double-glazed windows and air conditioners would be expected to experience interior $L_{10(1)}$ values less than 45 dBA during most of the construction period, which is considered an acceptable level according to CEQR Technical Manual criteria. Receptor controls that could be used to partially mitigate these impacts are discussed below in Section VII.

Additionally, there is one recently constructed residential building with outdoor balconies predicted to experience significant adverse noise impacts as a result of construction of Phase II of the Project under Construction Phasing Plan 1. At this location, there are no feasible or practicable mitigation to mitigate the construction noise impacts on the balconies.

The refinement of the analysis methodology for the FSEIS, specifically using a greater number of receptor locations (and thereby fine-tuning the methodology used in the 2006 FEIS of representing many buildings on one block by one receptor location) more precisely indicates which buildings and building façades would experience significant adverse construction noise impacts. Additionally, the refined analysis methodology more precisely calculated background (i.e., non-construction) noise levels at each noise receptor, particularly at the rear façades and upper elevations of buildings. This tended to indicate lower background noise levels at these locations, resulting in higher construction noise level increments at these receptor locations.

During certain Phase II construction activities, P.S. 753 (located at 510 Clermont Avenue), which was not predicted to experience a significant adverse construction noise impact in the 2006 FEIS analysis, is expected to experience significant adverse noise impacts at one or more floors on the west and south façades under Construction Phasing Plans 1 and 3, and the west, south, and east façades under Construction Phasing Plan 2. The maximum impact duration at the school would be expected to be nine years under Construction Phasing Plan 1, seven years under Construction Phasing Plan 2, and eleven years under Construction Phasing Plan 3.

The school building has receptor control measures including double glazed windows and air conditioners. With these receptor control measures, interior $L_{10}$ noise levels in rooms with windows
along the east, south, and west façades of the school would be expected to be below the CEQR Technical Manual 45 dBA $L_{10}$ recommended level during most periods of time (including most of the years in which the FSEIS modeling analysis identifies significant adverse impacts on exterior facades). However, during some limited time periods, the school would experience exterior noise levels up to 77.7 dBA at certain floors. This would result in interior noise levels in the high 40s dBA, which would be expected to be above the 45 dBA $L_{10}$ noise level recommended by the CEQR Technical Manual for schools. The school is predicted to experience exterior noise levels greater than 75 dBA for no more than two years under Construction Phasing Plan 2 and no more than one year under Construction Phasing Plans 1 and 3.

Construction of the proposed project would not result in any significant adverse noise impacts at existing open spaces within the study area. The combination of background noise levels in the area and on-site construction activities under any of the three analyzed illustrative construction phasing plans would produce $L_{10}$ noise levels at certain new Project open space areas up to approximately the low 80s dBA during certain periods of construction. These noise levels would exceed those recommended by the CEQR Technical Manual for passive open spaces (55 dBA $L_{10}$). (Noise levels in these areas exceed the recommended values for existing and Future Without Phase II conditions.) Noise levels in many of the city’s parks and open space areas that are located near heavily trafficked roadways and/or near construction sites experience comparable and sometimes higher noise levels.

Generally, throughout the study area, the absolute noise levels during construction predicted in the FSEIS construction noise analysis are comparable to those predicted in the 2006 FEIS. Absolute noise levels predicted to occur at the analyzed noise receptor locations in the study area would generally be in the mid 50s to 70s dBA. These noise levels are comparable to noise levels throughout residential areas of New York City. At the upper levels of certain buildings immediately adjacent to the construction of one or more Project buildings, during the one or two years of the peak construction activity adjacent to these receptors, noise levels in the low 80s dBA are expected. These noise levels are comparable to those that occur at receptors adjacent to heavily trafficked multi-lane avenues or roadways in New York City.

2. **Vibration**

The buildings of most concern with regard to the potential for structural or architectural damage due to vibration are the Swedish Baptist Church and nearby row houses along Dean Street, which are immediately adjacent to the site of Building 15. The 2006 FEIS vibration analysis determined that there would be no potential for significant adverse vibration impacts at these locations, but that a vibration monitoring program should be implemented to ensure that no architectural or structural damage would occur from construction activities. As per the MEC, the vibration monitoring program would continue to be implemented for Phase II of the Project under the Extended Build-Out Scenario.

For limited periods of time due to certain infrequently occurring construction activities, vibration levels would be perceptible in the vicinity of the construction site but would not rise to the level that would have the potential to result in structural or architectural damage and are not be considered significant adverse impacts.
J. Construction – Public Health

Phase II of the Project under the Extended Build-Out Scenario would not result in significant adverse impacts with respect to air quality (during construction or operation of Phase II) or with respect to operational noise. Prolonged construction of Phase II of the Project would result in significant adverse construction noise impacts, as defined by the thresholds recommended in the CEQR Technical Manual. However, the predicted magnitude and duration of absolute noise levels (i.e., the sum of construction noise levels with ambient background noise levels) would not be at a level that significantly affects public health at any receptor location. Therefore, Phase II of the Project under the Extended Build-Out Scenario would not result in significant adverse public health impacts.

K. Construction – Land Use and Neighborhood Character

1. Land Use

Consistent with the 2006 FEIS, the FSEIS finds that construction of Phase II of the Project under the Extended Build-Out Scenario would not result in significant adverse land use impacts. Construction of Phase II would affect land uses on the project site and in immediately adjacent areas, which would be affected during the construction period by intermittent sidewalk closures, travel lane closures, and relocation of bus stops in the vicinity of the Phase II project site. To facilitate pedestrian flow through these areas, temporary sidewalks or sidewalk bridges adjoining the project site would be maintained to the extent practicable. Sidewalk and travel lane closures and bus stop relocations would be intermittent and temporary and are not expected to result in any significant adverse impacts to the land uses surrounding the Phase II project site.

During the construction of Phase II, sites not under active construction would be maintained as under existing conditions (for example, the open rail yard would continue to exist until platformed over) or would have interim uses, such as construction staging areas and surface parking, for a prolonged period. The presence of these interim uses for an extended period of time would not be considered a significant adverse land use impact because these uses are not incompatible with surrounding land uses, and, in the case of the interim surface parking lot and open rail yard, would also be present in the Future Without Phase II condition. However, the Extended Build-Out Scenario would extend the duration of the surface parking lot and open rail yard compared with the construction schedule analyzed in the 2006 FEIS. The surface parking use that would be on Block 1129 for an extended period is a non-residential use, but the underlying manufacturing zoning that covers most of the block and most of the block immediately to the south allows a range of commercial and manufacturing uses. The surface parking use is also consistent with the mix of industrial, commercial and residential uses that are located on the block to the south. The perimeter of the surface parking lot facing Carlton Avenue, Dean Street and Vanderbilt Avenue would be fenced with a landscaped border, providing a visual buffer for pedestrians and residents.

Areas closest to the Phase II project site lack the cohesive character of the cores of their neighborhoods, indicative of the transitional character of these areas. As Phase II building are completed over the course of the Extended Build-Out Scenario, the existing uses on the Phase II project site (construction staging areas, interim parking areas, interim storage uses, and the open rail yard) would be replaced incrementally with permanent residential, commercial, community facility, open space, and below-grade parking uses. These new uses would over time integrate with adjacent
neighborhoods, which include a mix of residential, commercial, community facility, open space, and parking uses, as well as some light industrial uses in certain areas.

Although Phase II under the Extended Build-Out scenario anticipates a prolonged construction schedule compared with the 2006 FEIS, the level of construction activity would vary and move throughout the Phase II project site, and no area would experience the immediate effects of the Project’s construction activities for the full project construction duration. Since, overall, construction would not significantly change or affect land use or land use trends in the surrounding area, there would be no significant adverse impacts to land use.

2. Neighborhood Character

As described in Chapter 3L of the FSEIS, the effects of Phase II construction activity (on socioeconomic conditions, open space, urban design and visual resources, traffic and noise) would be concentrated in areas closest to the project site. During construction, the immediately surrounding area would be subject to added traffic from construction trucks and worker vehicles and partial sidewalk and lane closures. In addition, staging activities, temporary sidewalks, construction fencing, construction equipment and building superstructure would be visible to pedestrians in the immediate vicinity of the Phase II project site. These impacts would combine to result in a significant adverse localized neighborhood character impacts centered mostly on Dean Street, Pacific Street and Carlton Avenue surrounding the Phase II project site.

This localized significant adverse neighborhood character impact would occur for a longer period of time than what was contemplated in the 2006 FEIS, as the duration of construction activities for Phase II under the Extended Build-Out Scenario would be 18 years, compared with six years in the 2006 FEIS. As noted above, the impacts would be confined largely to Dean Street, Pacific Street, and Carlton Avenue, and no immediate area would experience the effects of the Project’s construction activities for the full Project construction duration. Measures to control noise, vibration, and dust on construction sites, including the erection of construction fencing, would reduce views of construction sites and buffer noise emitted from construction activities, and sound barriers would be used to reduce noise from particularly noisy activities where practicable. However, these measures would not be sufficient to avoid a significant neighborhood character impact in the areas immediately adjacent to the Phase II project site for a prolonged period under the Extended Build-Out Scenario.

The localized significant neighborhood character impact arising from prolonged Phase II construction would not extend out into the wider neighborhoods surrounding the Project. As described above, construction noise impacts will affect buildings in close proximity to the Phase II site. Views of the project site from more than one block away are limited and would not be significantly affected by extended construction activities. Project development to date has not led to disinvestment in the ¼-Mile Area, and case studies of other major multi-building development sites in New York City that have experienced prolonged construction and/or periods of construction delay indicate that such projects have not led to decreased property values or other signs of disinvestment in surrounding neighborhoods. The ¼-Mile Primary Study Area contains a number of principal arterials that carry heavy volumes of through traffic. Additional traffic volumes during Phase II construction, and associated significant adverse traffic impacts, would not result in significant adverse neighborhood character impacts in that study area. Moreover, with early implementation of operational mitigation measures, all but ten of the impacted intersections in the
¼-Mile Primary Study Area could be fully mitigated. In this regard, it is noted that in considering the FSEIS ESD staff identified inconsistencies between the description of the traffic impacts at certain intersections as reported in the construction traffic chapter of the FSEIS (Chapter 3H, “Construction Transportation,” which disclosed that there would be 10 unmitigated intersections) and the more summary description of these traffic impacts in the construction neighborhood character section of the FSEIS (Chapter 3L, “Construction Land Use and Neighborhood Character,” which indicated that 5 intersections would remain unmitigated). The detailed description of traffic impacts in Chapter 3H is correct and reflects comments received on the DSEIS from NYCDOT, and those descriptions should have been carried over into the summary description of traffic impacts in Chapter 3L. With the construction transportation-related updates identified in Chapter 3H, the five additional unmitigated locations are: Lafayette Avenue/Schermerhorn Avenue (unmitigated); Atlantic Avenue and 4th Avenue (unmitigated); Dean Street and 5th Avenue (unmitigated); Bergen Street and Flatbush Avenue (unmitigated); and Fulton Street and Vanderbilt Avenue (unmitigated). Additionally, Chapter 3H discloses that the significant adverse traffic impacts at Atlantic Avenue and Carlton Avenue and Atlantic Avenue and Vanderbilt Avenue – which are identified in FSEIS Chapter 3L as partially mitigated – would be unmitigated rather than partially mitigated. These intersections generally serve heavily trafficked corridors, and, as noted above, the areas around them would not be materially affected by construction-related noise, visual impacts, socioeconomic effects or other non-traffic factors adversely affecting neighborhood character during construction.

As detailed in Chapter 3H, “Construction Transportation,” of the FSEIS, Phase II construction would result in significant adverse traffic impacts at several intersections beyond the ¼-Mile Primary Study Area. In the ¾-Mile Secondary Study Area, Chapter 3L of the FSEIS notes that two intersections (Tillary Street and Adams Street/Brooklyn Bridge and Fulton Street and Flatbush Avenue/Flatbush Avenue Extension) would remain unmitigated (although the intersection of Tillary Street and Adams Street/Brooklyn Bridge lies outside the ¾-mile study area). With the construction transportation-related updates identified in the FSEIS, Chapter 3H identifies additional locations in the ¾-Mile Second Study Area that would be unmitigated during peak construction activities as follows: DeKalb Avenue and Vanderbilt Avenue; Schermerhorn Street and Boerum Place; Atlantic Avenue and Boerum Place; Atlantic Avenue and Smith Street; and Eastern Parkway and Washington Avenue. However, most of these impacts would occur along streets that are already characterized by heavy volumes of traffic, and are located in areas of the surrounding neighborhoods that would not be significantly affected by the visual, noise or other non-traffic impacts of construction activities at the project site. Therefore, notwithstanding the fact that significant construction-related traffic impacts will remain unmitigated at 10 intersections in the ¼-mile study area and an additional 6 intersections in the ¾-mile study area, the FSEIS correctly concludes significant construction-related neighborhood character impacts will be confined to the immediate vicinity of the project site.

Because the intersections with unmitigated traffic impacts discussed above would also be unmitigated in the Phase II operational traffic condition under the Extended Build-Out Scenario, further discussion of the effects of the unmitigated traffic impacts on neighborhood character is set forth below in the operational neighborhood character discussion.
L. Modular Construction

The technical areas where differences in conventional and modular construction methods could result in different potential environmental impacts include socioeconomic conditions, transportation, air quality, and noise.

On-site building activities using modular techniques are expected to have shorter construction durations and fewer daily on-site workers and truck trips as compared with the use of conventional construction techniques, and would therefore be less disruptive overall. The MPT requirements for modular construction would be similar to the MPT requirements for conventional construction methods, although MPT areas for modular construction may be wider and longer than those for conventional construction methods in order to accommodate wide-load deliveries of modules. With respect to parking, transit, and pedestrians, no significant adverse impacts attributable to construction were identified for Phase II construction using conventional construction methods. Similarly, modular construction would not result in any significant adverse impacts in these areas. At intersections where Phase II of the Project is predicted to result in significant adverse construction traffic impacts, these impacts are expected to be less for construction under modular construction methods as compared with construction under conventional construction methods.

Demolition, excavation, and foundation activities under modular construction methods would be the same as those under conventional construction methods. Therefore, since the construction air quality analyses were conducted for the representative worst-case short-term and annual periods where demolition, excavation, and foundation activities would be the dominant activities at the project site, the maximum predicted air pollutant concentrations resulting from Phase II construction of the Project using modular construction methods would be similar to the results shown in the air quality analyses for conventional construction methods. Since no significant adverse construction-related air quality impacts were identified for conventional construction methods, no significant adverse construction-related air quality impacts are expected if Phase II of the Project is constructed using modular construction methods.

The construction tasks with the greatest potential to result in increased noise levels at most nearby noise receptors are the excavation and foundation tasks, which would occur in the same manner and over the same duration with either conventional or modular construction. With modular construction, less equipment would be used on-site and fewer trucks would travel to and from each building site during the superstructure, exterior façade, and interior finishing tasks. Therefore, noise levels with modular construction during these construction tasks would be somewhat lower than those predicted for conventional construction. Consequently, the calculated noise levels and resultant predicted construction noise impacts shown in the analysis of conventional construction are conservatively representative of the noise conditions that would be expected with modular construction. As the project sponsors gain experience with modular construction, it is expected that construction using that method would result in a shorter overall duration of construction for each building. If one or more buildings included in Phase II were constructed using modular construction rather than conventional construction, elevated noise levels resulting from construction activities for that building would be expected to last for a shorter duration. The SEIS examined, in particular, the effects of night-time delivery of modules, and found that these deliveries would not be expected to result in a perceptible increase in noise levels (as measured by Leq(1h)). Operation of the trucks used for night-time module deliveries in close proximity to noise receptors would result in increases in noise level for short periods of time. Such increases in noise level would occur
only when the trucks operate adjacent to the noise receptor and would be comparable in magnitude and duration to that which would result from operation of any heavy truck on the roadway adjacent to the receptor. Consequently, these short-term increases in noise level during night-time module deliveries would not constitute a significant adverse noise impact. Overall, it is not expected that the use of modular construction for the Phase II buildings would result in significant adverse noise impacts beyond those identified for conventional construction.

In summary, it is not expected that the use of modular construction for the Phase II buildings would result in significant adverse impacts in the relevant technical areas beyond those identified for conventional construction.

VI. Consideration of Relevant Operation-Related Environmental Impacts, Facts and Conclusions Disclosed in the FSEIS

As noted in Section IV.B above, a number of environmental impact analysis areas would not be affected by the operation of Phase II of the Project under the Extended Build-Out Scenario, as compared with the earlier completion date assumed in the 2006 FEIS. The analyses screened out on this basis and therefore not included for detailed assessment of the operational condition in the FSEIS are land use, zoning, and public policy; cultural resources; urban design and visual resources; shadows; hazardous materials; and infrastructure.

The following is a summary of the operation-related environmental impact areas that were analyzed in further detail in the SEIS:

A. Operational – Socioeconomic Conditions

This analysis finds that the completion of Phase II by 2035 under the Extended Build-Out Scenario would not result in any new or different significant adverse socioeconomic impacts as compared with completion of Phase II by 2016, as assumed in the 2006 FEIS. The following summarizes the conclusions drawn from the analysis.

1. Direct Residential Displacement

The 2006 FEIS analyzed the direct displacement of 171 residential units housing an estimated 410 residents. Of these 171 residential units, 137 were located on the Phase I project site, and 34 were located on the Phase II project site. The 2006 FEIS assumed that all of the direct residential displacement would occur during Phase I of the Project. Of the 171 residential units analyzed in the 2006 FEIS, four units remain, and all four are located on the Phase II project site. These units are located on Block 1128, Lots 85, 86, and 87, and house approximately 10 residents. Residents of these units would be directly displaced from the project site at a later date than assumed in the 2006 FEIS. These residents would still be offered relocation assistance in connection with the acquisition of the properties for Phase II of the Project. Their displacement during Phase II under the Extended Build-Out Scenario would not significantly alter the socioeconomic conditions in the study area and would not result in any significant adverse socioeconomic impacts.

2. Direct Business and Institutional Displacement

The 2006 FEIS analyzed the direct displacement of 29 businesses and institutions, all of which was assumed to occur during Phase I of the Project. Of these 29 businesses and institutions, 13
businesses and one institution were located on the Phase II project site; currently 2 businesses remain on Site 5 of the Phase I project site, no businesses remain on the Arena Block of the Phase I project site, and two businesses remain on Block 1120 of the Phase II project site, on Lots 19 and 28. These two businesses are believed to be currently using the buildings on these lots for storage. In addition, a building located on Lot 4 of Block 1128 of the Phase II project site is privately owned and is believed to be used for storage; though none of the business activities that were analyzed in the 2006 FEIS remain on the lot, the ownership of the building has not changed since the 2006 FEIS.

Under the Extended Build-Out Scenario these three businesses could be directly displaced at a later date than assumed in the 2006 FEIS, but the timing of their displacement would not significantly alter the socioeconomic conditions in the area. The business owners would still be offered relocation assistance in connection with the acquisition of the properties for Phase II of the Project. Their displacement would not significantly alter the socioeconomic conditions in the area and would not result in any significant adverse impacts due to direct business and institutional displacement.

3. Indirect Residential Displacement

Similar to the conclusions in the 2006 FEIS, the FSEIS analysis finds that the Extended Build-Out Scenario would not result in significant adverse impacts due to indirect residential displacement. The 2006 FEIS conclusions (in italics, below), and their applicability to the Extended Build-Out Scenario, are as follows:

- The 2006 FEIS stated that the number of at-risk households in the study area had been decreasing and would probably continue to do so without the Project, concluding that it was probable that the number of at-risk households in the study area in 2010 and 2016 would be substantially lower. Based on the FSEIS analysis of income, housing, and recent development, it is evident that this trend has continued since the 2006 FEIS, and it is reasonable to assume that the number of at-risk households in the study area has decreased, and would continue to decrease, in the future independent of the development of Phase II under the Extended Build-Out Scenario.

- In 2006, similarities between the Project housing mix and the housing mix present in the ¼-mile study area indicated that the Project would not substantially change the socioeconomic profile of the study area. While background income conditions have changed since the 2006 FEIS, and would be different in 2035 as compared with 2016, the FSEIS analysis indicates that the housing stock introduced by the Extended Build-Out Scenario would continue to be similar in tenure to the housing stock in the broader ¼-mile study area. Phase II under the Extended Build-Out Scenario would add a higher proportion of affordable units than would be expected to be added to the study area in the Future Without Phase II. The anticipated income distribution of households introduced by Phase II of the Project would not shift the distribution of households across income brackets such that the overall socioeconomic character of the study area would change significantly. Further, in the Future Without Phase II, no affordable units would be added to the Phase II project site.

- The 2006 FEIS stated that the substantial number of housing units to be added by the Project could serve to relieve market pressure in the study area by absorbing housing demand that might otherwise be expressed through increases in rents. The delay in the completion of Phase II housing under the Extended Build-Out Scenario would not, in the shorter term, provide a supply of housing that could serve to relieve this market pressure. However, this delay would not have short- or long-term significant adverse
impacts on future housing market conditions in the study area. Additional housing supply not anticipated in the 2006 FEIS but reflecting residential market trends would reduce any adverse effects of the delay in completion of Phase II housing units, and the residential units added by the development of Phase II under the Extended Build-Out Scenario could still serve to relieve upward rent pressure in the study area. Moreover, a delay in Phase II would also delay the extent to which the occupancy of the Phase II units could contribute to indirect residential development.

• The 2006 FEIS stated that most identified at-risk households were more than ½ mile from the project site, and separated from the project site by intervening established residential communities with upward trends in property values and incomes and active commercial corridors. Current household income data suggest that incomes have increased throughout the study area since the 2006 FEIS; that there are fewer at-risk households in the study area; and that remaining at-risk households are still concentrated in the same census tracts identified in the 2006 FEIS. Trends indicate that intervening established neighborhood and commercial corridors cited in the 2006 FEIS have become even more established and would continue to limit the potential for the proposed residential development in Phase II of the Project to affect rental rates in tracts containing potentially vulnerable populations. The FSEIS analysis indicates that many of the remaining at-risk households are still more than ½ mile from the project site and separated by more established residential neighborhoods and commercial trends.

4. **Indirect Business and Institutional Displacement**

The Extended Build-Out Scenario would not alter the conclusions of the 2006 FEIS with regard to indirect business and institutional displacement. As predicted in the 2006 FEIS, increases in commercial property values have already led to some indirect business and institutional displacement along retail corridors closest to the project site. The retail turnover that has occurred since the 2006 FEIS is in part attributable to well-established residential development trends in the study area, as well as indirect displacement pressures in the ¼-mile study area, that were predicted as a result of Phase I of the Project.

The development of Phase II under the Extended Build-Out Scenario has the potential to result in indirect business and institutional displacement along certain corridors within ¼ mile of the project site. This displacement could be limited to an even smaller number of vulnerable businesses and institutions than described in the 2006 FEIS, and would primarily consist of neighborhood services stores, light industrial or auto-related uses, and a small number of institutions located on Vanderbilt Avenue, Flatbush Avenue, and 4th Avenue. The delay in the completion of Phase II under the Extended Build-Out Scenario would not add any additional upward pressure on commercial rents beyond what was analyzed in the 2006 FEIS. The completion of Phase II over a longer time period would distribute its effects, potentially reducing the project-induced upward pressure on rents at any given point in time. Therefore, any indirect business and institutional displacement that may occur as a result of the development of Phase II under the Extended Build-Out Scenario would not result in adverse indirect business and institutional displacement effects beyond those disclosed in the 2006 FEIS.

5. **Adverse Effects on Specific Industries**

The development of Phase II under the Extended Build-Out Scenario would not result in significant adverse impacts on any specific industries. As noted above, it is believed that the three businesses currently operating on the Phase II site are in the storage business, which is not an industry specific
or unique to the Phase II site. The development of Phase II under the Extended Build-Out Scenario would not result in any additional direct business displacement beyond what was analyzed in the 2006 FEIS, and would therefore not alter the conclusion of the 2006 FEIS regarding adverse effects on specific industries.

B. Operational – Community Facilities

1. Public Schools

The 2006 FEIS found that there would be a shortfall of seats at elementary and intermediate schools in the 2016 future with the Project, and that these shortfalls would constitute a significant adverse impact on elementary and intermediate schools within the ½-mile study area. To partially mitigate the significant adverse impact on public schools, the project sponsors committed to provide adequate space for the construction and operation of a 100,000 gsf elementary and intermediate school in the base of one of the Phase II residential buildings. The 2006 FEIS stated that additional mitigation measures, such as shifting the boundaries of school catchment areas within the CSDs, creating new satellite facilities in less crowded schools, or building new school facilities off-site would be required to fully mitigate the significant adverse impacts on public schools identified in the 2006 FEIS.

Subsequent to completion of the 2006 FEIS, the methodology recommended by the CEQR Technical Manual was revised to analyze capacity at a smaller, sub-district level, which provides a more localized level of analysis and considers far fewer schools compared with the CSD level or ½-mile study area used in the 2006 FEIS. The multipliers provided in the CEQR Technical Manual to estimate students generated by new housing units were also changed such that the Project would be assumed to introduce a greater number of students using the current CEQR Technical Manual guidance than the number of students assumed in the 2006 FEIS analysis, which was prepared in conformance with the 2001 version of the CEQR Technical Manual. With regard to background conditions, current existing utilization data and enrollment projection data forecast a deficit of seats in the Future Without Phase II, unlike the 2006 FEIS (although the study areas considered differ, as noted above).

CEQR Technical Manual methodology also requires utilizing enrollment projections prepared by the SCA for DOE. The most recently prepared projections estimate enrollment only up to 2021, and therefore have been used in this analysis to represent student enrollment in 2035. The school seat capacity assumptions are based only on DOE’s 2015-2019 Proposed Five-Year Capital Plan, February 2014. The analysis for the capital plan includes a multi-dimensional review and analysis of localized capacity and enrollment patterns within each CSD. This process results in a set of recommendations for each CSD that takes into account the needs within each area of the CSD. These recommendations are reviewed annually based on updated enrollment projections, capacity changes and housing information. Currently, DOE’s 2015-2019 proposed capital plan is the most up-to-date document that has been reviewed to determine future capacity in CSD 13/Sub-District 1. In keeping with DOE’s mandate to respond to local needs and provide new capacity where warranted, it is likely that new capacity would be created by 2035 to meet additional student demand that exceeds the 2019-based capacity assumptions used in this analysis. Each year, capital plan amendments are prepared, which allow DOE to reassess priorities, to take into account shifts in enrollments, variations in housing growth, changes in building conditions, new educational initiatives, and adjustments in the construction marketplace, and incorporate any impact from
financial changes implemented by the City or State. In addition, DOE and SCA annually undertake a comprehensive assessment of conditions in order to determine the need for realignment strategies, such as increasing the utilization of existing facilities, changing grade configurations of schools, and adjustments to local school zones. The analysis does not account for future actions that could be taken by SCA and DOE to address capacity needs in the sub-district, such as possible future shifts in CSD boundaries or sub-district boundaries, or the construction of additional school facilities serving the sub-district through any of the four five-year capital plans that would be issued between the present day and the 2035 build year.

The Phase II project site is located in Sub-District 1 of CSD 13. Phase II of the Project would be expected to introduce approximately 2,712 students to the project site, comprising 1,430 elementary school students, 592 intermediate school students, and 690 high school students. Phase II of the Project would be expected to result in significant adverse impacts to elementary school and intermediate school capacities within Sub-District 1 of CSD 13. The Project would also create, at the election of DOE, a 100,000 gsf elementary and middle school public school on the project site that would be expected to accommodate a number of students equivalent to approximately one third of Phase II-generated demand, based on current projections.

a. Elementary Schools

Currently, CSD 13/Sub-District 1 contains two elementary schools with a combined capacity of 1,290 seats, which would increase by 326 seats to 1,616 seats in the Future Without Phase II. Based on current CEQR Technical Manual methodology, Phase II would introduce 1,430 elementary school students by 2035, increasing the elementary school utilization rate in CSD 13/Sub-District 1 by 88 percentage points, and bringing total utilization to 220 percent (assuming no new school capacity would be created between 2019 and 2035). Therefore, Phase II would exceed the CEQR Technical Manual threshold for a significant adverse impact on elementary schools. The 2006 FEIS also disclosed significant adverse impacts on elementary schools upon completion of the Project.

While the finding of a significant adverse school impact is consistent, the utilization and deficit of elementary school seats (which form the basis of the findings) are higher than was identified in the 2006 FEIS. These changes are due to changed CEQR Technical Manual methodology (e.g., the reduction in the size of the study area and changed multipliers for estimating school children), changed background conditions (which project a shortage of seats in the Future Without Phase II condition), and a shift of approximately 208,000 gsf of floor area from Phase I to Phase II of the Project. The delayed completion of Phase II of the Project would not itself create additional demand on elementary schools in the sub-district.

b. Intermediate Schools

Currently, CSD 13/Sub-District 1 contains three intermediate schools with a combined capacity of 850 seats, which is not assumed to change in the Future Without Phase II. Based on current CEQR Technical Manual methodology, Phase II would introduce 592 intermediate school students by 2035, increasing the intermediate school utilization rate in CSD 13/Sub-District 1 by 69 percentage points, and bringing total utilization to 160 percent (assuming no new school capacity would be created between 2019 and 2035). Therefore, Phase II would exceed the CEQR Technical Manual threshold for a significant adverse impact on intermediate schools. The 2006 FEIS also disclosed a significant adverse impact on intermediate schools.
While the finding of a significant adverse school impact is consistent, the utilization and deficit of intermediate school seats (which form the basis of the findings) are higher than was identified in the 2006 FEIS. These changes are due to changed CEQR Technical Manual methodology (e.g., the reduction in the size of the study area and changed multipliers for estimating school children), changed background conditions (which project a shortage of seats in the Future without Phase II condition), and a shift of approximately 208,000 gsf of floor area from Phase I to Phase II of the Project. The delayed completion of Phase II of the Project would not itself create additional demand on intermediate schools in the sub-district.

c. **Elementary and Intermediate School Effects with the Proposed School**

The Project would include the provision, at the election of DOE, of an approximately 100,000 gsf elementary and intermediate public school to partially mitigate the significant adverse impacts on elementary and intermediate school capacity in the study area. DOE’s 2015-2019 proposed Capital Plan allocates funds towards the development of this new public school on the Phase II project site. Although the grade-level mix has not yet been determined, the capital plan assumes that 757 seats would be created through the opening of this new school. Thus, the proposed school would be expected to accommodate a number of students equivalent to over one third of Phase II-generated demand for elementary and intermediate school seats, based on current projections and assumptions. These new school seats have not been included in the quantitative assessment of future school utilization provided above.

d. **High Schools**

In the Future With Phase II, Brooklyn high schools would operate with surplus capacity. As Phase II would not result in a collective utilization rate equal to or greater than 100 percent at the borough level, Phase II would not result in any significant adverse impacts on high schools. The 2006 FEIS also found no significant adverse high school impacts.

2. **Child Care Services**

At the time of the 2006 FEIS, a 100-seat child care facility was planned as part of the Project. The 2006 FEIS did not identify any significant adverse child care impacts. However, the analysis of publicly funded child care facilities in the 2009 Technical Memorandum found that the updated background conditions and updated methodologies (i.e., new CEQR Technical Manual generation rates for child care eligible children) would result in additional demand for publicly funded child care facilities in the study area, which could result in a shortfall of child care slots in the 2019 future with the Project. Therefore, in addition to the 100-seat facility that was planned as part of the Project and included in the 2006 FEIS, the project sponsors are obligated to assess child care enrollment and capacity in the study area as the Project progresses and, if necessary, work with ACS to provide up to approximately 250 additional child care slots either on-site or in the vicinity of the site to meet Project-generated demand.

The FSEIS considers whether changed background conditions or changed methodologies since the 2006 FEIS and 2009 Technical Memorandum would result in any new or changed significant adverse impacts resulting from construction of Phase II of the Project under the Extended Build-Out Scenario. The prolonged build-out of the Project to 2035 would not create additional demand on public child care services upon completion of the Project, compared with the construction
duration assumed in the previous environmental analyses, as the delayed completion of Phase II would not increase the number of children eligible for public child care services introduced by the Project. Changed background conditions include new enrollment data and updated enrollment projections. With regard to methodology, the CEQR Technical Manual calls for an analysis for a 1.5 mile study area, whereas the 2006 FEIS and 2009 Technical Memorandum analyzed child care facilities within a 1-mile study area. The current multiplier for calculating demand for child care slots has also been changed. As a result of this change, the number of eligible children that would be introduced by Phase I and Phase II of the Project is lower than the number projected in the 2006 FEIS and the 2009 Technical Memorandum.

The FSEIS analysis indicates that under the revised methodology, Phase II would introduce 160 children under the age of 6 who are eligible for public child care services. The addition of these children is projected to increase in the utilization rate by 1.58 percentage points over the Future Without Phase II condition. CEQR Technical Manual guidelines indicate that a demand for slots greater than the remaining capacity of child care facilities and an increase in demand of 5 percent of the study area capacity could result in a significant adverse impact. Thus, the increase in the utilization rate attributable to Phase II of the Project would not exceed the CEQR Technical Manual’s 5 percent threshold for a significant adverse impact.

Moreover, CEQR Technical Manual methodology does not provide a basis for estimating new child care capacity in the Future Without Phase II. It is likely that new capacity would be created by 2035 to meet additional child care demand, although no new capacity is assumed in the FSEIS analysis.

As noted above, the project sponsors are required to monitor child care enrollment and capacity in the study area as the Project progresses, and to the extent necessary to avoid a significant adverse impact, make arrangements with one or more duly licensed day care providers for the long-term operation of a duly licensed child care center (or centers) that accommodates approximately 250 additional children, either on or in the vicinity of the project site. In light of the small, less than two percent increase in child care utilization attributable to Phase II identified in the FSEIS, and the project sponsors’ commitment to monitor and, if necessary, provide approximately 250 additional child care slots, there would be no new significant adverse impacts on publicly funded day care facilities in the study area.

3. Other Community Facilities

The 2006 FEIS found that the Project would not result in any significant adverse impacts with respect to police/fire protection services, health care facilities and libraries.

Although the construction of Phase II of the Project would be prolonged under the Extended Build-Out Scenario, and a shift of 208,000 gsf of residential space has been proposed from Phase I to Phase II, no changes to the Project have been proposed that would have the potential to affect police/fire protection services and health care facilities. Furthermore, background conditions have not changed such that they would materially affect the 2006 FEIS conclusions with respect to police/fire protection services and health care facilities; the same police/fire protection and health care facilities are expected to continue to serve the project site. Therefore, Phase II under the Extended Build Out Scenario would not result in any significant adverse impacts to police and fire protection services and health care facilities.
With respect to libraries, while there may be changes in the locations of libraries in the study area by 2035, none have been proposed at this time, and background population growth in the study area would not be expected to adversely affect library resources in the study area. Therefore, Phase II under the Extended Build Out Scenario would not result in any significant adverse impacts to libraries.

C. Operational – Open Space

Consistent with the 2006 FEIS, the FSEIS finds that Phase II of the Project would not result in significant adverse impacts related to open space upon the Project’s completion in 2035 under the Extended Build-Out Scenario.

Phase II of the Project would not result in direct impacts on open space resources, because there are no existing open space resources on the Phase II site. With respect to indirect impacts, while Phase II would introduce large new residential and non-residential (worker) populations, upon completion it would also provide eight acres of new publicly-accessible open space.

1. Non-Residential (¼-Mile) Study Area

Upon completion of Phase II under the Extended Build-Out Scenario, the passive open space ratio would increase by 181.4 percent as compared with the Future Without Phase II, from 0.237 acres to 0.667 acres per 1,000 workers. Therefore, Phase II of the Project would not result in any significant adverse impacts to open space resources in the non-residential study area upon completion of Phase II with the Extended Build-Out Scenario. The passive open space ratio would continue to exceed the City’s recommended guideline minimum of 0.15 acres of passive open space per 1,000 workers.

2. Residential (½-Mile) Study Area

Upon completion of Phase II under the Extended Build-Out Scenario, the total open space ratio would increase by 17.5 percent as compared with the Future Without Phase II, from 0.308 acres to 0.362 acres per 1,000 residents. The active open space ratio would decrease by 5.6 percent as compared with the Future Without Phase II, from 0.144 to 0.136 acres per 1,000 residents. The passive open space ratio would increase by 37.7 percent as compared with the Future Without Phase II, from 0.164 to 0.226 acres per 1,000 residents.

Although the total open space ratio would remain below the City’s recommended guideline of 2.5 acres per 1,000 residents, this ratio would increase as a result of Phase II of the Project, due to the eight acres of new publicly-accessible open space that would be created. Likewise, although the passive open space ratio would remain below the City’s recommended guideline of 0.5 acres per 1,000 residents, Phase II of the Project would have a beneficial impact on this ratio by providing new publicly-accessible open space. With regard to active open space, Phase II of the Project would result in a decrease of 5.6 percent, compared with the Future Without Phase II, and the active open space ratio would remain below the City’s guideline. As noted in the CEQR Technical Manual, the City guidelines are seldom achieved in densely built portions of New York City, and therefore do not constitute impact thresholds. While the total, passive, and active open space ratios would be below City guidelines in the Future With Phase II, the overall effect of Phase II of the Project on the availability of open space resources in the study area would be beneficial. Therefore, Phase II of the
Project under the Extended Build-Out Scenario would not result in any significant adverse open space impacts in the ½-mile study area upon completion of Phase II.

In addition, numerous open space resources that have not been included in the quantitative analysis would be expected to provide additional opportunities for active and passive recreation in the Future With Phase II. Such resources include community gardens, school yards that are not consistently open to the public, resources associated with private developments that could offset demand on public open space resources, and Prospect and Fort Greene Parks (totaling over 615 acres of active and passive open space), which are located just outside the open space study area boundary. Prospect Park and Fort Greene Park are flagship resources that draw residents from the study area, despite being located outside of the study area.

D. Operational – Transportation

1. Traffic

The traffic analysis in the 2006 FEIS analyzed conditions at a total of 93 intersections along local streets proximate to the project site or that would be affected by Project-related changes to the street network, as well as along arterials that would provide access to and from the site. Intersections analyzed in the 2006 FEIS were selected for analysis in the FSEIS if they were locations where development of Phase II is expected to result in the addition of 50 or more peak hour vehicle trips based on the 2006 FEIS, or they were identified in the FEIS as being significantly adversely impacted by project-generated traffic in one or more of the peak hours included for analysis in the FSEIS. Based on these criteria, a total of 71 of the 93 intersections analyzed in the 2006 FEIS were selected for detailed analysis.

The peak hours selected for analysis in the FSEIS include the weekday 8-9 AM and 5-6 PM commuter periods, as well as the weekday 12-1 PM midday (lunch time) period. Although the substantial amount of travel demand generated by the Arena itself is reflected in the Future Without Phase II condition, an analysis of the weekday 7-8 PM and Saturday 1-2 PM pregame peak hours is included to assess the potential effects of Phase II residential and retail demand during periods of peak Arena activity. To be conservative, the traffic analysis for the Saturday pregame peak hour assesses conditions resulting from Phase II with an afternoon Nets game at the Arena, even though other types of events with lower attendance than a Nets game are typically scheduled on a Saturday afternoon and Nets games rarely occur at that time. All of these peak hours are consistent with those analyzed in the 2006 FEIS. The weekday and Saturday post-game peak hours for Arena demand that were analyzed in the 2006 FEIS are not included, since Project demand during these periods is primarily Arena-related and they are not typically considered peak travel periods for the residential, retail and public school uses that comprise Phase II of the Project.

a. Travel Demand

Vehicle trips generated by Phase II development would total approximately 519, 338, 446, 281 and 689 during the analyzed weekday AM, midday, PM and pregame and Saturday pregame peak hours, respectively. Auto trips during these periods would range from 200 (in the weekday midday peak hour) to 609 (in the Saturday pregame peak hour), while taxi trips would range from 18 (in the weekday pregame peak hour) to 102 (in the weekday midday peak hour). Truck trips would range from none (in the weekday pregame PM peak hour) to 42 (in the weekday AM peak hour).
b. **Impact Analyses**

Of the 71 intersections analyzed, a total of 56 intersections would have significant adverse impacts in one or more peak hours in the Future With Phase II under the Extended Build-Out Scenario. A total of 37 intersections would have significant adverse impacts in the weekday AM peak, 20 in the midday, 38 in the PM, 27 in the 7-8 PM pregame peak hour, and 47 in the Saturday 1-2 PM pregame peak hour. With the implementation of the Project’s traffic mitigation plan, unmitigated impacts would remain in one or more peak hours at a total of 29 intersections in the Future With Phase II With Mitigation. There would be 18 intersections with unmitigated significant adverse impacts in the weekday 8-9 AM peak hour, three in the midday, 17 in the 5-6 PM, five in the weekday 7-8 PM pregame peak hour, and 19 in the Saturday pregame peak hour.

c. **Bicycles**

In the Future With Phase II under the Extended Build-Out Scenario, it is anticipated that the residential, retail and public school uses that would be built on the project site would likely generate some new trips by bicycle in the weekday peak commuter periods, as well as recreational and discretionary trips during other weekday periods and on weekends. Phase II of the Project would also generate new vehicular traffic along many study area roadways, including those used by bicyclists. In addition, it is anticipated that a bicycle path would be provided through portions of the Project’s open space under Phase II to improve connections between existing and planned north-south and east-west bike lanes.

2. **Transit**

a. **Subway**

The analysis of subway station conditions in the FSEIS focuses on the Atlantic Avenue – Barclays Center station as well as the Bergen Street station, with conditions at these stations analyzed for the weekday 8-9 AM, 5-6 PM and 7-8 PM (pregame) peak hours, consistent with the subway station analysis in the 2006 FEIS. The analysis assesses conditions at those station elements (stairways, escalators, ramps, and fare arrays) analyzed in the 2006 FEIS. The Fulton Street and Lafayette Avenue subway stations analyzed in the 2006 FEIS are not included in the FSEIS analysis as Phase II demand at these stations is not expected to total 200 or more trips (the CEQR Technical Manual threshold for detailed analysis) in any analyzed peak hour. The analysis of the potential for crowding on the platforms at the Atlantic Avenue – Barclays Center subway station during the weekday 10-11 PM and Saturday 4-5 PM peak hours following a Nets game or other major event at the Arena that was provided in the 2006 FEIS is also not included as these are not considered peak periods for Phase II residential, retail and public school demand.

The findings of the FSEIS analysis of Future With Phase II conditions under the Extended Build-Out Scenario are that all analyzed stairways, escalators, ramps and fare arrays at the Atlantic Avenue – Barclays Center and Bergen Street subway stations would operate at acceptable levels of service and would not be considered significantly adversely impacted by Phase II demand with the exception of escalator ES359X at the Barclays Center entrance to the Atlantic Avenue – Barclays Center subway station. This up escalator is expected to operate at a v/c ratio of 1.13 (level of service, or LOS D) in the 7-8 PM pregame peak hour, compared with a v/c ratio of 0.79 (LOS C) in the Future Without Phase II, and would therefore be considered significantly impacted under CEQR
criteria. This impact would be fully mitigated by operating adjoining escalator ES358X in the up direction during the pregame period when there is a Nets game or other major event at the Arena. (Escalator ES358X currently operates in the down direction in all periods.)

It should be noted that much of the pregame peak hour demand on escalator ES359X is the result of trips exiting the subway en route to a basketball game or other event at the Arena. The analysis results reflect the fact that most pedestrians would elect to use the escalator for convenience (as they do now), resulting in capacity conditions on the escalator during periods of peak demand even with uncongested LOS A conditions on adjacent 24-foot-wide stair S1. It is therefore expected that, as queuing at this escalator increased, pedestrian demand would increasingly shift to uncongested stair S1. As the two escalators and stair S1 at this entrance operate as a combined system, and as stair S1 is projected to have substantial available capacity in the pregame peak hour in the Future with Phase II, the projected LOS D condition at up escalator ES359X is not necessarily considered an unacceptable condition for a special event condition such as the pregame peak hour prior to a Nets basketball game. (This was also acknowledged in the 2006 FEIS which projected LOS E conditions on this escalator during the weekday pregame peak hour.)

With respect to subway line haul conditions, all subway routes through Downtown Brooklyn are expected to continue to operate below their practical capacity in the peak direction in each peak hour in the Future With Phase II, and the Project would not generate more than an average of 3.7 new subway riders per car on any one route, less than the CEQR Technical Manual impact threshold of five new trips per car per hour. Development of Phase II under the Extended Build-Out Scenario is therefore not expected to result in significant adverse impacts to subway line haul conditions in Downtown Brooklyn under CEQR Technical Manual guidelines.

b. Local Bus

The FSEIS analyzes conditions on the 11 MTA New York City Transit (“NYCT”) local bus routes operating within ¼-mile of Phase II developments sites. The analysis focuses on the weekday 8-9 AM and 5-6 PM commuter peak hours under the Project’s commercial mixed-use variation, consistent with the analysis in the 2006 FEIS. Development of Phase II of the Project under the Extended Build-Out Scenario would add up to 11 peak direction passengers to each analyzed bus route in the AM peak hour, and up to 12 additional passengers in the PM peak hour. With this added demand, all analyzed local bus routes would continue to operate with available capacity at their peak load points in both the weekday AM and PM peak hours in 2035, and therefore, development of Phase II under the Extended Build-Out Scenario is not expected to result in any significant adverse impacts to local bus conditions.

c. Long Island Rail Road

In the Future With Phase II under the Extended Build-Out Scenario, the proposed residential buildings located on Blocks 1120 and 1121 would be constructed on a platform that would be built over the below-grade LIRR yard on these blocks. Operation of this yard would otherwise remain unchanged from conditions in the Future Without Phase II. Development associated with Phase II of the Project is expected to generate an estimated 43 new trips on the LIRR in the AM peak hour, 17 trips in the midday, 36 trips in the PM peak hour, 26 trips in the weekday pregame peak hour and 30 trips in the Saturday pregame peak hour. Most if not all of these Phase II LIRR trips are expected to utilize existing entrances to the LIRR’s Atlantic Terminal located on the north side of
Atlantic Avenue as there is no direct access to the LIRR platforms (without paying a subway fare) from the new on-site entrance to the Atlantic Avenue – Barclays Center subway station. The relatively small numbers of new LIRR trips that would be generated by development of Phase II are not expected to adversely affect LIRR line haul conditions.

3. Pedestrians

Pedestrian trips generated by Phase II under the Extended Build-Out Scenario are expected to be most concentrated on those sidewalks, corner areas and crosswalks located immediately adjacent to the Phase II development sites as well as along pathways between these sites and the new entrance to the Atlantic Avenue – Barclays Center subway station. The pedestrian analysis in the FSEIS therefore focuses on sidewalks, corner areas and crosswalks adjacent to Blocks 1120, 1121, 1128 and 1129, as well as those adjacent to the Arena Block that would be used by the majority of Phase II subway trips. Pedestrian facilities adjacent to Site 5 and along 6th Avenue on the Arena Block that were analyzed in the 2006 FEIS are not analyzed in the FSEIS, as Phase II pedestrian trips are not expected to be as concentrated along these facilities. Sidewalks along 6th Avenue between Dean Street and Flatbush Avenue were also included in the 2006 FEIS to assess the effects of a proposed narrowing under the Project in order to better accommodate two-way traffic flow along the adjacent roadway. As NYCDOT subsequently decided not to implement this widening, these sidewalks are also not analyzed in the FSEIS.

The peak hours selected for analysis include the weekday 8-9 AM and 5-6 PM commuter periods. Although the substantial amount of travel demand generated by the Arena itself is reflected in the Future Without Phase II condition, an analysis of the weekday 7-8 PM and Saturday 1-2 PM pregame peak hours is also included to assess the potential effects of Phase II residential and retail demand during periods of peak Arena activity. To be conservative, the pedestrian analysis for the Saturday pregame peak hour assesses conditions resulting from Phase II with an afternoon Nets game at the Arena, even though other types of events with lower attendance than a Nets game are typically scheduled on a Saturday afternoon, and Nets games rarely occur at that time. All of these peak hours are consistent with those analyzed in the 2006 FEIS.

The findings of the FSEIS analysis are that Phase II demand under the Extended Build-Out Scenario would significantly adversely impact four crosswalks in one or more peak hours under CEQR Technical Manual impact criteria for a CBD area, and that two sidewalks and one additional crosswalk would be considered impacted if non-CBD criteria were used. Impacted pedestrian facilities would include:

- The south sidewalk on Atlantic Avenue west of 6th Avenue in the weekday PM and pregame and Saturday pregame peak hours (non-CBD criteria only);
- The north sidewalk on Dean Street between 6th and Carlton Avenues in the weekday PM and Saturday pregame peak hours (non-CBD criteria only);
- The west crosswalk on Atlantic Avenue at 6th Avenue in the weekday PM and Saturday pregame peak hours (CBD and non-CBD criteria);
• The south crosswalk on 6th Avenue at Atlantic Avenue in the weekday AM and PM and Saturday pregame peak hours (CBD and non-CBD criteria), and the weekday pregame peak hour (non-CBD criteria only);

• The east crosswalk on Atlantic Avenue at 6th Avenue in the weekday PM peak hour (non-CBD criteria only);

• The north crosswalk on Carlton Avenue at Dean Street in the weekday PM peak hour (non-CBD criteria) and Saturday pregame peak hour (CBD and non-CBD criteria); and

• The north crosswalk on 6th Avenue at Dean Street in all periods (CBD and non-CBD criteria).

Given that Atlantic Avenue is a major retail and commercial corridor, and a pedestrian access route for both the Barclays Center Arena and a major intermodal transit hub, the CEQR Technical Manual CBD impact criteria should be considered applicable for the analyzed sidewalks and crosswalks along this corridor. Under the CBD impact criteria, neither the south sidewalk on Atlantic Avenue west of 6th Avenue nor the east crosswalk on Atlantic Avenue at 6th Avenue would be considered significantly adversely impacted. Therefore, Phase II of the Project would not result in significant adverse impacts to the south sidewalk on Atlantic Avenue west of 6th Avenue and the east crosswalk on Atlantic Avenue at 6th Avenue.

4. Pedestrian and Vehicular Safety

Development of Phase II under the Extended Build-Out Scenario would increase vehicular, pedestrian, and bicycle traffic in the vicinity of the project site. The combination of new pedestrian trips on crosswalks and new vehicular and bicycle traffic may increase the potential for conflicts between these modes at intersections in proximity to the project site, and thereby potentially increase vehicular and pedestrian exposure to accidents.

The Project incorporates a number of design features that enhance overall safety, many of which have already been implemented as part of Phase I. These have included the elimination of several roadway segments through the project site; a major new on-site entrance to the Atlantic Avenue – Barclays Center subway station to eliminate the need for subway riders en route to and from the south to cross Atlantic Avenue; a major restructuring of the Atlantic Avenue/Flatbush Avenue/4th Avenue intersection designed to improve traffic flow and reduce the potential for vehicle/pedestrian conflicts; a new traffic signal and crosswalk on Flatbush Avenue at Pacific Street; and new high visibility crosswalks at key intersections in the vicinity of the project site. A new off-street bike route segment through the project site would be implemented under Phase II to more safely connect existing and planned on-street bike routes. Additional measures would likely be implemented in consultation with NYCDOT-School Safety to enhance safety in the vicinity of the public school proposed as part of Phase II, such as the installation of designated school crossings with high visibility crosswalks and additional school crossing pavement markings and signage.

5. Parking

Under the base-case scenario analyzed in the SEIS, a total of approximately 2,896 parking spaces would be located on the project site to accommodate the parking demand from the residential and commercial uses developed under Phase I, New York City Police Department (“NYPD”) demand
from the nearby 78th Precinct station house (24 spaces), the parking demand from the residential, retail, and public school uses that would be developed under Phase II, and a portion of the demand generated by the Arena. This would include a 400-space parking garage beneath Site 5 and a parking garage with 50 to 100 spaces beneath Building 3 on the Arena block (both to be provided in Phase I), along with a 450-space below-grade garage on Block 1120, a 150-space below-grade garage beneath Building 15 on Block 1128, and a 1,846-space below-grade garage on Block 1129 (to be provided in Phase II).

The FSEIS analysis concludes that locating 2,896 parking spaces on-site at full build-out of the Project would be sufficient to accommodate all of the demand generated by the Project’s residential, commercial, and public school uses plus NYPD parking under both the residential mixed-use and commercial mixed-use variations of the Project. In addition, the projected amount of parking capacity available at off-street public parking facilities within ½-mile of the Barclays Center Arena in 2035 is expected to be sufficient to accommodate all of the demand generated by a Nets game at the Arena irrespective of the amount of parking provided for Arena patrons on the project site. Therefore, no significant adverse parking impacts would occur in the Future With Phase II under the Extended Build-Out Scenario.

6. Comparison of SEIS Findings and Previous Findings

a. Traffic

Thirty-seven of the 71 intersections analyzed for the FSEIS would experience one or more significant adverse impacts in the AM peak hour with development of Phase II under the Extended Build-Out Scenario. By contrast, the 2006 FEIS disclosed a total of 46 impacted intersections in the AM peak hour with full build-out of the project in 2016 out of the 70 intersections common to both the FSEIS and the 2006 FEIS analyses. There would be 20 impacted intersections in the midday peak hour (27 in the FEIS), 38 in the PM peak hour (44 in the FEIS), 27 in the weekday pregame peak hour (39 in the FEIS) and 47 in the Saturday pregame peak hour (41 in the FEIS).

The results of the analysis of traffic conditions and potential significant impacts in the FSEIS are not directly comparable to the findings of the 2006 FEIS as the FSEIS examines only the incremental effects of Phase II of the Project under the Extended Build-Out Scenario, with Phase I of the Project reflected in the background condition. By contrast, the 2006 FEIS assessed the incremental effects of Phase I and Phase II combined. In addition to the proposed shift in residential floor area and proposed reduction in parking spaces, the traffic analyses also differ with respect to travel demand factors, background conditions and growth rates, impact criteria and the Project development program. The differences between the findings of the FSEIS and previous environmental reviews with respect to traffic conditions are generally related to these variables and are not directly attributable to the delay in the Project under the Extended Build-Out Scenario. It should also be noted that the amount of traffic generated by the Project (Phase I and Phase II) is not dependent upon the year of completion of the Project.

b. Subway

The conditions projected in the FSEIS at the Atlantic Avenue – Barclays Center and Bergen Street subway stations for the Future With Phase II under the Extended Build-Out Scenario are generally consistent with those projected in the previous environmental reviews. They reflect acceptable
levels of service at all analyzed elements with the exception of congestion on up escalator ES359X at the Atlantic Avenue – Barclays Center subway station during the pregame peak hour. Although identified in the FSEIS as a significant adverse impact under CEQR Technical Manual guidelines, this impact would not be the result of any delay in constructing Phase II of the Project. This escalator was built as part of Phase I of the Project, and consequently the LOS E condition projected in the 2006 FEIS for the pregame peak hour with full build-out of the Project was not considered a significant adverse impact. The FSEIS analysis actually projects a better level of service (LOS D) at escalator ES359X during the pregame period than was projected in the 2006 FEIS (LOS E). Both the FSEIS and the 2006 FEIS also show adjacent stair S1 operating at an uncongested LOS B or better in the pregame peak hour, reflecting the fact that substantial additional capacity would be available on this stair to relieve any future queuing at escalator ES359X.

The FSEIS analysis of subway line haul conditions shows that full build-out of the Project would not result in significant adverse impacts in the peak direction in the AM and PM peak hours on any subway route serving Downtown Brooklyn. These findings are also consistent with those disclosed in the 2006 FEIS.

The results of the analyses of subway station and line haul conditions and potential significant impacts in the FSEIS are not directly comparable to the findings of previous environmental reviews as the FSEIS examines only the incremental effects of Phase II of the Project under the Extended Build-Out Scenario, with Phase I of the Project reflected in the background condition. By contrast, previous reviews assessed the incremental effects of Phase I and Phase II combined. In addition to the proposed shift in residential floor area and proposed reduction in parking spaces, the subway analyses also differ with respect to travel demand factors, analysis methodologies, background conditions and growth rates, and the Project development program.

c. Local Bus

The analysis of local bus conditions in the 2006 FEIS identified a significant adverse impact to westbound B38 buses in the AM peak hour. The findings of the FSEIS analysis – that development of Phase II under the Extended Build-Out Scenario would not result in any significant adverse local bus impacts – are, however, generally consistent with those of the 2006 FEIS. The one route projected to be impacted in the 2006 FEIS as a result of full build-out of the Project – the westbound B38 – is not expected to experience appreciable numbers of new trips in either the AM or PM peak hours as a result of Phase II demand under the Extended Build-Out Scenario.

The findings of the FSEIS with respect to local bus conditions and potential significant impacts are not directly comparable to those of the 2006 FEIS as the FSEIS examines only the incremental effects of Phase II of the Project under the Extended Build-Out Scenario, with Phase I of the Project reflected in the background condition. By contrast, the 2006 FEIS assessed the incremental effects of Phase I and Phase II combined. In addition to the proposed shift in residential floor area and proposed reduction in parking spaces, the local bus analyses also differ with respect to travel demand factors, analysis methodologies, background conditions (including changes in bus routes and service levels since 2006), background growth rates, and changes to the Project development program.
d. Long Island Rail Road

Under the Extended Build-Out Scenario, the relatively small numbers of new LIRR trips generated by Phase II of the Project (17 to 43 in any one peak hour) are not expected to adversely affect LIRR line haul conditions, and the development of Phase II is not expected to adversely affect operations at the upgraded Vanderbilt Yard. These findings are generally consistent with those of the 2006 FEIS.

e. Pedestrians

The analysis of pedestrian conditions in the 2006 FEIS identified significant adverse impacts to two crosswalks – on 6th Avenue at Dean Street and on Carlton Avenue at Dean Street – in the weekday and/or Saturday pregame peak hours with full build-out of the Project. Widening these crosswalks by one foot and four feet, respectively, was recommended in the 2006 FEIS to fully mitigate these impacts.

The findings of the FSEIS analysis are that Phase II demand under the Extended Build-Out Scenario would significantly adversely impact four crosswalks in one or more peak hours under CEQR Technical Manual impact criteria for a CBD area, and that two sidewalks and one additional crosswalk would be considered impacted if non-CBD criteria are used. However, these findings are not directly comparable to those of the previous environmental reviews as the FSEIS examines only the incremental effects of Phase II of the Project under the Extended Build-Out Scenario with Phase I of the Project reflected in the background condition. By contrast, the 2006 FEIS assessed the incremental effects of Phase I and Phase II combined. In addition to the proposed shift in residential floor area and proposed reduction in parking spaces, the pedestrian analyses also differ with respect to analysis methodologies, impact criteria, the Project development program, travel demand factors, background conditions and annual growth rates. (These include substantially lower impact thresholds for the FSEIS analysis than were required under the CEQR Technical Manual guidelines used for the 2006 FEIS). The differences between the findings of the FSEIS and the previous environmental reviews with respect to pedestrian conditions are generally related to these variables and are not directly attributable to the delay in the Project under the Extended Build-Out Scenario.

f. Pedestrian and Vehicular Safety

In general, the findings of the FSEIS with regard to pedestrian and vehicular safety are comparable to those of the 2006 FEIS, in that both assessments disclosed the potential for increased conflicts between motorists, cyclists and pedestrians at high crash locations in proximity to the project site as a result of increased travel demands associated with full build-out of the Project. The delay in Phase II of the Project under the Extended Build-Out Scenario is not expected to result in a substantially greater number of vehicle, pedestrian and bicycle trips through high crash locations. The FSEIS recommends additional potential pedestrian safety measures (i.e., installation of designated school crossings) that were not recommended in the 2006 FEIS.

g. Parking

The 2006 FEIS assessed future parking conditions with a total of 3,670 parking spaces on the project site and concluded that sufficient off-street parking capacity would be available both on-site
and at existing public off-street facilities within ½-mile of the Arena to fully accommodate peak
demand from full build-out of either of the Project’s two variations (residential mixed-use and
commercial mixed-use), and that no significant adverse impacts to off-street or on-street parking
conditions would result from the Project.

Compared with the 2006 FEIS, the FSEIS analysis reflects a proposed reduction (to 2,896 spaces, in
the base-case scenario analyzed in the SEIS) in the amount of on-site parking capacity that would be
provided with full build-out of the Project. In addition, the FSEIS analysis differs from the 2006
FEIS analysis with respect to travel demand factors, analysis methodologies, impact criteria,
background conditions, background growth rates, and the Project development program. For
example, the forecasts of residential parking demand in the 2006 FEIS assumed an overnight rate of
0.4 spaces per dwelling unit whereas the FSEIS analysis assumes an overnight rate of 0.2 spaces per
dwelling unit, consistent with recent survey data which indicate lower levels of residential parking
demand in Downtown Brooklyn.

The results of the analysis in the FSEIS are that the on-site parking capacity now proposed with full
build-out of the Project would be sufficient to accommodate all non-Arena Project demand in the
Future With Phase II, and that the projected amount of parking capacity available at off-street public
parking facilities under the Extended Build-Out Scenario would be sufficient to accommodate
parking demand from a Nets game at the Arena irrespective of the amount of on-site parking
provided for Arena patrons. Therefore, no significant adverse parking impacts would occur in the
Future With Phase II under the Extended Build-Out Scenario, consistent with the findings of the
2006 FEIS.

E. Operational – Air Quality

As discussed below, the maximum predicted pollutant concentrations and concentration increments
from mobile sources under the Extended Build-Out Scenario would be below the corresponding
ambient air quality standards and guidance thresholds. The Extended Build-Out Scenario’s parking
facilities would also not result in any significant adverse air quality impacts. Therefore, Phase II of
the Project would not have significant adverse impacts from mobile source emissions.

Delayed completion of Phase II of the Project would not increase air emissions from any of the
Project buildings. Based on a quantitative air dispersion modeling analysis, the 2006 FEIS analysis
of air quality impacts concluded that because of the low emissions from Phase II of the Project,
which has committed to the use of natural gas as its boiler fuel and the use of burners with low
emissions of nitrogen oxides (“NOₓ”), the impacts of emissions of particulate matter less than 2.5
microns in diameter (“PM2.5”), carbon monoxide (“CO”), annual average nitrogen dioxide (“NO₂”)
and sulfur dioxide (“SO₂”) would be insignificant. In the Extended Build-Out Scenario, the
proposed gas-fired Phase II boilers would each be smaller in capacity than the boiler capacities
modeled in the 2006 FEIS, even after accounting for the proposed shift in floor area from Phase I
to Phase II. In addition, the 100,000 gsf elementary and middle school public school that would be
created on the project site at DOE’s election, will be served solely by electric Heating, Ventilation
and Air Conditioning (“HVAC”) equipment, with no fossil fuel-fired boilers, unless an air dispersion
analysis demonstrates that a fossil fuel-fired boiler would not cause a significant adverse air quality
impact. Therefore no additional quantitative air dispersion modeling analysis of these pollutants was
performed in the FSEIS. A new quantitative air dispersion modeling analysis of the emissions and
dispersion of 1-hour average NO₂ from the Project’s stationary sources indicate that such emissions
would not result in violation of the 1-hour average \( \text{NO}_2 \) NAAQS that was promulgated after the publication of the 2006 FEIS. Therefore, no significant adverse air quality impacts would result from the stationary sources from Phase II of the Project under the Extended Build-Out Scenario.

**F. Greenhouse Gas Emissions**

Phase II of the Project upon completion under the Extended Build-Out Scenario would result in annual GHG emissions of approximately 82,163 metric tons of \( \text{CO}_2 \) equivalent (“\( \text{CO}_2\text{e} \)” from the operation of the buildings. Of that amount, approximately 72,840 metric tons of \( \text{CO}_2\text{e} \) would be emitted as a result of grid electricity use and natural gas consumption on-site, while the remainder would be emitted as a result of Project-generated vehicle trips. During the construction period and as a result of off-site production of construction materials for Phase II of the Project an estimated 195,785 metric tons of \( \text{CO}_2\text{e} \) would be emitted.

As per the MEC, all Phase II buildings would obtain the USGBC LEED certification for new construction with the goal of achieving at least a Silver rating for each proposed building. Specific sustainable measures would be incorporated into the design and construction of the Project, which would decrease the potential GHG emissions. Based on the sustainable measures that would be included, Phase II of the Project would be consistent with the City’s emissions reduction goal, as defined in the *CEQR Technical Manual*. In addition, as discussed in the 2006 FEIS, the project site is located at one of the largest transportation hubs in the City and construction of this high density transit-oriented development at this location would encourage use of mass transit, thereby reducing GHG emissions from automobile travel. The Project would also promote non-motorized modes of transportation, including cycling and walking. As a result, Phase II of the Project with the Extended Build-Out Scenario would be consistent with the City’s GHG emission reduction goal.

**G. Operational – Noise**

The analysis concludes that traffic generated by Phase II of the Project upon completion under the Extended Build-Out Scenario would not be expected to result in any significant increases in noise levels. Furthermore, the building attenuation specified in the 2006 FEIS for the Phase II buildings would continue to be adequate. Consistent with the findings of the 2006 FEIS, noise levels in the newly created open spaces would be greater than the 55 dBA \( L_{10(1)} \) prescribed by *CEQR Technical Manual* criteria, but would be comparable to many parks around New York City, and would not constitute a significant impact.

**H. Operational – Neighborhood Character**

Consistent with the 2006 FEIS and 2009 Technical Memorandum, the FSEIS analysis finds that while Phase II of the Project would result in localized adverse neighborhood character impacts along Dean Street due to increased activity and significant adverse traffic and pedestrian condition impacts, and along Bergen Street due to significant adverse traffic impacts, these impacts would be highly localized and would not result in significant adverse neighborhood character impacts. While a delay in construction of Phase II of the Project under the Extended Build-Out Scenario would defer temporarily the benefits of Phase II, the benefits would nevertheless improve the character of the neighborhood when construction is completed. Overall, Phase II of the Project under the Extended Build-Out Scenario would have a beneficial effect on neighborhood character, creating a vibrant
mixed use area, improving the streetscape in and around the project site and knitting together the neighborhoods north and south of the rail yard.

The FSEIS notes in Chapter 4H, “Operational Neighborhood Character,” that unmitigated traffic impacts would occur along Atlantic Avenue at the intersections with Boerum Place, 4th Avenue, Flatbush Avenue, 6th Avenue/S. Portland Avenue, Carlton Avenue, and Vanderbilt Avenue, and additional locations at Flatbush Avenue Extension and Willoughby Street, 6th Avenue and Dean Street; Adams Street and Tillary Street, and Boerum Place and Livingston Street. It is noted that in considering the FSEIS, ESD staff noted inconsistencies between the description of the traffic impacts at certain intersections as reported in the operational transportation chapter of the FSEIS (Chapter 4D, “Operational Transportation” which disclosed that there would be 29 unmitigated intersections) and the more summary description of these traffic impacts in the operational neighborhood character section of the FSEIS (Chapter 4H, “Operational Neighborhood Character,” which indicated that 10 intersections would remain unmitigated). (In comparison, the 2006 FEIS concluded that there would be 35 intersections where predicted significant adverse traffic impacts could not be fully mitigated.) The detailed description of traffic impacts in Chapter 4D is correct and reflect comments received on the DSEIS from NYCDOT, and those descriptions should have been carried over into the summary description of traffic impacts in Chapter 4H. With the operational transportation-related updates reflected in Chapter 4D, “Operational Transportation” of the FSEIS, unmitigated traffic impacts would remain at 29 significantly impacted intersections, located primarily along the Atlantic Avenue, Flatbush Avenue, Vanderbilt Avenue, and Adams Street/Boerum Place corridors, as well as including the intersections of 5th Avenue and Dean Street; 6th Avenue and Dean Street; Fulton Street and Carlton Avenue; and Eastern Parkway and Washington Avenue. Additional volumes would not significantly affect the character of these thoroughfares or result in a significant adverse impact on the character of the neighborhoods in which unmitigated traffic impacts are anticipated. Phase II operational traffic would result in only modest increases in the number of lane groups with congested conditions, as illustrated by comparing the level of service at area intersections in the Future With Phase II condition to the Future Without Phase II condition. As noted in the FSEIS (at page 5-20), the number of lane groups operating at level of service E or F (indicating congested conditions) – of the approximately 305 analyzed – would generally be comparable to the number under Future Without Phase II conditions (differing by only one lane group in the weekday AM and pregame peak hours, three in the midday and Saturday pregame peak hours, and no difference in the weekday PM peak hour). Thus, Phase II operational traffic would result in only modest increases in the number of lane groups reflecting congested conditions, of the 305 lane groups analyzed.

It is also noteworthy that the unmitigated significant adverse impacts would not occur at the 29 intersections in each of the peak periods analyzed. There would be 18 intersections with unmitigated traffic impacts in the weekday AM peak hour, 3 intersections with unmitigated traffic impacts in the weekday midday peak hour, 17 intersections with unmitigated traffic impacts in the weekday PM peak hour, 5 intersections with unmitigated traffic impacts in the weekday pregame peak hour, and 19 intersections with unmitigated traffic impacts in the Saturday pregame peak hour.

The FSEIS also notes that significant adverse traffic impacts along Dean Street would contribute to the change in character of this street segment adjacent to the Phase II development site from a nondescript, but relatively quiet mixed-use (i.e., industrial, commercial, and residential) street, to an urban corridor with higher traffic volumes. With the operational transportation updates, there would be significant adverse traffic impacts at eight intersections along Dean Street, with
unmitigated traffic impacts remaining at four of these locations. However, the FSEIS concludes that because the Phase II development overall would improve the character of the Dean Street corridor, and these changes would not adversely affect the historic residential areas of Prospect Heights, the change would not be considered a significant adverse neighborhood character impact. The operational transportation-related updates would not change this conclusion. The unmitigated traffic impacts along Dean Street would be considered an element of the localized adverse neighborhood character impact near the project site discussed in the 2006 FEIS and FSEIS but would not constitute a significant adverse impact to the character of the larger neighborhoods surrounding the project site.

Additionally, as described in the FSEIS, Bergen Street would experience similar changes in vehicular traffic conditions; all six of the analyzed intersections along the street would be significantly adversely impacted in one or more peak hours. With the operational transportation-related updates, unmitigated impacts would remain at two of the six intersections with implementation of the Project’s traffic mitigation plan. Since these unmitigated impacts would occur at only two locations along the Bergen Street corridor, and since Bergen Street would otherwise not be adversely affected by Phase II operational impacts affecting neighborhood character (such as operational noise, air emissions or socioeconomic effects), this is considered a localized adverse neighborhood character impact.

Overall, the completion of the Phase II development at a later date under the Extended Build-Out Scenario would not have a significant adverse impact on neighborhood character. The operational transportation-related updates would not change this conclusion.

These conclusions are consistent with the 2006 FEIS, which disclosed unmitigated significant traffic impacts at numerous intersections in the study area. The 2006 FEIS disclosed that there were 19 intersections within the ¼-Mile Primary Study Area where predicted significant adverse impacts could not be fully mitigated and 16 intersections outside of this ¼-Mile Primary Study Area, for a total of 35 unmitigated traffic intersections. Traffic impacts would vary somewhat from those identified in the 2006 FEIS due to a number of factors such as changes in transportation planning factors, travel characteristics of Arena patrons, and updated No Build projects and baseline traffic count. As noted in Chapter 4H of the FSEIS, the general location and magnitude of impacts identified in the FSEIS and 2006 FEIS are comparable as they relate to the character of neighborhoods surrounding the project site. Unmitigated traffic impacts associated with Phase II development under the Extended Build-Out Scenario, coupled with increases in pedestrian activity, would result in localized neighborhood character impacts along Dean Street and Bergen Street, the one-way east-west couplet on the southern boundary of the project site, but these localized impacts would not result in significant adverse neighborhood character impacts in the Prospect Heights neighborhood. On the contrary, neighborhood character benefits would result upon completion of Phase II of the Project under the Extended Build-Out Scenario, in that it would transform the site into a vibrant mixed use neighborhood with eight acres of open space, improve the streetscape and connect the neighborhoods to the north and south of the rail yard. While a delay in construction would defer these benefits temporarily, the benefits would nevertheless improve the character of the neighborhood when construction is completed. These FSEIS findings are consistent with those presented in the 2006 FEIS for neighborhood character.
VII. Summary of Mitigation Measures to be Implemented

The FSEIS identifies significant adverse impacts under the Extended Build-Out Scenario in the areas of community facilities (public schools), construction-period open space, transportation (operational and during construction) and construction noise. The introduction to Section V above summarizes many of the new Project commitments that will be imposed to minimize the environmental impacts of Project construction. The discussion below describes additional specific mitigation measure requirements.

A. Community Facilities Mitigation

Phase II of the Project under the Extended Build-Out Scenario would result in a significant adverse impact on elementary and intermediate schools upon the completion of the first or second Phase II building. More rapid construction of the Phase II buildings would result in the significant adverse impact occurring earlier.

Mitigation for the projected shortfall in school seats for elementary and intermediate schools in CSD 13/Sub-District 1 could consist of one or a combination of the following measures:

- Building a new school on the project site;
- Shifting the boundaries of school catchment areas within the CSDs to move students to schools with available capacity;
- Creating new satellite facilities in less crowded schools; and/or
- Building new school facilities off-site.

To partially mitigate the significant adverse impact on public schools, the project sponsors have committed to provide adequate space for the construction and operation of a 100,000 gsf elementary and intermediate school facility on the Phase II project site. The project sponsors’ obligation to provide space for an elementary and intermediate public school on the Phase II project site was included in 2006 and 2009 MGPP and the MEC.

The FSEIS specifies the timing requirements for the public school. The project sponsors are required – if requested by DOE or SCA prior to the date that is 18-months prior to the anticipated commencement of construction of the first Phase II residential building constructed after completion or substantial completion of each of the Phase I residential buildings (or such other date agreed to in writing by the project sponsors, DOE and ESD) – to convey or lease to DOE space within a development parcel sufficient in size to allow for the development of an approximately 100,000 gross square foot elementary and intermediate public school of contiguous space, a portion of which is to be located on the ground floor of the building. As soon as practicable after receipt of the request from DOE or SCA, the project sponsors are required to consult and cooperate with SCA in its public review process for site selection, thereafter cooperate with DOE and SCA in their design process in accordance with SCA/DOE practice, and construct the building containing the school as soon as practicable after SCA approves its design, completes its public review process, and authorizes commencement of construction of the core and shell of the school and the financing of the school. The project sponsors are also required to provide to DOE, by lease, easement or other conveyance acceptable to DOE, access to suitable outdoor space for use as a playground for the
School’s students. Because it is likely that the school will be located in the lower floors of Building 15, the project sponsors are required to provide notice to DOE, SCA and ESD that it intends to begin architectural design of Building 15 prior to the commencement of such design. In the event that an alternative location is selected, the school site must be one of the other residential parcels located east of 6th Avenue as determined by the project sponsors and DOE. If leased to DOE, such lease is to be on a triple net basis and with a rent of $1.00, and if conveyed, is to be conveyed for consideration of $1.00. DOE is to be responsible for all costs of constructing, fitting out, and operating the School (excluding the cost of land, infrastructure, site remediation and if applicable the platform over the rail yard), and the project sponsors must undertake the construction of the School on DOE’s behalf and at DOE’s expense. In the event that DOE elects to locate the School on the Project site, DOE and the project sponsors are to enter into appropriate arrangements providing for the construction and operation of the school, which agreements must among other things provide the project sponsors with the right to locate residential units and other compatible uses within the same building as the school, and to coordinate the construction of the school with the construction of the remainder of the building in which the school is to be located. The school must be designed so as to provide adequate noise attenuation so that noise in the vicinity of the school (including Project-related traffic, general construction and the School playground) will not result in interior noise levels within the school in excess of 45 dBA L_{10}.

If built at the election of DOE, the new school facility on the Phase II project site will partially mitigate the projected shortfall in school seats for elementary and intermediate schools located within CSD 13/Sub-District 1. While the final school program and capacity will be developed at a later date, based on DOE’s 2015-2019 Proposed Capital Plan, it is anticipated that this school will provide approximately 757 seats for elementary and/or intermediate students.

The other potential mitigation measures identified above—shifting the boundaries of school catchment areas within the CSDs; creating new satellite facilities in less crowded schools; and building new school facilities off-site—could be implemented at the discretion of DOE. If not implemented, the significant adverse impacts on elementary schools within CSD 13/Sub-District 1 would remain.

B. Open Space Mitigation

Phase II of the Project under the Extended Build-Out Scenario would not result in significant adverse impacts related to open space upon the Project’s completion. However, the 2006 FEIS identified a temporary significant adverse impact on passive open space resources in the non-residential (¼-mile) study area during Phase II construction. This impact would continue until a portion of the Phase II open space is phased in. The Extended Build-Out Scenario would prolong the temporary significant adverse impact on the passive worker ratio in the non-residential study area that was identified in the 2006 FEIS by between approximately 7 and 9 years, compared with the Phase II schedule analyzed in the 2006 FEIS.

At the time of the DSEIS, one of the following plaza or open space areas was under consideration to be improved as a mitigation measure to address a prolonged construction period open space impact:

- Times Plaza: currently an approximately 0.17-acre triangle formed by Flatbush Avenue, Atlantic Avenue, and 4th Avenue is occupied by a paved sidewalk area, bike racks, and the Times
Plaza Control House (an MTA structure, built in 1908 as a subway entrance, which today functions as a skylight for the Atlantic Avenue-Barclays Center subway station).

- Lowry Triangle: this 0.11-acre New York City Department of Parks and Recreation (DPR) open space is bounded by Atlantic Avenue, Underhill Avenue, Washington Avenue, and Pacific Street. It contains passive open space features such as seating and plantings.

- Cuyler Gore Park: this 1.16-acre DPR open space is bounded by Fulton Street, Carlton Avenue, and Greene Avenue. It contains passive open space features such as seating and plantings.

Since the issuance of the DSEIS, ESD has identified Times Plaza as the site to be improved in order to address the prolonged impact on the passive worker ratio in the non-residential study area because of the proximity of Times Plaza to the Phase I non-residential passive open space users. Subject to the review and approval of NYCDOT and, if applicable, the New York City Public Design Commission (“PDC”), the project sponsors have committed to promptly plan, design, implement and fully fund improvements at Times Plaza, which will consist of the addition of seating, plantings and other open space amenities approved by NYCDOT and, if applicable, PDC. If practicable, the project sponsors will implement these improvements in coordination with restoration of the adjoining segment of Atlantic Avenue affected by the construction of the portal between the LIRR rail yard and Atlantic Terminal.

In addition, if a Phase II building construction site were to remain undeveloped for an extended period of time, if practicable, the project sponsors will arrange for its utilization as temporary open space, until such time as construction is ready to resume, in accordance with the MEC.

C. Operational Transportation Mitigation

1. Traffic Mitigation

With development of Phase II under the Extended Build-Out Scenario, a total of 56 intersections are expected to have one or more movements that would experience significant adverse impacts in one or more of the five peak hours analyzed. A range of operational changes to the surrounding street network are recommended to mitigate the significant adverse traffic impacts. These measures typically include signal phasing and timing modifications, parking regulation modifications, and changes to lane striping and pavement markings. It should be noted that subsequent to the issuance of the DSEIS, the recommended traffic mitigation measures were further reviewed by NYCDOT, and additional measures were explored, resulting in the elimination or modification of some of the measures included in the Project’s traffic mitigation plan. The mitigation measures outlined in the DSEIS included a variety of signal timing changes, lane re-striping and changes to curbside parking regulations. Subsequent to the issuance of the DSEIS, NYCDOT determined that some of the parking regulation and lane re-striping measures should not be implemented. As a result, the traffic mitigation analysis in the FSEIS indicates that fewer of the intersections identified as impacted in the DSEIS would be fully mitigated. The traffic mitigation measures that have been identified, subject to NYCDOT approval, are set forth in Table 5-1 and the accompanying text of the FSEIS.

Significant adverse operational traffic impacts would remain unmitigated at 18 of the 37 intersections impacted in the weekday AM peak hour, three of the 20 intersections impacted in the midday, 17 of the 38 intersections impacts in the PM peak hour, five of the 27 intersections
impacted in the weekday pregame peak hour, and 19 of the 47 intersections impacted in the Saturday pregame peak hour.

As requested by the letter from NYCDOT to ESD dated May 30, 2014 (included as Appendix G to the FSEIS), promptly after the issuance of certificates of occupancy for 1,500 Project dwelling units, the project sponsors have committed to undertaking a traffic monitoring study pursuant to a scope to be approved by NYCDOT to (i) refine the signal timing and other traffic mitigation measures described in the 2006 FEIS and the FSEIS as necessary to reflect then existing traffic conditions and City policies; (ii) provide further information as to the implementation date for the signal timing and other traffic mitigation measures specified in the 2006 FEIS and FSEIS; and (iii) identify potential additional measures to address unmitigated significant adverse impacts identified in the 2006 FEIS and FSEIS based on then existing traffic conditions. As requested by the same letter from NYCDOT, the project sponsors have committed to undertaking a second traffic monitoring study with the same objectives following substantial completion of Project construction.

2. Transit Mitigation

Phase II of the Project under the Extended Build-Out Scenario would result in a significant adverse impact with respect to up escalator ES359X at the Barclays Center entrance of the Atlantic Avenue—Barclays Center Subway Station. The impact would be fully mitigated by operating adjoining escalator ES358X in the up direction during the pregame period when there is a Nets game or other major event at the Arena.

3. Pedestrians Mitigation

Phase II demand under the Extended Build-Out Scenario would significantly adversely impact four crosswalks in one or more peak hours under CEQR Technical Manual impact criteria for a CBD area, and one additional sidewalk (along Dean Street) if non-CBD criteria were used. (Sidewalks and crosswalks along the Atlantic Avenue corridor that would be impacted only under the non-CBD criteria are not considered significantly adversely impacted, as Atlantic Avenue is a major retail and commercial corridor where the CBD criteria should be considered applicable.) The mitigation measures to address these significant adverse impacts, to be implemented by NYCDOT or the project sponsors at the direction of NYCDOT, include widening crosswalks and changes to traffic signal timings. That mitigation is set forth in Table 5-7 and the accompanying text of the FSEIS.

With the recommended mitigation measures, all significant adverse impacts under the CBD criteria would be fully mitigated, while the significant adverse sidewalk impacts along Dean Street (in the PM and Saturday pregame peak hours) under the non-CBD criteria would remain unmitigated.

D. Construction Traffic Mitigation

The recommended operational traffic mitigation measures would serve to mitigate most construction impacts at the 36 intersection at which significant adverse traffic impacts were identified during peak construction periods under the Extended Build-Out Scenario. The traffic mitigation measures that have been identified, subject to NYCDOT approval, are set forth in Table 5-9 and the accompanying text of the FSEIS. In some cases, variations of the operational mitigation measures or additional measures have been recommended to fully mitigate certain impacts during construction. These mitigation measures identified in the FSEIS shall be implemented at the
direction of NYCDOT. However, there would be seventeen intersections—five during the 6-7 AM and fifteen during the 3-4 PM construction traffic analysis peak hours—where impacts could not be mitigated or could only be partially mitigated.

E. Construction Noise Mitigation

The project sponsors are required to make available double-glazed or storm windows and alternative ventilation (e.g., air conditioning, through the provision of one air conditioner per bedroom or main living room with a window along a façade predicted to experience significant adverse construction noise impacts) for those residential locations where the 2006 FEIS or FSEIS identified significant noise impacts and such windows and air conditioning are not currently installed, subject to the consent of the owners and tenants of such residences, and subject to applicable laws, rules and regulations. All such windows and alternative ventilation are to be provided without charge and with free installation. In the event that an air conditioning unit required to be provided pursuant to this paragraph requires replacement, the project sponsors must replace the unit if Project-related construction activities in the vicinity of such residential location have not yet been completed such that the location would be subject to continued construction-related significant adverse noise impacts.

There is one recently constructed residential building with outdoor balconies predicted to experience significant adverse noise impacts as a result of construction of Phase II of the Project under Construction Phasing Plan 1. At this location, there are no feasible or practicable mitigation to mitigate the construction noise impacts.

VIII. Alternatives

The following Project alternatives are assessed in the FSEIS and summarized below:

• Reduced Parking Alternative—This alternative considers modified parking requirements that would reduce the amount of accessory parking provided for the Project’s residential uses. The SEIS analyzes, as its base-case scenario, a proposed reduction in the parking requirements for the Project from the 3,670 spaces analyzed in the 2006 FEIS to 2,896 parking spaces. The “Reduced Parking Alternative” would be an alternative that would further reduce on-site parking to reflect the recent zoning changes for Downtown Brooklyn, which eliminated accessory parking requirements for affordable housing units and reduced accessory parking requirements for market-rate housing. The Reduced Parking Alternative would reduce the number of parking spaces on the Project site to 1,200 spaces.

• A No Unmitigated Significant Adverse Impact Alternative—This alternative considers development that would not result in any identified unmitigated significant adverse impacts.

• A Multiple Developer Alternative—The feasibility and effectiveness of this alternative as a means of speeding Project construction was assessed in response to public comments on the Draft Scope for the SEIS.

In addition, the 2006 FEIS analyzed two reduced density alternatives: the Reduced Density—No Arena Alternative and the Reduced Density—Arena Alternative. These alternatives were developed in response to public comment and consider lower density development designed to achieve the Project’s goals either without or with the arena. The 2006 FEIS concluded that the Reduced
Density—No Arena Alternative would not provide the economic, entertainment, and cultural benefits of an arena, and would therefore fail to meet many of the Project’s goals. Since that time the arena has been constructed and is now operational; therefore this alternative is no longer viable. Similarly, the 2006 FEIS also concluded that the Reduced Density—Arena Alternative would not provide the same level of benefits as the Project, would result in very similar significant adverse environmental impacts and would not meet the Project’s goals as effectively as the Project. The Project’s goals have not changed since the 2006 FEIS, and continue to include providing much needed affordable and market-rate housing at a transit accessible location. Furthermore, a potential delay in Phase II construction as analyzed in the FSEIS would not undermine the importance of achieving these goals, or the other goals for the Project. As noted in the 2006 FEIS, reducing the density of the Project would diminish the number of new residential units and reduce the affordable housing provided by the Project. Moreover, reducing the number of market-rate units is not expected to induce a faster pace of construction by the project sponsors. For further information and discussion about these alternatives, please refer to the 2006 FEIS and 2006 Findings.

A. Reduced Parking Alternative

Under the Reduced Parking Alternative, the 1,200 spaces would be distributed as follows: in Phase I, approximately 50-100 spaces in a below-grade facility beneath Building 3 with access from Dean Street and 240 spaces in a below-grade facility on Site 5 with access from Pacific Street, and in Phase II, up to 910 below-grade spaces on Block 1129 with access from Dean Street and Carlton and Vanderbilt Avenues. As explained below, ESD is selecting the Reduced Parking Alternative as preferable to the base-case scenario (2,896 parking spaces) analyzed in the SEIS.

Under the Reduced Parking Alternative, with respect to operational traffic, there would be one additional impacted intersection in the AM peak hour and one less in the midday as compared with Phase II under the Extended Build-Out Scenario. Overall, the numbers and locations of impacted intersections and the types of impacts that would occur under the Reduced Parking Alternative would generally be similar to those under Phase II of the Project under the base-case parking scenario analyzed in the SEIS. The Reduced Parking Alternative would impact the same sidewalks and crosswalks as Phase II of the Project under the base-case parking scenario, in the Extended Build-Out Scenario; however, two of the impacted crosswalks would also be impacted in additional peak hours.

With respect to construction transportation, the Reduced Parking Alternative would result in significant impacts at the same locations identified with Phase II of the Project under the base-case parking scenario in the Extended Build-Out Scenario; however, at one location additional mitigation would be required to fully mitigate the impacts.

Impacts of the Reduced Parking Alternative in all other analyzed technical areas would be comparable to those identified for Phase II of the Project under the base-case parking scenario in the Extended Build-Out Scenario.
1. **Operational Transportation**

   a. **Traffic**

   There would be no change in the amount of travel demand or the numbers of vehicle trips generated by Phase II or the Project as a whole under the Reduced Parking Alternative compared with the Future With Phase II conditions under the Project. Rather, the amount of on-site parking capacity would be reduced to a total of approximately 1,200 permanent spaces compared with 2,896 spaces with the Project under the base-case parking scenario analyzed in the SEIS. As a consequence, under the Reduced Parking Alternative there would be some localized redistribution of auto trips at intersections in the immediate vicinity of the project site compared with the Project under the base-case parking scenario analyzed in the SEIS.

   With development of Phase II under the Project under the base-case parking scenario analyzed in the SEIS, 37 of the 71 analyzed intersections would have significant adverse impacts in the weekday AM peak hour, 20 in the midday, 38 in the PM, 27 in the weekday pregame peak hour, and 47 in the Saturday pregame peak hour. By comparison, under the Reduced Parking Alternative there would be one additional impacted intersection in the AM peak hour (38 total) and one less in the midday (19 total). The numbers of intersections operating at LOS E or F would total 35, 16, 30, 19 and 38 in the weekday AM, midday, PM and pregame and Saturday pregame peak hours under the Reduced Parking Alternative, a decrease of one in the PM peak hour compared with future conditions with the Project under the base-case parking scenario analyzed in the SEIS. Overall, the numbers and locations of impacted intersections and the types of impacts that would occur under the Reduced Parking Alternative would generally be similar to those under the Project under the base-case parking scenario analyzed in the SEIS.

   Like conditions for the Future With Phase II under the Project under the base-case parking scenario analyzed in the SEIS, many of the significant adverse traffic impacts that would occur with development of Phase II under the Reduced Parking Alternative could be fully mitigated. The traffic mitigation measures that have been identified for implementation, subject to NYCDOT approval, are set forth in Table E-3 in Appendix E to the FSEIS. The mitigation measures identified in the FSEIS shall be implemented at the direction of NYCDOT. These recommended operational improvements would fully mitigate all significant adverse traffic impacts from the Reduced Parking Alternative at a total of 28 out of 55 impacted intersections compared to 27 out of 56 impacted intersections under the Project under the base-case parking scenario analyzed in the SEIS. Compared with the traffic mitigation plan recommended for the Future With Phase II under the Project under the base-case parking scenario analyzed in the SEIS, the mitigation plan recommended for the Reduced Parking Alternative would include implementation of an additional curbside parking restriction at the intersection of Atlantic Avenue and Fort Greene Place, a reduction in the amount of curbside space along which parking regulations would be changed at the intersection of Dean Street and Vanderbilt Avenue, and minor modifications to the recommended signal timing changes at a total of eight intersections.

   b. **Transit**

   There would be no change in the amount of travel demand generated by Phase II or the Project as a whole under the Reduced Parking Alternative compared with the conditions analyzed for the Future With Phase II under the Project. While there may be some potential for a shift from the auto mode
to the transit modes as a result of the reduction of on-site parking under this alternative, any such
shift, should it occur, is expected to be relatively minor and unlikely to result in material changes in
the numbers of trips to individual subway stations and station elements, and subway and bus routes.
Therefore, subway station, subway line haul and local bus conditions under the Reduced Parking
Alternative would be similar to those disclosed for the Future With Phase II under the Project under
the base-case parking scenario analyzed in the SEIS.

c. Pedestrians

The elimination of the proposed parking garages on Blocks 1120 and 1128 and the reduction in
parking capacity at other on-site facilities under the Reduced Parking Alternative would likely result
in an increase in pedestrian trips on analyzed sidewalks and crosswalks since persons traveling by
auto who would otherwise have parked on-site would need to walk between the project site and off-
site parking facilities.

In the Future With Phase II under the Project under the base-case parking scenario analyzed in the
SEIS, Phase II demand would significantly adversely impact four crosswalks in one or more peak
hours under CEQR Technical Manual impact criteria for a CBD area, and two sidewalks and one
additional crosswalk would be considered impacted if non-CBD criteria were used. As noted above,
impacted pedestrian facilities would include:

• The south sidewalk on Atlantic Avenue west of 6th Avenue in all but the weekday AM peak
  hour (non-CBD criteria only);

• The north sidewalk on Dean Street between 6th and Carlton Avenues in the weekday PM
  and Saturday pregame peak hours (non-CBD criteria only);

• The west crosswalk on Atlantic Avenue at 6th Avenue in the weekday PM and Saturday
  pregame peak hours (CBD and non-CBD criteria);

• The south crosswalk on 6th Avenue at Atlantic Avenue in the weekday AM and PM and
  Saturday pregame peak hours (CBD and non-CBD criteria), and the weekday pregame peak hour
  (non-CBD criteria only);

• The east crosswalk on Atlantic Avenue at 6th Avenue in the weekday PM peak hour (non-
  CBD criteria only);

• The north crosswalk on Carlton Avenue at Dean Street in the weekday PM peak hour (non-
  CBD criteria) and Saturday pregame peak hour (CBD and non-CBD criteria); and

• The north crosswalk on 6th Avenue at Dean Street in all periods (CBD and non-CBD
  criteria).

These same impacts would occur under the Reduced Parking Alternative, and two of the impacted
crosswalks would also be impacted in additional peak hours—the west crosswalk on Atlantic
Avenue at 6th Avenue in the weekday pregame peak hour (under CBD and non-CBD criteria) and
the east crosswalk on Atlantic Avenue and 6th Avenue in the Saturday pregame peak hour (non-
CBD criteria-only).
Given that Atlantic Avenue is a major retail and commercial corridor, and a pedestrian access route for both the Barclays Center Arena and a major intermodal transit hub, the CEQR Technical Manual CBD impact criteria should be considered applicable for the analyzed sidewalks and crosswalks along this corridor. Under the CBD impact criteria, neither the south sidewalk on Atlantic Avenue west of 6th Avenue nor the east crosswalk on Atlantic Avenue at 6th Avenue would be considered significantly adversely impacted. Therefore, Phase II of the Project would not result in significant adverse impacts to the south sidewalk on Atlantic Avenue west of 6th Avenue or the east crosswalk on Atlantic Avenue at 6th Avenue under both the Project under the base-case parking scenario analyzed in the SEIS and the Reduced Parking Alternative. Consequently, the Reduced Parking Alternative would not result in any significant adverse impacts at additional pedestrian facilities compared with Phase II of the Project under the base-case parking scenario.

As was the case for Future With Phase II conditions under the Project, mitigating the significant crosswalk impacts under the Reduced Parking Alternative would involve widening the impacted crosswalk, combined in some cases with minor signal timing changes. The required mitigation measures under this alternative would include:

- Widening the west crosswalk on Atlantic Avenue at 6th Avenue from 12 feet to 14 feet in width (the same as for the Project);
- Widening the south crosswalk on 6th Avenue at Atlantic Avenue from 18 feet to 28 feet in width (versus 27 feet with the Project);
- Widening the north crosswalk on Carlton Avenue at Dean Street from 17 feet to 19 feet in width (versus 18 feet with the Project) along with signal timing changes of four seconds in the PM and three seconds in the Saturday pregame period; and
- Widening the north crosswalk on 6th Avenue at Dean Street from 17 feet to 28 feet in width (versus 27 feet with the Project) along with one second of signal timing change in the AM and four seconds in the PM and Saturday pregame periods.

The mitigation measures identified in the FSEIS shall be implemented by the project sponsors at the direction of NYCDOT. These recommended measures would fully mitigate all of the significant crosswalk impacts under the Reduced Parking Alternative.

Finally, no mitigation is proposed for the non-CBD criteria impacts to the north sidewalk on Dean Street between 6th and Carlton Avenues because it is expected that mitigating these impacts would require relocating existing tree pits along the block, which would likely not be practicable. The impacts to this sidewalk under the non-CBD criteria would therefore remain unmitigated in the Future With Phase II under both the Project under the base-case parking scenario analyzed in the SEIS and the Reduced Parking Alternative.

**d. Pedestrians and Vehicular Safety**

The Reduced Parking Alternative is not expected to result in substantial changes to vehicular or pedestrian flow at two of the three intersections in proximity to the project site identified as high crash locations—Flatbush Avenue/Atlantic Avenue and Atlantic Avenue/4th Avenue—and would likely result in an overall reduction in the numbers of turning vehicles at the third high crash intersection—Atlantic Avenue and Vanderbilt Avenue—compared with the Future With Phase II
condition under the Project under the base-case parking scenario analyzed in the SEIS. Therefore, compared with the Project under the base-case parking scenario analyzed in the SEIS, there would likely be a reduced potential for conflicts between turning vehicles and pedestrians and cyclists at this latter intersection under the Reduced Parking Alternative.

The numbers of turning vehicles at the Dean Street/6th Avenue intersection adjacent to the potential location of a proposed public school in Building 15 would likely be slightly higher under the Reduced Parking Alternative than under the Project under the base-case parking scenario analyzed in the SEIS. The measures to enhance safety at this intersection recommended for the Project under the base-case parking scenario analyzed in the SEIS (i.e., the installation of designated school crossings including high visibility crosswalks and additional school crossing pavement markings and signage) are expected to be similarly effective at enhancing safety at this location under the Reduced Parking Alternative.

e. Parking

Under the Reduced Parking Alternative, a total of 1,200 parking spaces would be provided on-site in 2035 compared with the 2,896 parking spaces analyzed for the Project under base-case scenario analyzed in the SEIS. This would include approximately 876 spaces of accessory parking for demand from the residential, commercial, retail, hotel and public school uses (i.e., non-Arena uses) on the project site, 300 spaces to accommodate a portion of the demand from the Barclays Center Arena, and 24 spaces allocated to the NYPD's 78th Precinct station house. The lower number of on-site parking spaces provided for non-Arena uses compared with the Project under the base-case parking scenario analyzed in the SEIS would be consistent with the parking required under zoning for the Special Downtown Brooklyn District.

Under the Reduced Parking Alternative, in the Future With Phase II, on-site parking capacity would be more than sufficient to accommodate all of the Project’s parking demand from non-Arena uses under both the residential mixed-use and commercial mixed-use variations. Under the Reduced Parking Alternative, parking demand from non-Arena uses that would need to be accommodated off-site during the weekday evening and overnight periods would total approximately 307 and 446 spaces, respectively, under the residential mixed-use variation and approximately 283 and 410 spaces, respectively, under the commercial mixed-use variation. (On-site capacity is expected to be sufficient to accommodate all non-Arena Project parking demand in the weekday midday and Saturday midday periods under both variations.) Available capacity at off-street public parking facilities within ¼-mile of the project site during the weekday evening and overnight periods would be sufficient to accommodate all non-Arena Project demand expected to park off-site during these periods under both variations. Therefore, under the Reduced Parking Alternative, no shortfalls in off-street public parking capacity are expected to occur as a result of demand from the residential, commercial, retail, hotel and public school uses developed under either Project variation.

Under both the Project under the base-case parking scenario analyzed in the SEIS and the Reduced Parking Alternative, a total of 300 on-site parking spaces would be provided on the project site to accommodate a portion of the demand from a Nets game or other major event at the Barclays Center Arena. Remaining Arena demand would park at off-site public parking facilities or on-street, as occurs at present. Therefore, off-street parking conditions during a weekday evening and a Saturday afternoon Nets game at the Arena are also assessed to determine the potential combined effects of demand from both Arena and non-Arena Project uses on the off-street public parking
supply within a ½-mile study area (considered the maximum distance that persons en route to and from an event at the Arena would likely walk to access parking.)

Under both Project variations, off-site parking demand from a Nets game at the Barclays Center Arena is expected to total approximately 1,231 spaces and 1,289 spaces during the weekday evening and Saturday midday periods, respectively. Accounting for non-Arena parking demand that would also need to be accommodated off-site under the Reduced Parking Alternative, off-street public parking facilities are expected to operate with available capacity during both the weekday evening and Saturday midday periods when there is a Nets game scheduled at the Arena during these periods, irrespective of the Project variation. Therefore, under the Reduced Parking Alternative, no shortfalls in off-street public parking capacity are expected to occur as a result of demand from a Nets game at the Arena and other non-Arena uses at the project site.

As was the case for the Future With Phase II condition under the Project under the base-case parking scenario analyzed in the SEIS, the traffic mitigation plan for the Reduced Parking Alternative incorporates modifications to curbside regulations that would potentially affect existing curbside parking at a total of seven locations throughout the traffic study area. Depending on the peak hour, it is estimated that the net number of on-street parking spaces within ½-mile of the Arena that would be displaced by the traffic mitigation measures recommended for the Reduced Parking Alternative would represent approximately 0.2 percent of the existing 9,395 on-street parking spaces in this area, the same as for the Project’s traffic mitigation plan under the base-case parking scenario analyzed in the SEIS. It is estimated that a total of approximately 18 on-street parking spaces would be displaced during the pregame peak period and 23 spaces in other periods. This would be unchanged compared to the Project’s traffic mitigation plan under the base-case scenario analyzed in the SEIS.

It is expected that drivers currently parking in the on-street spaces that would be displaced under both the Project base-case scenario and the Reduced Parking Alternative would need to find other on-street spaces or park in off-street public parking facilities in the vicinity.

2. Operational Air Quality

With the Reduced Parking Alternative, the Project’s parking facilities would be smaller in overall capacity. Since there would be fewer on-site parking spaces available, there would be some localized redistribution of operational auto trips at intersections in the immediate vicinity of the Project site. This would result in similar traffic operations at the analyzed intersections. Therefore, like the Project under the base-case parking scenario analyzed in the SEIS, no significant adverse operational-related air quality impacts would result from the Reduced Parking Alternative.

3. Operational Noise

Traffic levels during operation of the Reduced Parking Alternative would be comparable to those during operation of the Project under the base-case parking scenario analyzed in the SEIS on roadways adjacent to each of the noise receptor locations analyzed during each of the analyzed time periods. Based on the traffic levels associated with the Reduced Parking Alternative, the differences in noise levels at affected locations as compared with those with the Project would be minimal and would be less than the levels that would have the potential to result in a significant adverse impact. Consequently, as with the Project under the base-case parking scenario analyzed in the SEIS, the
Reduced Parking Alternative would not be expected to result in any significant adverse operational noise impacts.

4. Operational Neighborhood Character

The Reduced Parking Alternative, like the Project under the base-case parking scenario analyzed in the SEIS, would not result in significant adverse neighborhood character impacts. The Reduced Parking Alternative would result in significant adverse traffic impacts at 55 intersections in one or more peak hours compared to 56 under the Project, and the locations of the impacted intersections would generally be the same. Compared with the Project under the base-case parking scenario analyzed in the SEIS, the Reduced Parking Alternative would result in one additional impacted intersection in the AM peak hour (38 in the AM peak hour under the Reduced Parking Alternative compared with 37 under the Project) and one less in the midday (19 compared to 20). Mitigation measures for the Reduced Parking Alternative would fully mitigate significant adverse traffic impacts at 28 of the 55 impacted intersections compared to 27 out of 56 impacted intersections under the Project. Compared with the traffic mitigation plan recommended for the Future With Phase II under the Project, the mitigation plan recommended for the Reduced Parking Alternative would include implementation of an additional curbside parking restriction at the intersection of Atlantic Avenue and Fort Greene Place, a reduction in the amount of curbside space along which parking regulations would be changed at the intersection of Dean Street and Vanderbilt Avenue, and minor modifications to the recommended signal timing changes at a total of eight intersections.

In terms of pedestrians, two of the crosswalks identified as being impacted by the Project under the base-case parking scenario analyzed in the SEIS would, under the Reduced Parking Alternative, be impacted in additional peak hours. Under either the Project under the base-case parking scenario analyzed in the SEIS or the Reduced Parking Alternative, all pedestrian impacts to crosswalks could be fully mitigated through a combination of signal timing changes and crosswalk widening. Under both the Project under the base-case parking scenario analyzed in the SEIS and the Reduced Parking Alternative, there would be unmitigated sidewalk impacts on Dean Street between 6th and Carlton Avenues. It is expected that mitigating these impacts would require relocating existing tree pits along the block which would likely not be practicable.

No shortfalls in off-street public parking capacity are expected to occur as a result of either the Project under the base-case parking scenario analyzed in the SEIS or the Reduced Parking Alternative. The traffic mitigation plan for either the Project under the base-case parking scenario or the Reduced Parking Alternative would incorporate modifications to curbside regulations that would potentially affect existing curbside parking at a total of seven locations throughout the traffic study area. It is estimated that a total of approximately 18 on-street parking spaces would be displaced during the weekday pregame peak period and 23 spaces in other periods. This would be unchanged compared to the Project’s traffic mitigation plan. It is expected that drivers currently parking in the on-street spaces that would be displaced under both the Project under the base-case parking scenario analyzed in the SEIS and the Reduced Parking Alternative would need to find other on-street spaces or park in off-street public parking facilities in the vicinity.

The minor differences in traffic and pedestrian impacts associated with the Reduced Parking Alternative compared with the Project under the base-case parking scenario analyzed in the SEIS would not affect conclusions regarding neighborhood character; neither the Project under the base-
case parking scenario nor the Reduced Parking Alternative would result in significant adverse neighborhood character impacts.

5. Construction Transportation

a. Traffic

Under this alternative, the 300 on-site Arena parking spaces would serve a dual purpose during the construction period and would also be available to accommodate construction worker parking demand. Therefore, there would be no change in the construction vehicle trip assignments. With respect to construction transportation, the Reduced Parking Alternative would result in significant impacts at the same locations identified with Phase II of the Project under the base-case parking scenario analyzed in the SEIS. The mitigation measures identified in the FSEIS shall be implemented at the direction of NYCDOT. The recommended mitigation measures would also mitigate or partially mitigate the construction impacts that would occur during the same construction quarters under this alternative.

b. Parking

Accounting for the parking supply and demand generated by the completed Project buildings, construction worker parking demand from Site 5 and Building 1 construction, and the Phase II peak construction worker parking demand during the 1st quarter of 2032 under Construction Phasing Plan 3 (a condition representative of peak construction worker parking demand under the Extended Build-Out Scenario), there would be sufficient off-street public parking spaces to accommodate the anticipated future parking demand such that there would be no shortfall during Phase II construction of the Project under this alternative.

6. Construction Air Quality

There would be no change to the number of construction vehicle trips generated by the Project under the base-case parking scenario analyzed in the SEIS or to the construction vehicle trip assignments under the Reduced Parking Alternative. Since there would be fewer on-site parking spaces available, there would be some localized redistribution of operational auto trips at intersections in the immediate vicinity of the Project site. However, this would result in the same or comparable traffic operations at the analyzed intersections. Therefore, like the Project under the base-case parking scenario, no significant adverse construction-related air quality impacts would result from the Reduced Parking Alternative.

7. Construction Noise and Vibration

The primary source of noise and vibration associated with construction of Phase II of the Project would be the operation of on-site equipment, rather than construction-related vehicle trips, including construction trucks and construction worker autos, traveling to and from the project site. The types and amount of on-site construction equipment under the Reduced Parking Alternative would be comparable to that analyzed for construction of Phase II of the Project under the base-case parking scenario analyzed in the SEIS because the structures to be constructed under the Reduced Parking Alternative would be the same as those to be constructed as part of Phase II of the Project, with the exception of some of the parking structures, which would not be constructed. Consequently, the Reduced Parking Alternative would be expected to result in the same or fewer
significant adverse construction noise impacts as for Phase II of the Project under the base-case parking scenario. Additionally, as with construction of Phase II of the Project, construction of the Reduced Parking Alternative would not result in any significant adverse vibration impacts.

8. Construction Public Health

As described above under Construction Noise and Vibration, the Reduced Parking Alternative would be expected to result in the same or fewer significant adverse construction noise impacts as for Phase II of the Project under the base-case parking scenario analyzed in the SEIS. Therefore, the Reduced Parking Alternative would not affect the conclusions of the public health analysis.

9. Construction Neighborhood Character

Construction of Phase II of the Project under the Extended Build-Out Scenario is not expected to result in significant adverse neighborhood character impacts in neighborhoods surrounding the Phase II project site; however, increased traffic, noise, and views of construction activity would result in significant adverse localized neighborhood character impacts in the immediate vicinity of the Phase II project site.

The Reduced Parking Alternative would result in some localized redistribution of operational auto trips during peak construction compared with the Project under the base-case parking scenario analyzed in the SEIS; however this would not alter the conclusions of the analysis. There would be no material change in the number of construction workers using transit or how they would be distributed among the available transit options under the Reduced Parking Alternative, and there would be no material change in construction worker pedestrian trips. Similar to the peak construction parking analysis, there would be no shortfall of off-street parking anticipated during Phase II construction of the Project under the Reduced Parking Alternative. Likewise, the Reduced Parking Alternative would be expected to result in the same or fewer significant adverse construction noise impacts as for Phase II of the Project. Views of construction activities during the Phase II construction period would be materially the same under both the Reduced Parking Alternative and the Project under the base-case parking scenario analyzed in the SEIS.

As the construction period effects with respect to transportation, noise, views of construction activity and the other technical areas considered in a neighborhood character analysis would be materially the same under both Phase II of the Project under the base-case parking scenario analyzed in the SEIS and the Reduced Parking Alternative, the neighborhood character impacts would be the same. Like Phase II of the Project during the construction period under the base-case parking scenario analyzed in the SEIS, construction under the Reduced Parking Alternative would result in a significant adverse localized neighborhood character impact in the immediate vicinity of the Phase II project site, but would not alter the character of the larger neighborhoods surrounding the project site.

B. No Unmitigated Significant Adverse Impact Alternative

The 2006 FEIS determined that the Project would result in unmitigated impacts with respect to cultural resources, urban design and visual resources, shadows, traffic, and noise. The 2006 FEIS Analyzed a No Unmitigated Impact Alternative to the proposed project that would allow for the elimination of those impacts. In addition, the FSEIS identifies unmitigated significant adverse
impacts in the areas of community facilities, transportation and construction with regard to the Extended Build-out Scenario and explores alternatives to the Project that would allow for the elimination of these impacts.

1. **Operational Community Facilities**

The project site for Phase II is located in Sub-District 1 of CSD 13. Based on current CEQR Technical Manual methodology, Phase II of the Project under the Extended Build-Out scenario would introduce 1,430 elementary school students by 2035, increasing the elementary school utilization rate in CSD 13/Sub-District 1 by 88 percentage points, and bringing total utilization to 220 percent (under the conservative assumption that no new school capacity would be created between 2019 and 2035). Phase II would also introduce 592 intermediate school students by 2035, increasing the intermediate school utilization rate in CSD 13/Sub-District 1 by 69 percentage points, and bringing total utilization to 160 percent (also assuming no new school capacity would be created between 2019 and 2035). Therefore, Phase II would exceed the CEQR Technical Manual threshold for a significant adverse impact on elementary and intermediate schools.

The 2006 FEIS had also found that there would be a shortfall of seats at elementary and intermediate schools in the future with the Project, and that these shortfalls would constitute a significant adverse impact on elementary and intermediate schools within the ½-mile study area.

In order to mitigate the projected shortfall in school seats for elementary and intermediate schools in CSD 13/Sub-District 1, either one or a combination of the following measures would need to be undertaken:

- Building a new school on the project site;
- Shifting the boundaries of school catchment areas within the CSDs to move students to schools with available capacity;
- Creating new satellite facilities in less crowded schools; and
- Building new school facilities off-site.

To partially mitigate the significant adverse impact on public schools, the project sponsors have committed to provide adequate space for the construction and operation of a 100,000-gsf elementary and intermediate school on the Phase II project site. The project sponsors’ obligation to provide space for an elementary and intermediate public school on the Phase II project site was included in the 2006 MGPP, the 2009 MGPP and the MEC.

If built at the election of the DOE, the new P.S./I.S on the Phase II project site would partially mitigate the projected shortfall in school seats for elementary and intermediate schools located within CSD 13/Sub-District 1. While the school program and capacity would be developed at a later date, based on DOE’s 2015-2019 Proposed Capital Plan, it is anticipated that this school would accommodate 757 students for elementary and/or intermediate students. Thus, the proposed school would be expected to accommodate a number of students equivalent to over one third of Phase II-generated demand for elementary and intermediate school seats, based on current projections and assumptions, leaving this significant adverse impact partially mitigated.
To avoid these significant impacts on elementary and intermediate school utilization, the No Unmitigated Significant Adverse Impact Alternative would have to decrease the number of residential units planned for the Project (therefore decreasing the number of intermediate and elementary school students introduced by the Project) in order to avoid triggering CEQR Technical Manual thresholds for significant adverse impacts. According to the CEQR Technical Manual methodology, a significant adverse impact may occur if a proposed action would result in 1) a utilization rate of the elementary and/or intermediate schools in the sub-district study area, that is equal to or greater than 100 percent; and 2) an increase of five percentage points or more in the collective utilization rate between the Future Without Phase II and the Future With Phase II.

Because the program and capacity for the proposed school that could be provided on-site as partial mitigation at the election of DOE, these new school seats have not been included in the quantitative assessment of future school utilization that is summarized above. Assuming that this proposed school is not provided, in order to avoid triggering the threshold for a significant adverse impact, Phase II would have to introduce approximately 278 or fewer residential units, which is 4,654 fewer units than proposed. With this number of residential units, the elementary school utilization rate with Phase II under the Extended Build-Out Scenario would increase only by 4.9 percentage points (136.9 percent utilization), and the intermediate school utilization rate would increase by 3.9 percentage points (94.4 percent utilization). If DOE elects to develop the proposed on-site school, it is expected that two-thirds of the total seats would be for elementary school use and one-third of the total seats would be for intermediate school use. In this scenario, in order to avoid triggering the threshold for significant adverse impacts, Phase II would have to introduce approximately 2,671 or fewer residential units, which is 2,261 fewer units than proposed. With these residential units, the elementary school utilization rate with Phase II under the Extended Build-Out Scenario would increase by 4.9 percentage points (136.9 percent utilization) and the intermediate school utilization rate would increase by 8.5 percentage points (99.0 percent utilization).

This large reduction in the residential component of the Project would not be feasible and would be substantially less effective than the Project in responding to Brooklyn's need for market-rate and affordable housing. In the scenario without the proposed on-site school, this alternative would provide only 102 new affordable housing units, which is less than six percent of the affordable housing planned for Phase II under the Extended Build-Out Scenario. In the scenario with the proposed on-site school, this alternative would provide only 975 new affordable housing units, which is a little more than half of the affordable housing planned for Phase II under the Extended Build-Out Scenario. Therefore, the No Unmitigated Significant Adverse Impact Alternative would not meet public policy goals for redevelopment as effectively as the Project. Furthermore, under this alternative, the project sponsors would not fulfill their obligations to provide some of the Project benefits, including the substantial affordable housing that is stipulated in the Project commitments.

2. Operational Transportation

Phase II of the Project under the Extended Build-Out Scenario would result in unmitigated significant adverse traffic impacts at 18 intersections in the weekday AM peak hour, three in the midday peak hour, 17 in the PM peak hour, five in the weekday pregame hour, and 19 in the Saturday pregame peak hour, and at one sidewalk in the weekday PM and Saturday pregame peak hours. Because of existing congested conditions at a number of intersections, and anticipated increases in congestion in the Future Without Phase II, even a minimal increase in traffic would
result in unmitigated significant traffic impacts at one or more locations. Based on a sensitivity analysis of intersections within the study area, it was determined that the addition of fewer than five cars during the PM peak hour would trigger a traffic impact that cannot be fully mitigated. Thus, almost any new development on the project site would result in unmitigated significant impacts in the area of transportation, and no reasonable alternative could be developed to completely avoid such impacts without substantially compromising the Project’s goals.

3. **Construction Traffic**

The detailed construction traffic analysis of the peak construction periods for Construction Phasing Plan 3—which represent the reasonable worst case period for construction traffic impacts when multiple buildings and certain railroad yard platform segments would be under concurrent construction at the project site and a number of the Phase II buildings would also be in operation—determined that significant adverse traffic impacts would occur at numerous locations throughout the construction period.

Similar to the traffic impact analysis and findings from the 2006 FEIS, there would be locations where impacts could not be fully alleviated with practicable mitigation measures or could only be partially mitigated. Because of existing congestion at a number of intersections, even a minimal increase in traffic would result in unmitigated impacts at some locations. Thus, almost any new development on the project site would result in unmitigated traffic impacts, and no reasonable alternative could be developed to completely avoid such impacts without substantially compromising the Project’s goals.

4. **Construction Noise**

The results of the detailed construction noise analysis indicate that of the approximately 489 buildings in the study area, elevated noise levels are predicted to occur at one or more floors of approximately 124 buildings under Construction Phasing Plan 1, at one or more floors of approximately 160 buildings under Construction Phasing Plan 2, and at one or more floors of approximately 134 buildings under Construction Phasing Plan 3. This is as compared with the approximately 176 buildings predicted to experience significant adverse noise impacts at one or more floors resulting from construction of Phase II of the Project in the 2006 FEIS. Most of the locations predicted to experience significant adverse construction noise impacts according to this SEIS analysis are the same as those predicted to experience impacts in the 2006 FEIS, but there are some buildings predicted to experience significant adverse construction noise impacts at one or more floors that were not predicted to experience significant adverse construction noise impacts in the 2006 FEIS.

The Extended Build-Out Scenario would result in construction occurring over a longer overall period of time, and result in noise level increases occurring over a longer duration. In addition to resulting in significant adverse construction noise impacts at some locations not predicted to experience significant adverse construction noise impacts in the 2006 FEIS, this also would result in longer durations of impact at some locations that were predicted to experience significant adverse construction noise impacts in the 2006 FEIS. At locations with line of sight to several Phase II buildings the increased duration of construction at those buildings would extend the overall duration of construction noise level increases. However, at those receptors predicted to experience significant adverse construction noise impacts in the 2006 FEIS and at which receptor control noise...
measures were provided by the project sponsors, those measures would continue to partially mitigate the impacts resulting from construction noise.

At one building—525 Clinton Avenue, a residential building with balconies—there would be no feasible and practicable mitigation for the predicted significant adverse construction noise impacts at balcony locations.

As discussed in the 2006 FEIS, because of the complexity of constructing a deck and the subsequent time required to erect a building, any proposal to redevelop the project site would likely require more than two years to construct and would likely result in significant adverse noise impacts on nearby sensitive receptors. Therefore, the construction noise impacts associated with Phase II of the Project can be avoided only through precluding construction, which would fail to meet the Project’s goals.

C. Multiple Developer Alternative

ESD received a number of public comments on the draft scope for the DSEIS requesting it to assess a “multiple developer alternative” as a strategy for speeding construction of the Project. In response to those comments, the SEIS includes a detailed assessment of the feasibility of a multiple developer approach to Project construction, as well as the effectiveness of such an approach in accelerating completion of Phase II, in light of the currently existing facts and circumstances surrounding the Project. Among those facts and circumstances are the following:

- FCRC and its affiliated entities have been the designated project sponsors since the 2006 MGPP was first affirmed.
- The legal challenges to the 2006 MGPP, pursuant to which FCRC and its affiliates were designated as the project sponsors, were all dismissed.
- At the time of their designation as project sponsors, FCRC and/or its affiliates held title to most of the parcels comprising the Project site.
- Under its agreements with MTA, the project sponsors hold the exclusive right (subject to completing the rail yard and other conditions) to construct a platform and develop the air space over the rail yard on Blocks 1120 and 1121—two parcels that comprise more than half of the Phase II site, and that are expected to accommodate about 65 percent of the Phase II floor area. Although one lawsuit was brought to challenge the contractual arrangements between the project sponsors and MTA, that case was dismissed and no appeal was taken. See Montgomery v. MTA, Index No. 114304/09 (N.Y. Sup. Ct. Dec. 15, 2009).
- The project sponsors hold leasehold interests in several of the Project parcels and the right to future leasehold interests pursuant to its agreements with ESD.
- The project sponsors have spent hundreds of millions of dollars to implement the Project in accordance with the existing agreements.

As lead agency, ESD has taken a hard look at the multiple developer alternative in light of these facts and circumstances. Accordingly, ESD has taken into account the fact that the project sponsors’ rights and obligations, and those of other parties in interest, under the numerous agreements that
currently are in place would have to be substantially modified or rescinded if ESD were to pursue a multiple developer alternative. ESD is also mindful of the lengthy and complicated process that would be entailed in identifying and engaging additional developers for the Project and in satisfying the administrative and legal procedures applicable to the approval of such a Project modification under the UDC Act, SEQRA and other statutes. Moreover, ESD has considered whether a multiple developer alternative would be effective in accelerating construction when and if additional developers were engaged. Each of these issues is addressed briefly below, and discussed at more length in the FSEIS.

1. Modification of Current Project Structure

As discussed above and summarized in the FSEIS, the project sponsors hold extensive contractual and property rights in the Project and the Phase II project site. Moreover, as noted in the 2006 FEIS, the project sponsors had acquired a substantial portion of the project site prior to affirmation of the 2006 MGPP. Subsequently, most of the properties were acquired by ESD from certain project sponsors through the exercise of eminent domain. ESD paid nominal consideration in these proceedings because the relevant agreements provided for the lease-back of the properties to the project sponsors for development of the Project. The project sponsors have spent more than $100 million in performing their obligations under the contracts, and have used many of those agreements as security for financing the Project. Since the project sponsors have given no indication that either they or their secured lenders would be willing to give up their existing rights, complex legal issues would arise in connection with a switch by ESD and MTA to a multiple developer alternative, which would likely take years to resolve. Little if any progress would be made towards construction of the Project during this extended period.

2. Engagement of Multiple Developers

In the event that issues arising from cancellation of the existing contracts were resolved in a way that would allow a multiple developer alternative to proceed, ESD and MTA would then, either individually or together, begin a formal procurement process to engage other developers. It is speculative to estimate how long that process would take, but it is clear that even with the consent and cooperation of the project sponsors, it would be complex and time consuming. One or more RFPs would have to be prepared and issued, and (in the event responsive proposals are submitted by responsible entities) either simultaneous or sequential consideration and negotiation of proposals would follow. Amendments could be required to the MGPP, following UDC Act procedures, if negotiations with other developers result in material changes to the Project or ESD’s financial obligations; further environmental review under SEQRA would be required to address any material changes to the Project; new Public Authorities Control Board approval might have to be obtained depending on the nature of the new development agreements and their financial risks to ESD; appraisals would be needed with respect to any property dispositions; and applicable requirements of the Public Authorities Accountability Act would have to be satisfied. A new round of litigation, arising from the approval process, may then have to be resolved. It can be expected that progress on Project construction would remain at a standstill during this protracted process.

Moreover, a number of factors, such as the controversy and litigation that has surrounded the Project to date, complexities associated with unwinding the existing Project structure, high infrastructure costs (and the need to allocate those costs for work already planned or performed by the project sponsors), stringent affordable housing requirements, and the specialized nature of the
construction work required to build the new rail yard and new platform, could chill the interest of the development community in participating in the RFP process. Therefore, it is unclear whether viable proposals would be submitted in response to a solicitation. It is also uncertain whether the necessary transactional arrangements could be put into place in connection with any proposals that are submitted, because negotiations would be exceedingly complicated. Numerous parties would participate in such negotiations, including additional developers, ESD, MTA, the City, FCRC, existing and prospective secured lenders, and other parties in interest. The complexity of the negotiations would be compounded by the inter-related nature of several of the key Project elements, since a number of capital improvements, such as the new rail yard, the platform, parking facilities, utilities and open space would benefit several of the Phase II buildings. Sorting out responsibilities for parking would be particularly difficult, because Arena parking would have to be accommodated on parcels comprising the Phase II area. Although it is possible that the costs commensurate with the relative benefits of the common improvements could be allocated among multiple developers, the cross-site interdependency of critical Project elements would add considerable complexity to the negotiations. Moreover, it is unknown what the effect on financing would be if an individual developer's project were to be dependent on the actions (and solvency) of other developers in a multiple developer arrangement.

Thus, the process required to implement the multiple developer alternative would be extremely time consuming, and its outcome would be uncertain. It is only after that process is completed that additional developers could begin final design, arrange for financing and commence construction. Therefore, assuming that the effort to modify the existing agreements and bring on additional developers could succeed at all, it would take many years to bring the Project back to where it is today.

3. Construction and Project Coordination

Assuming ESD and MTA were to succeed in bringing additional developers into the Project, logistical problems and inefficiencies would arise in the field that would hamper construction. The resources available at the site to support construction activities are constrained due to the limited means of access, and limited space for staging, truck marshalling, and major equipment operation. Multiple unrelated contractors would compete for these resources, with conflicts arising over the use of Pacific Street and other critical access points and staging areas. Such conflicts would be compounded by the need for adjoining and overlapping MPTs for multiple independent construction sites. Efficiencies that now exist with respect to contractor coordination of deliveries and joint use of equipment and materials would be lost, and contractors would be faced with conflicts associated with on-site operations, the timing of deliveries, and overall traffic control. Friction with respect to the timely completion of common open space and infrastructure could also be expected to arise, particularly where the completion of development on one site requires infrastructure work on another site to be completed. Additionally, the benefits of a single overall developer coordinating with municipal and state agencies would be lost.

Given the spatial and engineering constraints associated with the Project site, it is critically important to the efficient concurrent construction of multiple Project components that a single entity—a “program manager”—have the authority to allocate logistical capacity among the competing parties. The project sponsors have been performing that role thus far, but would no longer be responsible to do so if multiple unrelated developers were to be brought into the Project.
Contractor coordination issues would be particularly acute with respect to platform construction and the placement of building foundations within the rail yard. Any plan to break up that work into packages with unrelated contractors would require that MTA deal with multiple entities in the review and approval of design documents and project schedules, and in arranging for track outages. Since any change to one design or schedule for construction of the common platform could affect the work of other contractors, adjustments would have to be made in consultation with all affected developers.

In sum, multiple site developers would reduce the level of construction coordination at the Project site, and lead to conflicts that themselves would likely impede Project construction. The benefits of the project sponsors acting as a single overall development authority—in terms of efficiency and contractor coordination—would be lost. It also bears noting that the conversion of the Project to one constructed by multiple developers would have potential adverse environmental implications, because compliance with MEC requirements would be dispersed among multiple parties, and confusion could arise with respect to accountability for non-compliance with such requirements. Moreover, ESD’s environmental and construction oversight efforts would be considerably more complicated and therefore potentially less effective.

ESD understands that a number of other projects have been completed successfully with the participation of multiple developers. However, as explained in detail in the FSEIS such a course of action would not be practicable, and would not be effective in accelerating construction under the circumstances of this Project. On the contrary, because of the complexities and delay that would result from unwinding the existing transactions, putting multiple new arrangements in place, and possibly defending ensuing litigation, the alternative may cause progress on the site to cease for many years and potentially imperil the Project altogether.

In addition, as evidenced by the proposed Greenland transaction, one major objective of the multiple developer alternative—providing additional capital to facilitate an accelerated construction schedule for Phase II development—can be attained through the existing arrangements with the project sponsors. The project sponsors have advised ESD that Greenland is prepared to provide substantial funds for Project construction upon the closing of that transaction. That capital infusion would result from private arrangements that have already been negotiated and would be available without the need for a fundamental overhaul of the Project structure or the complications that would ensue.

IX. Summary of Unavoidable Significant Adverse Environmental Impacts

Unavoidable significant adverse impacts are defined as those that meet the following two criteria:

- There are no reasonably practicable mitigation measures to eliminate the impacts; and
- There are no reasonable alternatives to the proposed project that would meet the purpose and need of the action, eliminate the impact, and not cause other or similar significant adverse impacts.

As with the Project analyzed in the 2006 FEIS, Phase II of the Project under the Extended Build-Out Scenario would result in significant adverse impacts with respect to community facilities, construction-period open space, transportation (operational and during construction) and
construction noise. To the extent practicable, mitigation has been proposed for these identified significant adverse impacts. However, in a number of instances no practicable mitigation was identified to fully mitigate significant adverse impacts, and there are no reasonable alternatives to the Project that would meet its purpose and need, eliminate its impacts, and not cause other or similar significant adverse impacts. The following is a summary of those “Unavoidable Adverse Impacts.”

A. Community Facilities

To mitigate the projected shortfall in school seats for elementary and intermediate schools in CSD 13/Sub-District 1, either one or a combination of the following measures will need to be undertaken:

- Building a new school on the project site;
- Shifting the boundaries of school catchment areas within the CSDs to move students to schools with available capacity;
- Creating new satellite facilities in less crowded schools; and
- Building new school facilities off-site.

To partially mitigate the significant adverse impact on public schools, the project sponsors have committed to provide adequate space for the construction and operation of a 100,000-gsf elementary and intermediate school on the Phase II project site. The project sponsors’ obligation to provide space for an elementary and intermediate public school on the Phase II project site was included in 2006 and 2009 MGPP and the MEC.

If built at the election of the DOE, the new P.S./I.S on the Phase II project site will partially mitigate the projected shortfall in school seats for elementary and intermediate schools located within CSD 13/Sub-District 1. While the school program and capacity will be developed at a later date, based on DOE’s 2015-2019 Proposed Capital Plan, it is anticipated that this school will accommodate 757 students for elementary and/or intermediate students. Thus, the proposed school will be expected to accommodate a number of students equivalent to over one third of Phase II-generated demand for elementary and intermediate school seats, based on current projections and assumptions, leaving this significant adverse impact only partially mitigated.

Absent implementation by DOE of additional measures to ensure that this potential schools impact will be fully mitigated, or reasonable alternatives that will meet the purpose and need of the Project, eliminate this impact, and not cause other or similar significant adverse impacts, there will be unavoidable significant adverse schools impacts as a result of Phase II of the Project under the Extended Build-Out Scenario.

B. Operational Transportation

It should be noted that subsequent to the DSEIS, the recommended traffic mitigation measures were further reviewed by NYCDOT, and additional measures were explored, resulting in the elimination or modification of some of the measures included in the Project’s traffic mitigation plan. As a result, the traffic mitigation analysis in the FSEIS indicates that fewer of the intersections...
identified as impacted in the DSEIS would be fully mitigated. Significant adverse operational traffic impacts will remain unmitigated at 18 of the 37 intersections impacted in the weekday AM peak hour, three of the 20 intersections impacted in the midday peak hour, 17 of the 38 intersections impacted in the PM peak hour, five of the 27 intersections impacted in the weekday pregame peak hour and 19 of the 47 intersections impacted in the Saturday pregame peak hour.

Phase II demand under the Extended Build-Out Scenario will significantly adversely impact four crosswalks in one or more peak hours under CEQR Technical Manual impact criteria for a CBD area, and one additional sidewalk (along Dean Street) if non-CBD criteria were used. (Sidewalks and crosswalks along the Atlantic Avenue corridor that will be impacted only under the non-CBD criteria are not considered significantly adversely impacted as Atlantic Avenue is a major retail and commercial corridor where the CBD criteria should be considered applicable.)

With the recommended mitigation measures, all significant adverse impacts under the CBD criteria will be fully mitigated, while the significant adverse sidewalk impacts along Dean Street (in the PM and Saturday pregame peak hours) will remain unmitigated.

In the absence of NYCDOT approval and implementation of mitigation measures, additional unmitigated conditions will remain.

Absent practicable mitigation measures to ensure that these potential transportation impacts will be fully mitigated, or reasonable alternatives that will meet the purpose and need of the Project, eliminate these impacts, and not cause other or similar significant adverse impacts, there will be unavoidable significant adverse operational transportation impacts as a result of Phase II of the Project under the Extended Build-Out Scenario.

C. Construction Transportation

Subsequent to the DSEIS, the recommended traffic mitigation measures were further reviewed by NYCDOT, and additional measures were explored, resulting in the elimination or modification of some of the measures included in the Project’s traffic mitigation plan. As a result, the traffic mitigation analysis in the FSEIS indicates that fewer of the intersections identified as impacted in the DSEIS would be fully mitigated. Overall, under the Extended Build-Out Scenario, significant adverse construction traffic impacts were identified at 36 intersections during the 1st quarter of 2032 (when Buildings 5, 9, and 10, and the platform segments for Buildings 6 and 7 are assumed to be under concurrent construction at the project site, and Buildings 8, 11, 12, 13, 14, and 15 are assumed to be operational) and at 14 intersections during the 4th quarter of 2027 (when Buildings 11, 12, 13, and 15 are assumed to be under concurrent construction at the project site, and Building 14 is assumed to be operational) under the illustrative construction schedule for Construction Phasing Plan 3. The recommended operational traffic mitigation measures will be able to mitigate most construction impacts during these peak periods. In some cases, variations of the operational mitigation measures or additional measures have been recommended to fully mitigate the impacts during construction. However, there will be seventeen intersections—five during the 6-7 AM and fifteen during the 3-4 PM construction traffic analysis peak hours—where impacts could not be mitigated or could only be partially mitigated.

Absent practicable mitigation measures to ensure that these potential construction traffic impacts be fully mitigated, or reasonable alternatives that will meet the purpose and need of the Project,
eliminate these impacts, and not cause other or similar significant adverse impacts, there will be unavoidable significant adverse construction traffic impacts as a result of Phase II of the Project under the Extended Build-Out Scenario.

D. Construction Noise

The proposed mitigation measures will partially mitigate the predicted significant adverse construction noise impacts during the construction of Phase II of the Project under the Extended Build-Out Scenario at most receptors where significant adverse impacts were identified. However, there is one recently constructed residential building with outdoor balconies predicted to experience significant adverse noise impacts as a result of construction of Phase II of the Project under Construction Phasing Plan 1. At this location, there are no feasible or practicable mitigation to mitigate the construction noise impacts on the balconies.

Absent practicable mitigation measures to ensure that these potential construction noise impacts be fully mitigated, or reasonable alternatives that will meet the purpose and need of the Project, eliminate these impacts, and not cause other or similar significant adverse impacts, there will be unavoidable significant adverse construction noise impacts as a result of Phase II of the Project under the Extended Build-Out Scenario.

X. Rationale for Selecting the Reduced Parking Alternative

The DSEIS examines two parking scenarios for the Project: a base-case parking scenario of 2,896 on-site parking spaces, and a Reduced Parking Alternative of 1,200 on-site parking spaces, and ESD specifically solicited public comment on whether to follow one approach or the other. The Reduced Parking Alternative provides the same number of on-site parking spaces for the Arena (300 spaces) as the base-case parking scenario, but reduces the number of parking spaces required for the Project’s residential units consistent with the 2012 Downtown Brooklyn Parking Text Amendment, which reduced parking requirements in Downtown Brooklyn, including portions of the Phase I project site, to 2 parking spaces per 10 market-rate residential units and no parking spaces per affordable unit. (It is important to note, however, that under the Reduced Parking Alternative, residents of the Project’s affordable units would be eligible to park on-site on the same terms as those available to residents of the Project’s market-rate rental units; the distinction between the number of parking spaces required for market-rate units and affordable units relates to the number of parking spaces required for the Project, rather than the parking privileges of future Project residents.) In adopting the text amendment, the City found that it was expected to result in the provision of parking supply that better reflects actual parking demand in Downtown Brooklyn, which—like the project site—features some of the best transit access in the city, including numerous subway and bus lines.

Relatively few members of the public submitted comments on the issue of whether ESD should select the Reduced Parking Alternative. Some commenters, however, expressed concern about the potential effect on the availability of on-street parking spaces. In considering this issue, ESD notes that regardless of the number of off-street parking spaces included in the Project site, future residents and Arena patrons would be able to park their automobiles on the street; accordingly, the development of the Project is expected to reduce the supply of on-street parking under any scenario, regardless of the number of off-street parking spaces included within the Project. For this reason, a focal point of the SEIS analysis was whether there would still be a sufficient supply of off-street
parking facilities in the relevant study areas even with the Reduced Parking Alternative. As noted above, the SEIS concluded that the supply of off-street parking spaces would be sufficient to meet anticipated Project demand even with the Reduced Parking Alternative. Moreover, the Reduced Parking Alternative would have the same, or very similar, environmental impacts as the base-case parking scenario analyzed in the SEIS.

ESD has determined to select the Reduced Parking Alternative because it believes that alternative to be superior to the base-case parking scenario for several reasons. First, the Reduced Parking Alternative is more in keeping with recent public policy trends, as reflected in the 2012 Downtown Brooklyn Parking Text Amendment, of encouraging utilization of mass transit facilities rather than use of private automobiles. Although this policy may be difficult to achieve at some locations, the Project site has convenient access to numerous subway and bus lines, as well as the LIRR Atlantic Terminal, making it an excellent location for more transit-orient development. Second, the reduction in parking requirements for the market-rate and affordable units will reduce the cost and physical magnitude of the construction required for the Project’s residential buildings, thereby facilitating a faster construction schedule, from both a financial and construction-scope perspective. Third, the reduction in the scope of Project construction would reduce to some extent the magnitude of below-grade excavation at some locations, marginally reducing the duration of construction of certain individual Project elements and associated noise and other construction impacts. Finally, as noted above, the Reduced Parking Alternative has the same, or very similar, environmental impacts as the base-case parking scenario analyzed in the SEIS. Accordingly, ESD selects the Reduced Parking Alternative and in so doing requires the project sponsors to implement the mitigation with respect to that alternative as identified in the FSEIS and these supplemental findings.

XI. Summary of Evaluation of Impacts and Project Benefits

ESD has considered carefully the facts, conclusions and analyses set forth in the FSEIS, as described above. It also has reviewed in detail the written and verbal comments that have been provided on the DSEIS, as well as the responses to those comments in the FSEIS. In light of all the information in the record, ESD has determined to issue supplemental findings under SEQRA: (i) with respect to Phase II of the Project as described in the 2009 MGPP and (ii) with respect to the modification of the Project to allow the transfer of up to 208,000 gsf of floor area from Phase I to Phase II and to reduce parking requirement in accordance with the Reduced Parking Alternative (collectively, the “2014 MGPP Amendments”). This section of this Supplemental Findings Statement summarizes some of the more compelling considerations that formed the basis for that determination.

As stated in the 2006 FEIS, the overarching goal of the Project is to transform a blighted area into a vibrant mixed-use community. Progress has been made towards achievement of this goal with construction of the Barclays Center and the new subway entrance on the southeast corner of Atlantic and Flatbush Avenues, and the demolition of many of the substandard and insanitary buildings previously standing at the site. As construction progresses, the Project will continue to have many significant social, environmental, civic and economic benefits.

Upon completion, the 11 Phase II buildings will provide more than 4,500 new residential units, contributing to meeting the growing demand for new housing in Brooklyn. Although the exact number of affordable units in Phase II is dependent on the number of affordable units included in Phase I (upon Project completion, the Project is required to contain not less 2,250 affordable
housing units), it can be anticipated that more than 1,500 of the Phase II residential units will be affordable. Phase II will also provide 8 acres of new publicly-accessible open space, which will be designed, landscaped and configured to be inviting to the public. When Phase II of the Project is completed, the open cut rail yard that has divided Brooklyn neighborhoods for decades will be covered over by a platform supporting a vibrant and economically diverse residential community. The network of pedestrian walkways and the bicycle path within the open space provided by Phase II will create visual and physical links between the previously-divided neighborhoods.

Moreover, in conformance with sound planning and “smart growth” policies, the thousands of new housing units provided by Phase II of the Project will be located near a major transit hub. The buildings will be “green” buildings that are to be LEED certified, at a minimum, with a goal of achieving a LEED silver designation. Phase II of the Project will also stimulate the New York City and New York State economies by providing thousands of jobs, significant annual tax revenues, and billions of dollars in economic activity.

At the same time, the construction of Phase II of the Project under the Extended Build-Out Scenario would result in a number of significant environmental impacts, and certain of these impacts cannot be fully mitigated. All such impacts have been thoroughly analyzed in the FSEIS, as discussed above. Among other things, prolonged Phase II construction would result in a significant localized adverse impact on neighborhood character during the construction period in the immediately surrounding area of the Phase II site as a result of significant construction traffic and noise impacts, and the visual effects of construction that would be experienced in the area. In addition, significant adverse noise impacts would be experienced during a prolonged construction period at the exterior of a number of residential and other buildings in the study area, including a public school located across Atlantic Avenue from the Phase II site, although the resulting interior noise levels within the school would not materially impair its operation. There also would be significant operational traffic and pedestrian impacts upon completion of Phase II after an extended build-out. Moreover, a delay in Phase II build-out would extend the duration of the significant adverse impact of Phase I of the Project on passive open space resources in the non-residential study area.

ESD has refined and supplemented the measures that it had previously imposed with respect to Project construction in order to minimize or avoid potential impacts addressed in the FSEIS. In addition to requirements previously imposed, the project sponsors and their contractors will have to prepare and adhere to dust control plans; utilize equipment that meets stringent noise specifications and demonstrate that noisy equipment complies with such specifications pursuant to a detailed protocol; limit emissions from equipment over 50 horsepower with state of the art emission controls; use vehicles that are equipped with sound-mitigated back-up alarms; erect visually enhanced construction fencing around many areas of the Project site; and take specific steps to improve compliance with construction-related environmental requirements. Because even with the source control measures required by ESD significant noise impacts are predicted at various buildings near the project site under the Extended Build-Out scenario, the project sponsors will be obligated to expand its current program to offer double paned windows and alternative ventilation to affected buildings. Compliance with these and other construction impacts minimization measures will be monitored by qualified engineers and technical personnel engaged or employed by the project sponsors. The work of these on-site environmental monitors will in turn be overseen by ESD’s team of environmental monitors. In addition, in order to partially address the temporary passive open space impact identified in the FEIS and FSEIS, the project sponsors will improve Times Plaza,
an existing open space area located directly across Flatbush Avenue from the project site. While these and other measures identified in the course of the environmental review would not eliminate the adverse effects of a prolonged build out of the Project, they would minimize such impacts to the extent practicable.

In issuing this Supplemental Findings Statement, ESD has weighed the benefits of the Project against its significant adverse environmental impacts, taking into account not only the effectiveness of the measures imposed to mitigate those impacts, but the reasonable alternatives available to avoid or reduce them, as discussed in both the 2006 FEIS and FSEIS. Among other things, ESD has considered whether it would be in the public interest to reduce the density of Phase II of the Project, since less density would mean smaller buildings, fewer residents and a reduction in traffic congestion, and perhaps a shorter duration period for each building’s construction. However, a reduced Phase II would also have fewer benefits – most notably, less market rate and affordable housing units than currently planned. To meet expected regional growth in the demand for housing, these lost housing units would need to be built elsewhere within the City or region. From a regional planning standpoint, accommodating anticipated growth at a major in-City transit hub such as the project site is good public policy and offers distinct environmental benefits by encouraging the use of mass transit and re-use of urban land. After considering carefully both the benefits of Phase II of the Project and the associated environmental impacts disclosed in the FSEIS with respect to its construction under the Extended Build-Out Scenario, ESD has determined that its density remains appropriate.

ESD has prepared the FSEIS in accordance with the Court Order to examine the potential impacts of Phase II of the Project over an Extended Build-Out Scenario, assuming that it is not completed until the outside date for substantial completion of the Project in 2035. Although the pace of construction cannot be predicted with accuracy, the project sponsors have advised ESD of their intention to pursue construction on a considerably shorter schedule that is more consistent with the timetable assumed in the 2006 FEIS. Thus, it is likely that the Project will be constructed on a timetable falling within the range of schedules examined in the 2006 FEIS and FSEIS. ESD is making these supplemental findings on the basis of the information provided in both those documents.
XII. Conclusions and Certification of Supplemental Findings Required by SEQRA

Having considered the DSEIS and the FSEIS, including the comments on the DSEIS and responses thereto, and comments received on the FSEIS, and the preceding written facts and conclusions, and the environmental measures described above, ESD finds and certifies that:

(1) the requirements of Article 8 of the New York Environmental Conservation Law and its implementing regulations, 6 N.Y.C.R.R. Part 617, have been met;

(2) consistent with social, economic and other essential considerations from among the reasonable alternatives available, the approval of Phase II of the Project (as described in the 2009 MGPP) and the 2014 MGPP Amendments is one that avoids or minimizes adverse environmental impacts to the maximum extent practicable, and that adverse environmental impacts will be avoided or minimized to the maximum extent practicable by incorporating as conditions to the decision those mitigative measures that the 2006 FEIS, FSEIS, 2006 Findings Statement and this Supplemental Findings Statement have identified as practicable.

Agency: NYS Urban Development Corporation
d/b/a Empire State Development
633 Third Avenue
New York, New York 10017

Signature of Responsible Officer: ___________________________________________

Name of Responsible Officer: ____________________________________________

Title of Responsible Officer: _____________________________________________

Date: _______________________________
Exhibit F

June 2014 Amendment to the 2009 General Project Plan
Exhibit F

NEW YORK STATE URBAN DEVELOPMENT CORPORATION
dba EMPIRE STATE DEVELOPMENT

ATLANTIC YARDS LAND USE IMPROVEMENT AND CIVIC PROJECT

June 2014 Amendment
to the 2009 Modified General Project Plan

Except as modified below, the Project’s 2006 Modified General Project Plan, affirmed by the ESD Directors on December 8, 2006, as thereafter first amended in the 2009 Modified General Project Plan, affirmed by the ESD Directors on September 17, 2009 (collectively, the “2009 MGPP”), remains unmodified and in full force and effect. The Amendment is as follows:

1. In Exhibit C to the 2009 MGPP (entitled “Atlantic Yards Building Heights & Square Footages (revised)”) delete “4,434,000” in the row entitled “Phase Two Total Not to Exceed” and insert in place thereof “4,642,000”. This modification allows shifting up to 208,000 GSF of floor area from Phase I to Phase II of the Project, but it does not change: (a) the total maximum GSF of the Project (Phase I + Phase II) as a whole, which would remain at 7,125,000 GSF (excluding the arena); or (b) the maximum GSF of each or any individual Project building, inclusive of those Phase II buildings to which the GSF may be transferred.

2. In Section E4 of the 2009 MGPP at page 15, delete the following sentence: “There would also be approximately 2,346 parking spaces at the end of Phase I, which would include permanent parking on the Arena Block and Site 5 and interim surface parking on Block 1129 and possibly Block 1120.” In place thereof, insert the following sentence: “At the end of Phase I, the approximate number of parking spaces to be provided would be equal to the sum of 360 parking spaces and 0.2 parking spaces for each Phase I market-rate residential unit, which would include permanent parking on the Arena Block and Site 5 and interim surface parking or permanent below-grade parking on Block 1129.” In the last line of page 16 of the 2009 MGPP, delete “approximately 3,670 permanent parking spaces” and insert in place thereof “approximately 1,200 permanent parking spaces.” In the first sentence of Section E7 of the 2009 MGPP, at page 18, delete “approximately 3,670 below-grade parking spaces” and insert in place thereof “approximately 1,200 below-grade parking spaces.”

3. Delete the Parking Key Plan attached as Exhibit D to the 2009 MGPP in its entirety and insert a new Parking Key Plan, as depicted in Exhibit D-1 (“Parking Key Plan, Reduced Parking Alternative”) attached to this June 2014 Amendment to the 2009 MGPP.
Exhibit G

FCR-Greenland Transaction
EXHIBIT G

FCR-Greenland Transaction

Background
In December 2013, Forest City Enterprises, Inc. ("FCE", the parent corporation of FCR) announced that FCE and Greenland Holding Group Company Limited ("Greenland Holdings") had signed a joint venture agreement pursuant to which portions of Phase I and all of Phase II of the Project would be assigned to and developed by an FCR-Greenland Holdings joint venture (the "Venture"). Barclays Arena and Building 2 would not be assigned to the Venture, but the Venture would: complete construction of the LIRR Yard; build the platform over the new Yard; build Buildings 1, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14 and 15 and Site 5; create the 8-acres of publicly accessible open space; and make certain modifications to the Barclays Arena roof. FCR expects that the joint venture transaction will close prior to July 1, 2014.

The United States Department of Treasury’s Committee on Foreign Investment has reviewed the proposed transaction and has determined, by letter dated March 20, 2014, that there are no unresolved national security concerns with respect to the transaction. The appropriate Chinese government consents also have been obtained.

Under the proposed Venture, an indirectly wholly-owned affiliate of Greenland Holdings would acquire a 70 percent ownership interest in the Project (excluding the Arena and Building 2, as noted above), co-develop the Project with FCE and its affiliates, and pay for 70 percent of Project development costs going forward. In its filing with the Securities and Exchange Commission on December 10, 2013, FCE stated that the creation of the proposed Venture “will help accelerate vertical development of the project, including the delivery of affordable housing.” The SEC filing also noted that the proposed Venture “would develop the project consistent with the approved master plan [i.e., ESD’s MGPP and Design Guidelines].”

Proposed Venture Structure
Based on ESD review of documents made available by FCR and Greenland Holdings, the Venture would be a Delaware limited liability company, with a majority-owned subsidiary of FCE owning a 30% interest and an indirectly wholly-owned affiliate of Greenland Holdings owning a 70% interest. The Venture would be managed by a five person Board of Managers, three appointed by Greenland Holdings (Chairman, CEO, and CFO) and two appointed by FCE (Vice Chairman and President). Decisions of particular importance (“Major Decisions”), including decisions about the commencement of construction of a new Project building or component, would require a majority vote of the Board of Managers including a vote of at least one appointee of Greenland Holdings and one of FCE, which, in effect requires that both Greenland Holdings and FCE jointly agree to such decisions. The joint venture agreement includes provisions for a possible buy-out in the event of a deadlock among the members of the Board of Managers, after exhaustion of certain dispute resolution procedures, and also provides for dilution of a
member’s interest if it fails to meet certain obligations. Accordingly, the proposed 30%-70% split in equity interests between FCR and Greenland Holdings may be subject to change.

Also based on ESD review of documents made available by FCR and Greenland Holdings, the day-to-day operations of the Venture would be vested in a Management Team responsible for leading the Development Project and a Development Team responsible for design, construction, legal and governmental relations, and other matters. The Management Team will consist of seven named individuals who are executives at FCR, and up to five additional persons appointed by Greenland Holdings. The Development Team will include at least 14 current FCR employees who presently work on the Project, as well as other members who may be appointed by Greenland Holdings. At the closing of the transaction, the Venture would purchase substantially all of the assets of the FCR affiliate that has ownership interests in certain other FCR affiliates holding the agreements and leases with ESD and MTA relating to the Project elements (excluding Barclays Arena and Building 2).

Relevant Provisions of Project Documents
Section F.6 of the 2009 MGPP (“Transferability” at MGPP page 32) provides that “agreements with the Project Sponsors will provide that until the applicable building or improvement within Phase I is substantially completed, the applicable portion of each Parcel may not be transferred by the Project Sponsors, without the consent of ESDC and the City, except to affiliates of FCRC, and in connection with financing transactions and/or the enforcement of rights of lenders under those financing transactions.” The Phase I parcels where construction is not “substantially completed” and which are proposed for transfer to the JV are Buildings 1, 3 and 4 and Site 5. The 2009 MGPP does not address transferability of Phase II.

Pursuant to the terms of the Development Agreement, dated March 4, 2010 (the “Development Agreement”), by and among ESD and three FCR affiliates, the parties defined an “Affiliate” of FCR as either: (a) “a director, officer, general partner, member or manager”; or (b) an entity “that, directly or indirectly, Controls, is Controlled by or is under common ownership or Control.” “Control” is defined (in addition to majority ownership) as “the power, exercisable jointly or severally, to manage and direct ... through the direct, indirect, or beneficial ownership of partnership interest, membership interests, ... or other beneficial interests and/or management or voting rights.”

Under the Development Agreement, transfers made in accordance with the applicable Project Leases (i.e., the applicable Interim Leases and Development Leases) are permitted without further ESD consent.

Under the Development Leases, an “Equity Interest Disposition” is permitted without further ESD consent if a number of specified conditions are met, including the following:

1) ESD receives at least 30 days’ prior written notice;
2) The transferee is not a Prohibited Person;
3) No event of default exists under the applicable Development Lease;
4) The transferee is a Permitted Developer or an Affiliate of a Permitted Developer;
5) ESD receives either (i) a reaffirmation of the obligations of the guarantor under the Completion Guaranty, or (ii) a substitute guarantor acceptable to ESD; and
6) ESD receives such other information/documents as ESD may reasonably request.

A “Prohibited Person” is defined as any person or entity that controls or is controlled by or under common control with such Person:

1) who is in monetary default or breach of any non-monetary obligation under any written agreement with the State of New York;
2) who has been convicted in a criminal proceeding of a felony or any crime involving moral turpitude or that is or is related to an organized crime figure or has had a contract terminated by any governmental agency for breach of contract;
3) Any government or Person controlled by a government that is in violation of the Export Administration Act of 1979;
4) Any government or Person controlled by a government the effects of the activities of which are regulated or controlled pursuant to regulations of the US Treasury Department or executive orders of the President issued pursuant to the Trading with the Enemy Act of 1917, as amended;
5) that has received written notice of default in payment to the City of any real property taxes, sewer rents or water charges in an amount greater than $10,000; and
6) that has owned any property at any time in the 5 years preceding a determination of whether such Persons is a Prohibited Person, which such property both (i) was acquired by such Person following a foreclosure and (ii) was reacquired during such 5 year period from such Person by the City in a foreclosure.

A “Permitted Developer” is defined as: “(i) Forest City Enterprises, Inc., or an Affiliate thereof, (ii) a Person that is or retains (as Construction Manager) a Person with no less than ten (10) years of experience in the development and construction of high-rise residential office, hospitality and/or mixed use projects” (or, for purposes of the Interim Leases, large scale demolition, site preparation, infrastructure development and environmental remediation) in an urban environment; or (iii) a Person that is reasonably acceptable to Landlord; provided, in each case, that the applicable Person is not a Prohibited Person.

Under the Interim Leases, an “Equity Interest Disposition” is permitted without further ESD consent under the same circumstances, and subject to the same conditions, as under the Development Leases, except that no reaffirmation of any completion guaranty is required (but ESD has the right to request a reaffirmation of the guaranty delivered pursuant to the Development Agreement in the event of an Equity Interest Disposition of 10% or more).

After ESD affirmation of the 2009 MGPP, and after execution of the Development Agreement, Interim Leases, and other Project documents, as of May 12, 2010 ESD and the City entered into certain contracts, including an ESD-City Project Agreement formalizing City consent and consultation rights. Pursuant to such Project Agreement, the City acknowledged agreement
with all terms in the Project documents requiring City review. Neither those terms (defined in the Project Agreement as “Required Terms”) nor the “City Negotiated Provisions” (defined in the Project Agreement as terms requiring City consent if modified by ESD) include the transferability provisions of the Development Agreement, Interim or Development Leases, or other Project documents.

**ESD Consent Rights**

The question of whether or not ESD has consent rights to the proposed FCR-Greenland Holdings transaction is governed by the relevant provisions of the existing Project Documents cited above. For the reasons detailed below, after due diligence review of Project Documents and of documents made available to ESD by FCR and Greenland Holdings, ESD staff concludes that: (1) the Venture meets the definition of an “affiliate” of FCR; (2) the Venture’s Greenland Holdings member meets the definition of “Permitted Developer”; and (3) the Venture’s Greenland Holdings member is not a “Prohibited Party”. Accordingly, pursuant to the existing Project Documents which remain in full force and effect, the proposed FCR-Greenland Holdings transaction described in this Exhibit does not require ESD consent. (Please also note that, pursuant to and as required by the Development and Interim Lease definition of Equity Interest Disposition: ESD has received 30 days’ written notice of the proposed transfer from FCR; no events of default exist under the applicable Development or Interim Lease; and ESD has received reaffirmation of relevant Completion Guaranties.)

(1) The Status of the Venture as an “Affiliate” of FCR

The 2009 MGPP permits transfer to FCR “affiliates”. The Project Documents define “Affiliate” and “Control” as cited above. Based on review of the corporate and management structure set forth in the proposed transaction documents, summarized above under “Proposed Venture Structure”, it appears that FCR will have “power, exercisable jointly or severally, to manage and direct” the affairs of the Venture through the management rights granted to FCR under the Venture agreements. Not only will FCR hold joint decision making authority over all Major Decisions, but FCR will have majority representation on the Venture’s Management Team and will provide the bulk of the expertise available to the Venture’s Development Team. Thus, it would appear that the Venture constitutes an “affiliate” of FCR as that term has been defined by the parties, and, therefore, pursuant to Section F.6 of the 2009 MGPP, ESD and City consent is not required for the proposed transaction.

Please also note that: (1) given that under the proposed Venture the Greenland Holdings member is expected to pay for 70 percent of Project development costs going forward, the proposed transaction constitutes a “financing transaction” permissible under 2009 MGPP Section F.6 (quoted above); and (2) ESD and the City agreed to and specified, in the Project documentation, the express terms and conditions under which transfer transactions would be reviewed, thus granting any “consent” required under the 2009 MGPP, including in connection with transactions where consent is not required pursuant to the terms of the agreed Project documentation. For the reasons explained in this Exhibit, those express transferability provisions set forth in the Project documents permit the proposed transfer to the Venture.
(2) The Status of Greenland Holding’s Venture member as a “Permitted Developer”

Greenland Holdings is one of China’s leading real estate development enterprises. Greenland Holdings and its various affiliated subsidiaries (collectively, “Greenland”) has more than 20 years’ experience in the development and construction of high-rise residential office, hospitality and/or mixed use projects (including large-scale demolition, site preparation, infrastructure development and environmental remediation) in an urban environment. Greenland was established in 1992 as a state-owned enterprise based in Shanghai. By the end of 2009, Greenland had entered over 38 cities in 21 Chinese provinces, and, by 2013, Greenland had constructed or was in the process of constructing over 90 real estate projects in over 70 cities across 25 provinces throughout China, including high-rise construction and some 20 residential projects. Although Greenland is principally engaged in the development of large-scale residential and mixed use urban projects, Greenland is a diversified organization with complementary energy and finance divisions, and includes some 30 wholly- or partially-owned subsidiaries. Greenland ranks No. 359 on the 2013 Fortune Global 500 list and No. 55 among Top China Enterprises. Greenland is a very active developer of high-rise buildings, large urban complexes, industrial parks, and commercial projects surrounding major railway stations. It has 23 high-rise buildings completed or under construction, four of which are among the ten tallest buildings in the world: Wuhan Greenland Center (Hubei Province), which is planned to be 1,988 feet tall and will contain 3.2 million square feet of space; Dalian Greenland Center (Liaoning Province), which will be 1,700 feet tall and will contain 6.4 million square feet of space; Chengdu Greenland Center (Sichuan Province), which will be 1,500 feet tall and will contain 3.2 million square feet of space; and Nanjing Greenland Center (Jiangsu Province), which is 1,476 feet tall and contains 3.2 million square feet of space. Greenland also has built major high-rise complexes in Shanghai, Guangzhou (Canton), and Zhengzhou. Greenland also is one of the top three homebuilders in China, is the largest homebuilder in Shanghai, and has been involved in the development of affordable housing projects in Shanghai.

In recent years, Greenland expanded its overseas operations to 13 cities in nine countries, including the United States, Australia, Canada, the United Kingdom, Germany, South Korea, Thailand, and Malaysia. On July 26, 2013, the Wall Street Journal reported that Greenland recently purchased a development parcel in Los Angeles for $1 billion and plans to build a hotel, office space, and residential units at the site. Greenland broke ground on this project in February 2014.

In 2013, Greenland acquired a Hong Kong Stock Exchange-listed property developer for the purpose of developing new real estate projects or acquiring or investing in existing real estate projects, and that Greenland subsidiary, Greenland Hong Kong Holdings Limited, remains listed on the Hong Kong Stock Exchange.

Background research also has disclosed allegations of inferior construction practices against Greenland at a small number of its numerous building projects in China. Such allegations are not uncommon for large-scale real estate companies. However, the New York City Building Code will apply to the Project and will be enforced by the New York City Department of Buildings. In addition, ESD has retained, as its Owner’s Representative for the Project, STV
Incorporated, a leading engineering and construction management firm, to review design and construction documents, observe construction activity, monitor site safety, attend progress meetings with developer staff, and coordinate with and report to ESD on a regular basis.

Thus, Greenland Holdings, the controlling entity of the Venture’s Greenland Holdings member, has more than ten years of experience in the development and construction of high-rise residential office, hospitality and/or mixed use projects (or, for purposes of the Interim Leases, large scale demolition, site preparation, infrastructure development and environmental remediation) in an urban environment, and thus it appears that the Venture’s Greenland member meets the Project definition of “Permitted Developer”. In addition, as noted above, the Venture itself constitutes an “Affiliate” of FCR, and thus is a “Permitted Developer” on that basis as well.

(3) The Status of the Venture’s Greenland Member as a “Prohibited Party”
After due diligence, it would appear that:

1) Greenland Holdings is not in monetary default or breach of any non-monetary obligation under any written agreement with the State or City of New York;
2) Greenland Holdings has not been convicted in a criminal proceeding for a felony or any crime involving moral turpitude or that is or is related to an organized crime figure or has had a contract terminated by any governmental agency for breach of contract;
3) The People’s Republic of China is not in violation of the Export Administration Act of 1979;
4) The effects of the activities of the People’s Republic of China are not regulated or controlled pursuant to regulations of the United States Treasury Department or executive orders of the President issued pursuant to the Trading with the Enemy act of 1917, as amended;
5) Greenland Holdings has not received written notice of default in payment to The City of New York of any real property taxes, sewer rents or water charges in an amount greater than $10,000; and
6) Greenland Holdings has not owned any property which both (i) was acquired following an in rem foreclosure and (ii) was reacquired by the City in an in rem foreclosure.

Thus, Greenland Holdings does not appear to be a Prohibited Party.

Assignee Obligations
It should be noted that, under the Project Documents, any permitted assignee would be bound by and subject to the contractual obligations set forth in the Project Documents. In other words, any such permitted assignee would be required to comply with all Project Document terms and conditions including, but not limited to, construction schedule, construction procedures and mitigations, Design Guidelines, and Interim and Development Lease terms.
Continuing FCR Obligations
In addition to the foregoing, it also should be noted that, notwithstanding any transfer: (A) pursuant to Development Agreement Section 10.3, FCR affiliates remain obligated: (i) to pay Liquidated Damages; and (ii) to cause the performance of the Project’s Programmatic Obligations; and (B) pursuant to Development Agreement Section 10.4, if FCR defaults in its obligations to either: (i) comply with the Affordable Housing Application Requirements relating to Combination Housing Subsidies; or (ii) construct the first building to be constructed on the Arena Block (other than the Arena) utilizing the Combination Housing Subsidies, then until 300 Affordable Housing Units are Substantially Completed on the Arena Block, FCR may not Transfer a Development Parcel upon which at least 79% of all units to be built within a Project Building could be market rate units. These provisions indicate that FCR affiliates will remain legally obligated to comply with certain Project Document requirements regardless of FCR’s remaining interest in the Project.

Further Transfers
As noted above, the Directors also should be aware that additional transfers could take place in the future under the buy-out and other provisions of the proposed FCR-Greenland joint venture agreement, although no such transfer has been proposed at this time. Any additional transfers would be subject to the same Project document provisions summarized above, including those relating to “Permitted Developer” and “Prohibited Person”.

ESD Consent
For the reasons set forth above, ESD staff concludes that the proposed FCR-Greenland Holdings transaction described in this Exhibit does not require ESD consent. Nonetheless, for the identical reasons articulated above, if ESD consent were required, then ESD staff would recommend that the Directors consent to the proposed transaction. At bottom, the Project’s transfer provisions are designed to ensure that any successor Project developer has the financial means and the construction expertise required to develop a major mixed-use project in an urban environment. Greenland Holdings would appear to meet this test both as a practical matter and as a matter of current project contractual definition. Therefore, in order to avoid doubt or ambiguity, ESD staff recommends, based on the factual evidence summarized in this Exhibit, that the ESD Directors affirmatively consent to the assignment to the Venture of those portions of the Project as described in this Exhibit, which consent will not be deemed consent to any provision of any document between or among FCE and its affiliates and Greenland Holdings and its affiliates to the extent such provisions are inconsistent with, or would be deemed to modify, any provision of the MGPP or the Project documents.
FOR CONSIDERATION
June 27, 2014

TO: The Directors

FROM: Kenneth Adams


REQUEST FOR: Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Make a Grant and to Take Related Actions

I. Project Summary

Grantee: Edison Welding Institute, Inc. ("EWI" or the "Institute")

ESD* Investment: A grant of up to $5.3 million to be used for reimbursement for operating activities including personnel, marketing, permanent location base/operating costs, and finalizing and maintaining partnership agreements necessary to operate a sustainable Buffalo-Niagara Institute for Advanced Manufacturing Competitiveness ("BNIAMC").

* The New York State Urban Development Corporation doing business as Empire State Development ("ESD" or the "Corporation")

Project Location(s): Temporary: 847 Main Street, Buffalo, Erie County
Permanently: To be identified at a later time

Proposed Project: Operating activities to operate a sustainable BNIAMC

Project Type: Working Capital
The project is a signature initiative of the Buffalo Billion Investment Development Plan and is consistent with the Western New York (“WNY”) Regional Economic Development Council (“REDC”) Regional Plan to promote advanced manufacturing capabilities, job growth, and economic development.

II. Project Cost and Financing Sources

<table>
<thead>
<tr>
<th>Financing Uses</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Working Capital</td>
<td>$5,300,000</td>
</tr>
</tbody>
</table>

Total Project Costs: $5,300,000

<table>
<thead>
<tr>
<th>Financing Sources</th>
<th>Amount</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>ESD – Grant</td>
<td>$5,300,000</td>
<td>100%</td>
</tr>
</tbody>
</table>

Total Project Financing: $5,300,000  100%

III. Project Description

A. Grantee

Industry: EWI is a member-based organization that assists mid- to large-sized manufacturers with improving operational efficiencies through innovative welding and materials joining, allied technologies, manufacturing support and strategic services. EWI holds numerous patents for various materials joining technologies and is a leading engineering and technology organization in North America dedicated to materials joining.

Grantee History: The Institute was founded in 1984 as a partnership between Ohio State University, Battelle Memorial Institute, and fifteen industry and governmental partners. The Institute’s goal was to promote interaction of business, government, educational institutions and research organizations to stimulate the development, implementation, and transfer of advancements in welding and allied technologies. By the end of its first year, EWI had 125 members. Today, it has over 240 members serving over 1,200 locations worldwide.

Ownership: EWI is a 501(c)(3) not-for-profit organization.

Size: Located within a research park at Ohio State University in Columbus, Ohio, EWI’s headquarters employ over 90 highly-skilled engineers, scientists, technicians, industry experts, and project managers. EWI also operates a number of centers and consortia that act as hubs to improve
collaboration, strengthen United States manufacturing supply chains, and make American manufacturers more globally competitive. These centers and consortia include the Additive Manufacturing Consortium, EWI Energy Center, EWI Nuclear Fabrication Center, and EWI Rail Manufacturing Technology Center, all of which are located in Columbus, Ohio.

Market: EWI provides services to over 1,200 member companies located worldwide, many of which are world-leaders in their particular manufacturing sector including aerospace, automotive, defense, heavy fabrication, consumer products, light industrial, energy, primary materials, medical devices, and rail.

ESD Involvement: During Governor Cuomo’s 2012 State of the State address, he committed a $1 billion investment (the “Buffalo Billion”) in the Buffalo area economy to create thousands of jobs and spur $5 billion in new investment and economic activity over several years. In mid-2012, ESD selected McKinsey & Company, Inc. (“McKinsey”), through a competitive solicitation, to create and implement a strategy for the $1 billion, specifically to drive investment, create jobs and leverage Buffalo area assets, while overcoming the area’s challenges. In March 2012, the WNY REDC, through the efforts of McKinsey and local stakeholders, unveiled the Buffalo Billion Investment Development Plan (the “Plan”). The Plan concluded that despite steady job losses over the last four decades, manufacturing is still the third largest employment sector in WNY’s economy. WNY has lost manufacturing jobs at a faster rate over the last decade than the rest of the country, but manufacturing sectors like materials, pharmaceuticals, medical devices, machinery, and food processing have continued to show competitive strength. Many WNY manufacturers have expressed concern that they do not believe they can meet hiring needs from the local talent pool. These manufacturers do not connect with local schools and colleges directly and are not aware of workforce development institutions and programs. To address this situation, the BNIAMC was conceived as a Wave I Signature Initiative in the Plan.
Past ESD Support: Since 2013, ESD Directors have approved $1,115,605 in funding to support the planning and establishment of the BNIAMC, as follows:

<table>
<thead>
<tr>
<th>Program</th>
<th>Project #</th>
<th>Amount</th>
<th>Date Start (ESD Directors’ Approval date)</th>
<th>Date End (Project Completion: Contract Expiration)</th>
<th>Purpose</th>
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</thead>
<tbody>
<tr>
<td>Economic Development Purposes Fund</td>
<td>Y492</td>
<td>$316,605</td>
<td>July 18, 2013</td>
<td>April 5, 2014</td>
<td>Working Capital Phase I – Develop a business plan to establish the BNIAMC</td>
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<tr>
<td>Economic Development Purposes Fund</td>
<td>Y743</td>
<td>$800,000</td>
<td>March 28, 2014</td>
<td>October 2014</td>
<td>Working Capital Phase II – Start-up activities including personnel, marketing, location development, and finalization of partnership agreements</td>
</tr>
</tbody>
</table>

B. The Project

Completion: June 2019

Activity: The Phase III project involves working capital activities to operate the BNIAMC, a state-of-the-art facility focusing on the collaboration and advancement of manufacturing processes and products, bridging the gap between research and manufacturing implementation to accelerate deployment of technical innovation.

The full-time leadership staff of President, Operations Manager, and Technology Leader will be responsible for all BNIAMC operations, including the recruitment, on-boarding, training and development of a staff of 15-30 engineers and technicians. Office and laboratory facilities will be outfitted with leading-edge technologies to build and expand expertise in the BNIAMC’s four focus areas of flexible automation, advanced materials and testing, additive manufacturing, and advanced fabrication. Selection of the right staff and equipment will be a vital part of the operations and involve discussions with partner organizations, industry members and suppliers to deliver the highest impact. The State of New York’s Research Foundation will own the equipment and facilities utilized by the BNIAMC staff, which will in turn develop an increasing amount of business and project backlog to drive towards sustainability. As the BNIAMC team develops expertise, new project opportunities will be possible allowing for increased revenues. It is expected that by year five, the BNIAMC will bring in enough revenue to offset all costs and be able to reinvest in the BNIAMC’s engineering and capital capabilities.
A temporary facility for the BNIAMC has been identified within the former Smart Pill Building on the Buffalo Niagara Medical Campus. The Smart Pill Building acquisition and renovation will be funded by an $8 million Buffalo Billion grant to the Buffalo Niagara Medical Campus, Inc., approved by ESD Directors in January 2014. EWI will initially lease, at no cost, approximately 20,000-square-feet, which will allow for expansion over the first years of operation. EWI will assist in the identification of a permanent facility(ies) for the BNIAMC, which will likely house partner organizations such as a manufacturing training center in an effort to increase the local talent pool.

Results: The BNIAMC, which is estimated to be self-sustaining through membership and fee for services provided within five years, will assist local manufacturers with the development, commercialization and implementation of leading-edge manufacturing technologies and solve manufacturing and production issues allowing for improved operational efficiencies and enabling the Buffalo area to be a nationally-recognized hub of manufacturing innovation with a particular emphasis on flexible automation and controls, advanced materials and testing, additive manufacturing and advanced fabrication. Additionally, the project will be an important catalyst to attract manufacturers, thus increasing job opportunities and increasing revenues in WNY.

Economic Growth Investment Project: This project is an Economic Growth Investment project that does not involve permanent job commitments or construction spending. While such projects generate significant long term fiscal and economic benefits, such benefits are not estimated within the short-term period used in the benefit cost analysis. Therefore, no benefit cost analysis is provided.

Grantee Contact: Mr. Henry D. Cialone, PhD
President and CEO
1250 Arthur E. Adams Drive
Columbus, OH 43221
Phone: (614) 688-5122

ESD Project No.: Z198

Project Team: Origination
Project Management
Contractor & Supplier Diversity
Finance
Environmental
Christina Orsi
Jean Williams
Vikas Gera
Ross Freeman
Soo Kang
C. **Financial Terms and Conditions**

1. Upon execution of the grant disbursement agreement, the Grantee shall pay a commitment fee of 1% of the $5,300,000 working capital grant ($53,000).

2. The Institute will demonstrate no materially adverse changes in its financial condition prior to disbursement.

3. Up to $5.3 million will be disbursed in five installments on an annual basis as follows:
   
a) **Initial Advance (Year 1)** – An Initial Advance of $1.529 million will be disbursed as an advance upon execution of the Grant Disbursement Agreement and such other documentation as ESD may reasonably require, assuming that all project approvals have been completed and funds are available; and

   b) **Second Advance (Year 2)** – A Second Advance of $1.961 million upon documentation of eligible expenditures, verified by a Certified Public Accountant, of at least 75% of the Initial Advance ($1,146,750) and such other documentation as ESD may reasonably require, and compliance with Annual Reporting; and

   c) **Third Advance (Year 3)** – A Third Advance of $1.318 million upon documentation of eligible expenditures, verified by a Certified Public Accountant, of at least 100% of the Initial Advance and 75% of the Second Advance ($2,999,750 cumulative) and such other documentation as ESD may reasonably require, and compliance with Annual Reporting; and

   d) **Fourth Advance (Year 4)** – A Fourth Advance of $342,500 upon documentation of eligible expenditures, verified by a Certified Public Accountant, of at least 100% of the Initial and Second Advances and 75% of the Third Advance ($4,478,500 cumulative) and such other documentation as ESD may reasonably require, and compliance with Annual Reporting; and

   e) **Final Advance (Year 5)** – A Final Advance of $150,000 upon documentation of eligible expenditures, verified by a Certified Public Accountant, of at least 100% of the Initial, Second and Third Advances and 75% of the Fourth Advance ($5,064,500 cumulative) and compliance with Annual Reporting.

Within 14 months of the Final Advance, ESD will require documentation of eligible expenditures, verified by a Certified Public Accountant, of 100% of Initial, Second, Third, Fourth and Final Advances ($5.3 million cumulative); otherwise, a portion of the $5.3 million may be subject to recapture.
Before each Advance, ESD is required to approve that the following deliverables are successfully underway and/or have been completed to ESD’s satisfaction:

- Prior to the first advance payment: BNIAMC’s leadership staff including, a Technology Leader, Operations Manager and Executive Director are hired and working full time at the Buffalo operation;
- Brand for Buffalo operation is finalized, marketing materials are complete, and website is launched;
- Prior to Second Advance, EWI must demonstrate a non-State investment (at least half of which must come from non-government sources) in the Buffalo operation of at least $500,000 (revenue cannot be received prior to June 1, 2014);
- Prior to Third Advance, EWI must demonstrate a non-State investment (at least half of which must come from non-government sources) in the Buffalo operation of at least $900,000;
- Prior to the Fourth Advance, EWI must demonstrate a non-State investment (at least half of which must come from non-government sources) in the Buffalo operation of at least $1,700,000; and
- Prior to the Final Advance, EWI must demonstrate a non-State investment (at least half of which must come from non-government sources) in the Buffalo operation of at least $4,500,000.

In addition, the following requirements must be met:

- ESD must approve EWI personnel assigned to Buffalo operation;
- ESD must approve EWI selection of Buffalo Executive Director; and
- EWI shall use WNY-based vendors (unless otherwise approved by ESD) for all contracted services that are part of this grant.

Expenses incurred prior to July 1, 2014, cannot be reimbursed by grant funds. All Advances must be requested by April 1, 2020.

Annual reports should be assembled and delivered to ESD at the end of each Fiscal Year beginning July 1, 2015 and ending in 2025. These reports should include the following information, at a minimum, demonstrating the direct impact EWI has had on area manufacturers, along with an affirmation that the facts and figures presented are true and correct:

- Number of direct jobs created and retained by EWI at Project Location(s).
- Impact on manufacturers served, including: value of manufacturing savings, percent of increased production, jobs created/retained and the amount of capital investment by manufacturers;
- Number of members, member sizes, technical inquiries, and design reviews, and other membership benefits provided;
- Amount of federal funding secured; and
- Amount of annual revenues.

If the Grantee fails to comply with Annual Reporting, a portion of the $5.3 million may be subject to recapture.

4. ESD may reallocate the project funds to another form of assistance, at an amount no greater than $5,300,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Grantee and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

IV. Statutory Basis – Buffalo Regional Innovation Cluster

The project was authorized in the 2014-2015 New York State budget. No residential relocation is required as there are no families or individuals residing on the site.

V. Environmental Review

ESD staff has determined that the project constitutes a Type II action as defined by the New York State Environmental Quality Review Act ("SEQRA") and the implementing regulations of the New York State Department of Environmental Conservation. No further environmental review is required in connection with the project.

VI. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Grantee shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women Business Enterprise ("MWBEs") for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 23% related to the total value of ESD’s funding.

VII. ESD Employment Enforcement Policy

ESD's Employment Enforcement Policy will not apply since the project will not directly create or retain jobs.

VIII. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.
IX. Additional Submissions to Directors

Resolutions
New York State Map
Project Finance Memorandum
Buffalo Billion Initiative – Various Locations (Western New York Region – Allegany, Cattaraugus, Chautauqua, Erie, and Niagara Counties) – Edison Welding Institute Working Capital – Phase III – Buffalo Regional Innovation Cluster (Working Capital) – Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Edison Welding Institute Working Capital – Phase III – Buffalo Regional Innovation Cluster Fund (Working Capital) Project (the “Project”), the Corporation hereby determines pursuant to Section 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Edison Welding Institute, Inc. a grant for a total amount not to exceed Five Million Three Hundred Thousand Dollars ($5,300,000) from the Buffalo Regional Innovation Cluster Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *
FOR CONSIDERATION
June 27, 2014

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Buffalo Billion Initiative – Buffalo (Western New York Region – Erie County) – SUNY Research Foundation Advanced Manufacturing Capital – Buffalo Regional Innovation Cluster (Capital Grant)

REQUEST FOR: Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

________________________________________________________________________

General Project Plan

I. Project Summary

Grantee: The Research Foundation for the State University of New York (“SUNY RF”) on behalf of University at Buffalo (“UB”)

Beneficiary: Edison Welding Institute, Inc. (“EWI” or the “Institute”)

ESD* Investment: A grant of up to $30 million to be used as reimbursement for the cost of furniture, fixtures, machinery and equipment.

* The New York State Urban Development Corporation doing business as Empire State Development (“ESD” or the “Corporation”)

Project Location(s): Temporary: 847 Main Street, Buffalo, Erie County
Permanent: To be identified at a later time

Proposed Project: Acquisition and installation of new furniture, fixtures, machinery and equipment (“Project Equipment”) for the Buffalo-Niagara Institute for Advanced Manufacturing Competitiveness (the “BNIAMC”)

Project Type: Capital grant to support economic growth
Regional Council: This is a signature initiative of the Buffalo Billion Investment Development Plan and is consistent with the Western New York (“WNY”) Regional Economic Development Council (“REDC”) Regional Plan to promote advanced manufacturing capabilities, job growth, and economic development.

II. Project Cost and Financing Sources

<table>
<thead>
<tr>
<th>Financing Uses</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Furniture, Fixtures, Machinery &amp; Equipment</td>
<td>$30,000,000</td>
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Total Project Costs $30,000,000

<table>
<thead>
<tr>
<th>Financing Sources</th>
<th>Amount</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>ESD – Grant</td>
<td>$30,000,000</td>
<td>100%</td>
</tr>
</tbody>
</table>

Total Project Financing $30,000,000 100%

III. Project Description

A. Company

Industry: SUNY RF is an educational corporation that administers externally funded contracts and grants for and on behalf of the State University of New York. It is a separate not-for-profit corporation, and as such is not supported by state appropriated tax dollars, nor does it receive support services provided to New York State agencies. SUNY RF provides the administrative flexibility to respond quickly to the special demands of externally funded contracts and grants in a manner that facilitates their scientific or technical execution.

Company History: SUNY RF was established in 1951.

Ownership: SUNY RF is a private, 501(c)(3) not-for-profit educational corporation that administers externally funded contracts and grants for and on behalf of the State University of New York.

Size: SUNY RF has over 17,000 employees statewide.
ESD Involvement: During Governor Cuomo’s 2012 State of the State address, he committed a $1 billion investment (the “Buffalo Billion”) in the Buffalo area economy to create thousands of jobs and spur $5 billion in new investment and economic activity over several years. In mid-2012, ESD selected McKinsey & Company, Inc. ("McKinsey"), through a competitive solicitation, to create and implement a strategy for the $1 billion, specifically to drive investment, create jobs and leverage Buffalo area assets, while overcoming the area’s challenges. In March 2012, the WNY REDC, through the efforts of McKinsey and local stakeholders, unveiled the Buffalo Billion Investment Development Plan (the “Plan”). The Plan concluded that despite steady job losses over the last four decades, manufacturing is still the third largest employment sector in WNY’s economy. WNY has lost manufacturing jobs at a faster rate over the last decade than the rest of the country, but manufacturing sectors like materials, pharmaceuticals, medical devices, machinery, and food processing have continued to show competitive strength. Many WNY manufacturers have expressed concern that they do not believe they can meet hiring needs from the local talent pool. These manufacturers do not connect with local schools and colleges directly and are not aware of workforce development institutions and programs. To address this situation, the BNIAMC was conceived as a Wave I Signature Initiative in the Plan.

Past ESD Support: ESD Directors have approved over $9 million to support for following projects to SUNY RF:

<table>
<thead>
<tr>
<th>Program</th>
<th>Project #</th>
<th>Amount</th>
<th>Date Start (ESD Directors’ Approval date)</th>
<th>Date End (Project Completion: Contract Expiration)</th>
<th>Purpose</th>
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<tr>
<td>Local Assistance</td>
<td>W753</td>
<td>$940,000</td>
<td>August 2009</td>
<td>September 2011</td>
<td>Working Capital – Buffalo Center of Excellence in Bioinformatics and Life Sciences</td>
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<tr>
<td></td>
<td>W874</td>
<td>$1,179,666</td>
<td>July 2012</td>
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<td>W889</td>
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<td>X218</td>
<td>$980,000</td>
<td>June 26, 2014</td>
<td>December 2015</td>
<td></td>
</tr>
<tr>
<td></td>
<td>X561</td>
<td>$980,000</td>
<td>June 26, 2014</td>
<td>December 2016</td>
<td></td>
</tr>
</tbody>
</table>
B. Beneficiary

Industry: EWI is a member-based organization that assists mid- to large-sized manufacturers with improving operational efficiencies through innovative welding and materials joining, allied technologies, manufacturing support and strategic services. EWI holds numerous patents for various materials joining technologies and is a leading engineering and technology organization in North America dedicated to materials joining.

History: The Institute was founded in 1984 as a partnership between Ohio State University, Battelle Memorial Institute, and fifteen industry and governmental partners. The Institute’s goal was to promote interaction of business, government, educational institutions and research organizations to stimulate the development, implementation, and transfer of advancements in welding and allied technologies. By the end of its first year, EWI had 125 members. Today, it has over 240 members serving over 1,200 locations worldwide.

Ownership: EWI is a 501(c)(3) not-for-profit organization.

Size: Located within a research park at Ohio State University in Columbus, Ohio, EWI’s headquarters employ over 90 highly-skilled engineers, scientists, technicians, industry experts, and project managers. EWI also operates a number of centers and consortia that act as hubs to improve collaboration, strengthen United States manufacturing supply chains, and make American manufacturers more globally competitive. These centers and consortia include the Additive Manufacturing Consortium, EWI Energy Center, EWI Nuclear Fabrication Center, and EWI Rail Manufacturing Technology Center, all of which are located in Columbus, Ohio.

Market: EWI provides services to over 1,200 member company locations worldwide, many of which are world-leaders in their particular manufacturing sector including aerospace, automotive, defense, heavy fabrication, consumer products, light industrial, energy, primary materials, medical devices, and rail.
Past ESD Support: Since 2013, ESD Directors have approved $1,115,605 in funding to support the planning and establishment of the BNIAMC, as follows:

<table>
<thead>
<tr>
<th>Program</th>
<th>Project #</th>
<th>Amount</th>
<th>Date Start (ESD Directors’ Approval date)</th>
<th>Date End (Project Completion: Contract Expiration)</th>
<th>Purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td>Economic Development Purposes Fund</td>
<td>Y492</td>
<td>$316,605</td>
<td>July 18, 2013</td>
<td>April 5, 2014</td>
<td>Working Capital – Phase I – Develop a business plan to establish the BNIAMC</td>
</tr>
<tr>
<td>Economic Development Purposes Fund</td>
<td>Y743</td>
<td>$800,000</td>
<td>March 28, 2014</td>
<td>October 2014</td>
<td>Working Capital – Phase II – Start-up activities including personnel, marketing, location development, &amp; finalization of partnership agreements</td>
</tr>
</tbody>
</table>

C. The Project

Completion: June 2019

Activity: The $30 million project involves SUNY RF’s acquisition and installation of Project Equipment, including an estimated $1.75 million for furniture, fixtures and equipment, and $28.25 million for manufacturing machinery and equipment, to fulfill the BNIAMC’s mission of flexible automation, advanced materials and testing, additive manufacturing, and advanced fabrication. The Project Equipment will be purchased as project and focus areas are defined by the manufacturing industry; the BNIAMC will guide these investments to ensure maximum value for WNY small- and medium-sized manufacturers. A preliminary Project Equipment list, based on industry feedback to date, includes facilities furniture, fixtures and equipment; flexible automation machinery and equipment; advanced materials and testing machinery and equipment; additive manufacturing machinery and equipment; and advanced fabrication machinery and equipment.

SUNY RF and EWI will enter into a five (5) year Equipment Use Agreement, which will provide EWI full usage of the furniture, fixtures, machinery and equipment for the operation of the BNIAMC. SUNY RF will provide EWI with five (5) year renewal options, provided that EWI is not in default with the Equipment Use Agreement. ESD must approve all renewals and terminations of the Equipment Use Agreement.

The initial equipment purchased will be placed at the BNIAMC’s temporary 20,000-square-foot facility, located on the Buffalo Niagara Medical Campus. EWI will assist in the identification of a permanent
facility(ies) for the BNIAMC, after which the machinery and equipment will be transferred to the Permanent Project Location.

Results: The BNIAMC, which is estimated to be self-sustaining through membership and service fees within five years, will assist local manufacturers with the development, commercialization and implementation of leading-edge manufacturing technologies and solve manufacturing and production issues allowing for improved operational efficiencies and enabling the Buffalo area to be a nationally-recognized hub of manufacturing innovation with a particular emphasis on flexible automation and controls, advanced materials and testing, additive manufacturing and advanced fabrication. Additionally, the project will be an important catalyst to attract manufacturers, thus increasing job opportunities and increasing revenues in WNY.

Economic Growth Investment Project: This project is an Economic Growth Investment project that does not involve permanent job commitments or construction spending. While such projects generate significant long term fiscal and economic benefits, such benefits are not estimated within the short-term period used in the benefit cost analysis. Therefore, no benefit cost analysis is provided.

Grantee Contact: Mr. Bradley Bermudez
Senior Agreement Administrator, Sponsored Projects Services
402 Crofts Hall
University at Buffalo
Buffalo, NY 14260-7016
Phone: (716)645-4383

Beneficiary Contact: Mr. Henry D. Cialone, PhD
President and CEO
1250 Arthur E. Adams Drive
Columbus, OH 43221
Phone: (614) 688-5122

ESD Project No.: Z200

Project Team: Origination Christina Orsi
Project Management Jean Williams
Contractor & Supplier Diversity Vikas Gera
Finance Ross Freeman
Environmental Soo Kang
D. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Grantee shall reimburse ESD for all out-of-pocket expenses incurred in connection with the project.

2. The Grantee will demonstrate no materially adverse changes in its financial condition prior to disbursement.

3. Up to $30 million will be disbursed to the Grantee as follows:
   a) an Initial Advance of $10 million will be disbursed upon execution of the Grant Disbursement Agreement and such other documentation as ESD may reasonably require, assuming that all project approvals have been completed and funds are available; and
   b) a Second Advance of $10 million upon documentation of eligible expenditures, verified by a Certified Public Accountant, of at least 75% of the Initial Advance ($7.5 million) and such other documentation as ESD may reasonably require; and
   c) a Final Advance of $10 million upon documentation of eligible expenditures, verified by a Certified Public Accountant, of at least 100% of the Initial Advance and 75% of the Second Advance ($17.5 million cumulative) and such other documentation as ESD may reasonably require.

Within 12 months of the Final Advance, ESD will require documentation of eligible expenditures, verified by a Certified Public Accountant, of 100% of Initial, Second and Final Advances ($30 million cumulative).

Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenditures must be incurred on or after May 1, 2014, to be considered eligible project costs. All disbursements must be requested by April 1, 2020.

4. Grant funds will be subject to pro rata recapture if a.) the furniture, fixtures, machinery and equipment are sold within 10 years of disbursement of funds or used for a purpose other than the BNIAMC without prior approval by Empire State Development and/or b.) if 100% of the Initial, Second and Final Advances ($30 million cumulative) are not fully verified by a Certified Public Accountant, within 12 months of the Final Advance.

5. ESD may reallocate the project funds to another form of assistance, at an amount no greater than $30,000,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Company and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.
IV. Statutory Basis – Buffalo Regional Innovation Cluster

The project was authorized in the 2014-2015 New York State budget. No residential relocation is required as there are no families or individuals residing on the site.

V. Environmental Review

ESD staff has determined that the project constitutes a Type II action as defined by the New York State Environmental Quality Review Act (“SEQRA”) and the implementing regulations of the New York State Department of Environmental Conservation. No further environmental review is required in connection with the project.

VI. Non-Discrimination and Contractor & Supplier Diversity

ESD’s Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Recipient shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women Business Enterprise (MWBEs) for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 30%. The overall goal shall include a Minority Business Enterprise (“MBE”) Participation Goal of 15% and a Women Business Enterprise (“WBE”) Participation Goal of 15% related to the total value of ESD’s funding.

VII. ESD Employment Enforcement Policy

ESD’s Employment Enforcement Policy will not apply since the project will not directly create or retain jobs.

VIII. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

IX. Additional Submissions to Directors

Resolutions
New York State Map
Project Finance Memorandum
RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the SUNY Research Foundation Advanced Manufacturing Capital – Buffalo Regional Innovation Cluster (Capital Grant) Project (the “Project”), the Corporation hereby determines pursuant to Section 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to The Research Foundation for the State of New York on behalf of University at Buffalo a grant for a total amount not to exceed Thirty Million Dollars ($30,000,000) from the Buffalo Regional Innovation Cluster Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further
RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *
FOR CONSIDERATION
June 27, 2014

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Buffalo Billion Initiative – Buffalo (Western New York Region – Erie County) – Fort Schuyler Management Corporation/Information Technologies Innovation and Commercialization Hub Capital – Buffalo Regional Innovation Cluster (Capital Grant)

REQUEST FOR: Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make Grant and to Take Related Actions; Determination of No Significant Effect on the Environment

______________________________

General Project Plan

I. Project Summary

Grantee: Fort Schuyler Management Corporation (“FSMC”) on behalf of the State University of New York (“SUNY”) College of Naoscale Science and Engineering (“CNSE”)

Beneficiary Companies: International Business Machines Corporation (“IBM”) Additional Beneficiary Companies to be identified in the future

ESD* Investment: A grant of up to $55 million to be used as reimbursement for real estate acquisition and renovation and the acquisition and installation of new equipment and software.

* The New York State Urban Development Corporation doing business as Empire State Development (“ESD” or the “Corporation”)
Project Locations: Key Center, 40-50 Fountain Plaza, Buffalo, Erie County*
1580 Route 52, Town of East Fishkill, Dutchess County
1101 Kitchawan Road, Yorktown Heights, Westchester County
2455 South Rd, Poughkeepsie, Dutchess County
100 Seymour Rd, Utica, Oneida County
257 County Road 156, Albany, Albany County

*Project activity site; others are job-retention sites

Proposed Project: Establish the Buffalo Information Technologies (“IT”) Innovation and Commercialization Hub (the “Buffalo IT Hub”).

Project Type: Business attraction

Regional Council: The Western New York (“WNY”) Regional Economic Development Council oversees the implementation of the Buffalo Billion Investment Development Plan. This project is part of Governor Cuomo’s Buffalo Billion Initiative to promote advanced technology, manufacturing, and smart growth; increase highly-skilled jobs; and maintain and attract young people to the WNY Region.

Employment**: Initial employment at time of application to ESD: 3,100
Current employment level: 3,100
Minimum employment on January 1, 2020: 3,600***

**New employees cannot be transferred from other NYS locations
***Employees will be on the Beneficiaries’ payroll

II. Project Cost and Financing Sources

<table>
<thead>
<tr>
<th>Financing Uses</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proprietary Software</td>
<td>$30,000,000</td>
</tr>
<tr>
<td>IT Equipment</td>
<td>10,000,000</td>
</tr>
<tr>
<td>Facility Acquisition/Renovation</td>
<td>15,000,000</td>
</tr>
<tr>
<td>Total Project Costs</td>
<td>$55,000,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Financing Sources</th>
<th>Amount</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>ESD – Grant</td>
<td>$55,000,000</td>
<td>100%</td>
</tr>
<tr>
<td>Total Project Financing</td>
<td>$55,000,000</td>
<td>100%</td>
</tr>
</tbody>
</table>
III. Project Description

A. Grantee

Industry: Real Estate Development

Grantee History: Authorized by Chapter 530 of the Laws of 2010, FSMC was formed by the State University of New York Research Foundation, in partnership with the State University of New York Institute of Technology (“SUNYIT”) to facilitate nanotechnology and semiconductor development. FSMC is authorized to purchase, construct, develop and manage facilities co-located with the SUNYIT educational campus at the SUNYIT Marcy Technology Complex as well as ground sub-lease the property west of Edic Road constituting the Marcy Nanocenter project to Mohawk Valley Economic Development Growth Enterprises (“EDGE”) to attract nanomanufacturing operations by a commercial partner. The CNSE is a global education, research, development, and technology deployment resource dedicated to preparing the next generation of scientists and researchers in nanotechnology. Since its inception in 2004, it has been leveraging its resources in partnership with business and government to support accelerated high technology education and commercialization, and seeks to create jobs and economic growth for nanotechnology-related industries.

Ownership: The Grantee is a 501(c)(3) not-for-profit organization.

Market: Worldwide advanced technology industries.

ESD Involvement: In February 2014, the Governor announced a $55 million award from the Buffalo Billion Initiative for the Buffalo IT Hub, a public and private-sector partnership to establish a high-end software development center in downtown Buffalo. According to a 2011 Federal Bureau of Economic Analysis, IT accounts for only 2.7 percent of the WNY area’s economy, which is just more than half of the national average of 4.7 percent. The Buffalo IT Hub is expected to jump-start the high-tech sector in the City of Buffalo and surrounding WNY Region, creating technology jobs that typically pay more than double the area’s median wage of $35,000. Initially, IBM will serve as the anchor tenant in the newly-established Buffalo IT Hub. Once fully operational, the Buffalo IT Hub is expected to house multiple industry-related companies. $40 million of the $55 million award will reimburse FSMC for specialized IT equipment and related software; the remaining $15 million will reimburse FSMC for real estate acquisition and facility build-out.
Past ESD Support: Since 2003, ESD has provided $206,550,000 of assistance to the FSMC. In the past 5 years, ESD assistance is summarized as follows:

<table>
<thead>
<tr>
<th>Program</th>
<th>Project #</th>
<th>Amount</th>
<th>Date Start (ESD Directors’ Approval date)</th>
<th>Date End (Project Completion: Contract Expiration or Job Requirement)</th>
<th>Purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local Assistance</td>
<td>V062</td>
<td>$2,250,000</td>
<td>October 22, 2009 ($4M was originally awarded to EDGE on May 17, 2007)</td>
<td>May 2011</td>
<td>Working Capital Grant – Advanced rent payment to FSMC for the 15-year ground lease of the Marcy Nanocenter site by EDGE.</td>
</tr>
<tr>
<td>New York State Economic Development Assistance Program</td>
<td>W277</td>
<td>$1,300,000</td>
<td>November 19, 2009 ($10M was originally awarded to EDGE on September 19, 2008)</td>
<td>March 2013</td>
<td>Capital Grant – Design and construction of the 300mm wafer clean room for the Computer Chip Commercialization Center (“Quad C”).</td>
</tr>
<tr>
<td>Economic Transformation Program</td>
<td>X812</td>
<td>$15,000,000</td>
<td></td>
<td>December 2014</td>
<td>Capital Grant – Construction of the 253,000-square-foot Quad C.</td>
</tr>
<tr>
<td>State and Municipal Facilities Program</td>
<td>Y728</td>
<td>$20,000,000</td>
<td>January 2014</td>
<td>December 2014</td>
<td>Capital Grant – Purchase and install new advanced technology semiconductor packaging equipment and construction of the Quad C.</td>
</tr>
<tr>
<td>Buffalo Regional Innovation Cluster</td>
<td>Y365</td>
<td>$50,000,000</td>
<td>March 2014</td>
<td>December 2014</td>
<td>Capital Grant - Establish a $250 million shared pharmaceutical research and development facility known as the Buffalo Medical Innovation and Commercialization Hub (the “BMIC Hub”).</td>
</tr>
<tr>
<td>Buffalo Regional Innovation Cluster</td>
<td>Y962</td>
<td>$118,000,000</td>
<td>March 2014</td>
<td>December 2019</td>
<td>Capital Grant – Building design; and acquisition and installation of high-tech machinery and equipment for new High-Tech Mfg Hub.</td>
</tr>
</tbody>
</table>
B. Beneficiary – IBM

Industry: IBM, a multinational technology and consulting corporation, develops, manufactures, and sells advanced information processing products, including computers and microelectronic technology, software, networking systems and information technology-related services.

History: IBM, incorporated in 1911 and headquartered in Armonk, NY, has origins dating back to the Industrial Revolution when it began tabulating census data for the U.S. Census Bureau utilizing a punch card tabulating machine. In the mid-1970s, IBM developed the Universal Product Code (“UPC”), for embedding pricing and identification information on individual retail items. IBM entered homes, small businesses and schools in the early 1980’s with the creation of the IBM personal computer and later designed the world's first portfolio notebook and comprehensive analytics solutions for health systems, as well as laid the foundation for network computing and numerous other applications.

Ownership: IBM is publicly traded on the New York Stock Exchange.

Size: IBM was ranked by Fortune magazine in 2012 as the second largest U.S. firm in terms of the number of employees, with 100,000 in the United States and 435,000 in 170 countries.

Market: IBM’s customers are primarily businesses and scientific/technical users.

Past ESD Support: Since 2005, ESD’s Directors have approved $195,000,000 to IBM, as summarized below.

<table>
<thead>
<tr>
<th>Program</th>
<th>Project #</th>
<th>Amount</th>
<th>Jobs</th>
<th>Total Project Cost</th>
<th>Date Start (ESD Directors’ Approval date)</th>
<th>Date End (Project Completion: Contract Expiration or Job Requirement)</th>
<th>Purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td>Special Legislative Appropriation</td>
<td>T224</td>
<td>$130,000,000</td>
<td>6,600</td>
<td>$1,900,000,000</td>
<td>April 1, 2005 (taken back to the Board May 19, 2005)</td>
<td>June 2005</td>
<td>Capital Grant - Creation of a NanoFab facility in East Fishkill by IBM/other partners, creating the next generation 300mm semiconductors.</td>
</tr>
<tr>
<td>Program</td>
<td>Project #</td>
<td>Amount</td>
<td>Jobs</td>
<td>Total Project Cost</td>
<td>Date Start (ESD Directors’ Approval date)</td>
<td>Date End (Project Completion: Contract Expiration or Job Requirement)</td>
<td>Purpose</td>
</tr>
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<td>---------------------------------------------------------------------</td>
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</tr>
<tr>
<td>Investment Opportunity Fund</td>
<td>W285</td>
<td>$65,000,000</td>
<td>1,400</td>
<td>$1,500,000,000</td>
<td>September 18, 2008</td>
<td>October 2009</td>
<td>Capital Grant - Expand its nanotechnology R&amp;D and manufacturing activities in the form of substantial on-chip and off-chip related investments.</td>
</tr>
</tbody>
</table>

C. The Project

Completion: Earliest projected occupancy - November 2014

Activity: The $55 million project involves the purchase and build-out of approximately 100,000 square feet in the existing Key Center; and installation of proprietary software and IT equipment including specialized high-speed servers and super computers. FSMC will own the real estate and equipment, which will initially be used by IBM to create cutting-edge software for the energy, health and defense industries. However, given that the highly-specialized IT equipment is not readily accessible, it will be offered for use to other technology, genomics and molecular research and unspecified defense sector companies with a cost recovery fee.

Results: The project is anticipated to retain 3,100 jobs statewide and create 500 jobs by January 1, 2020. IBM will put an emphasis on recruiting software engineers and researcher graduates from WNY-area colleges and universities. The newly-created state-of-the art shared-user Buffalo IT Hub will facilitate research, development, innovation, invention, workforce training, and collaboration to drive innovations and promote the development of new IT advances, new products, and new software for the energy, health and defense industries. Additionally, IBM will become the first corporate technology member of the recently announced New York Genomic Medicine Center, a $100 million new partnership between a NY Genome Center in Manhattan and the University at Buffalo’s Center for Computational Research.
Business Investment Project: Benefit-Costs Evaluations are used in evaluating projects that are categorized as Business Investment, Infrastructure Investment, and Economic Growth Investment and that involve 1) job retention and/or creation and/or 2) construction-related activity. For Business Investment projects, benefits typically reflect the impact of both jobs and construction-related activity. For Infrastructure Investment and Economic Growth Investment projects, which generate long-term benefits not captured in the period of analysis and may involve no permanent job commitments, the estimated benefits typically reflect only construction-related activity.

Evaluated over a seven-year period, the following are anticipated project impacts (dollar values are present value):

- Fiscal benefits to NYS government from the project are estimated at $155,862,754;
- Fiscal cost to NYS government is estimated at $55,000,000;
- Project cost to NYS government per direct job is $32,184;
- Project cost to NYS government per job (direct plus indirect) is estimated at $19,465;
- Ratio of project fiscal benefits to costs to NYS government is 2.83:1;
- Fiscal benefits to all governments (state and local) are estimated at $272,032,248;
- Fiscal cost to all governments is $55,000,000;
- All government cost per direct job is $32,184;
- All government cost per total job is $19,465;
- The fiscal benefit to cost ratio for all governments is 4.95:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at $2,045,721,451, or $724,002 per job (direct and indirect);
- The economic benefit to cost ratio is 37.19:1;
- There is no project construction cost associated with this project;
- For every permanent direct job generated by this project, an additional 0.66 indirect job is anticipated in the state’s economy;
- The payback period for NYS costs is four years.

(See Project Summary Benefit-Cost Evaluation attached for detail and definitions.)

Grantee Contact: Ms. Alicia Dicks, President
100 Seymour Drive
Utica, NY 13502
Phone: (315) 792-7306
Beneficiary Contact: Mr. Michael Cadigan, General Manager  
IBM Microelectronics STG  
2070 Rte 52  
Hope Junction, NY 12533  
Phone: (845) 894-2121

ESD Project No.: Z254

Project Team:  
Origination: Christina Orsi  
Project Management: Jean Williams  
Legal: Stephen Gawlik  
Contractor & Supplier Diversity: Vikas Gera  
Finance: Ross Freeman  
Environmental: Soo Kang

D. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Company shall pay a commitment fee of 1% of the $55,000,000 capital grant ($550,000) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.

2. The Company will demonstrate no materially adverse changes in its financial condition prior to disbursement.

3. Up to $55 million will be disbursed to the Grantee in installments as follows:
   a) Equipment: Up to $40 million will be disbursed, no more frequently than monthly, for invoices due and payable for the acquisition and installation of equipment and software incurred by FSMC. Requisitions for payment after the initial disbursement must include supporting documentation for the previous disbursement, including proof of payment for previously submitted payable invoices. The Grantee shall submit proof of payment for the final equipment disbursement within ninety (90) days of ESD’s disbursement of these funds.
   b) Real Estate: Up to $15 million will be disbursed to the Grantee for the acquisition and renovation of a portion of Key Center. Specific terms of the disbursement will be outlined in the Grant Disbursement Agreement.

Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require and are contingent on completion of all project approvals and availability of funds. Expenditures reimbursed by ESD’s grant must be incurred on or after February 24, 2014, to be considered eligible project costs. All disbursements must be requested by April 1, 2020.
4. ESD may reallocate the project funds to another form of assistance, at an amount no greater than $55,000,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Company and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

IV. Statutory Basis – Buffalo Regional Innovation Cluster

The project was authorized in the 2013-2014 New York State budget and reappropriated in the 2014-2015 New York State Budget. No residential relocation is required as there are no families or individuals residing on the site.

V. Environmental Review

The SUNY CNSE, as lead agency, has completed an environmental review of the proposed project, pursuant to the requirements of the State Environmental Quality Review Act (“SEQRA”) and the implementing regulations of the New York State Department of Environmental Conservation. This review found the project to be an Unlisted Action, which would not have a significant effect on the environment. ESD staff reviewed the supporting materials and concurs. It is recommended that the Directors make a Determination of No Significant Effect on the Environment.

VI. Non-Discrimination and Contractor & Supplier Diversity

ESD’s Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Recipient shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women Business Enterprise (“MWBEs”) for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 30% related to the eligible categories totaling approximately $15,000,000. As such, the MWBE utilization shall be no less than $4,500,000. The overall MWBE participation goal shall include MBE participation of 15% ($2,250,000) and WBE participation of 15% ($2,250,000).

VII. ESD Employment Enforcement Policy

ESD’s Employment Enforcement Policy will not apply since the project will not directly create or retain jobs.

VIII. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.
IX. Additional Submissions to Directors

Resolutions
New York State Map
Project Finance Memorandum
Benefit-Cost Analysis
RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Fort Schuyler Management Corporation/Information Technologies Innovation and Commercialization Hub Capital – Buffalo Regional Innovation Cluster (Capital Grant) Project (the “Project”), the Corporation hereby determines pursuant to Section 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Fort Schuyler Management Corporation a grant for a total amount not to exceed Fifty-Five Million Dollars ($55,000,000) from the Buffalo Regional Innovation Cluster, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them
hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *
RESOLVED, that based on the materials submitted to the Directors with respect to the Fort Schuyler Management Corporation/Information Technologies Innovation and Commercialization Hub Capital – Buffalo Regional Innovation Cluster (Capital Grant) Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.
Project Summary
Benefit-Cost Evaluation¹

Fort Schuyler Management Corporation-IBM Capital – Business Investment

Benefit-Costs Evaluations are used in evaluating projects that are categorized as Business Investment, Infrastructure Investment, and Economic Growth Investment and that involve 1) job retention and/or creation and/or 2) construction-related activity. For Business Investment projects, benefits reported in the table below typically reflect the impact of both jobs and construction-related activity. For Infrastructure Investment and Economic Growth Investment projects, which generate long-term benefits not captured in the period of analysis and may involve no permanent job commitments, the table typically reflects only construction-related activity. Benchmarks for each type of project are noted in the footnotes.

<table>
<thead>
<tr>
<th>Evaluation Statistics</th>
<th>Project Results</th>
<th>NYS Gov’t. Benchmarks²</th>
<th>Project Results</th>
<th>State &amp; Local Government Benchmarks</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>NYS Gov’t.</td>
<td></td>
<td>State &amp; Local</td>
<td>Gov’t. Project Benchmarks2 State</td>
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<tr>
<td>Fiscal Costs³</td>
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<td>$794,250</td>
<td>$55,000,000</td>
<td>$1,020,500</td>
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<tr>
<td>Fiscal Benefits⁴</td>
<td>$155,862,754</td>
<td>$2,085,600</td>
<td>272,032,248</td>
<td>$4,271,980</td>
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<tr>
<td>Fiscal Cost /Direct Job</td>
<td>$32,184</td>
<td>$3,000</td>
<td>$32,184</td>
<td>$4,110</td>
</tr>
<tr>
<td>Fiscal Cost/Total Jobs</td>
<td>$19,465</td>
<td>$1,424</td>
<td>$19,465</td>
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<tr>
<td>Fiscal B/C Ratio</td>
<td>2.83</td>
<td>7.00</td>
<td>4.95</td>
<td>10.60</td>
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</table>

<table>
<thead>
<tr>
<th>Project Results</th>
<th>Benchmarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Economic Benefits⁵</td>
<td>$2,045,721,451</td>
</tr>
<tr>
<td>Econ. Benefits/Total Jobs</td>
<td>$724,002</td>
</tr>
<tr>
<td>Economic B/C Ratio</td>
<td>37.19</td>
</tr>
</tbody>
</table>

¹ Dollar values are present value calculated over a 7-year period. Separate evaluations are made and reported for New York State government assistance alone and for State and Local government.

² The current project evaluation results (both fiscal and economic) are compared to performance measure benchmarks based on results of a sample of ESD non-retail projects. Business Investment project benchmarks are 7.00 (Fiscal) and 75.00 (Economic). Infrastructure Investment (or Economic Growth Investment) project benchmarks are 3.00 (Fiscal) and 30.00 (Economic).

³ Fiscal cost includes the value of grants, loans and associated default risks, and discretionary subsidies (such as tax exemptions on abatements on sales, property, and interest income).

⁴ Fiscal benefits are the loan repayments and tax revenues to New York State and Local governments generated by project activity. This includes estimated taxes on personal incomes from project direct and indirect employment, corporate and business incomes, excise and user taxes, property taxes, and other taxes.

⁵ Economic benefits are estimated project benefits measuring fiscal flows to government plus net resident disposable income from project direct and indirect employment net of transfers, without adjusting for individual income earners’ opportunity cost of employment.
FOR CONSIDERATION
June 27, 2014

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Buffalo Billion Initiative – Buffalo (Western New York Region – Erie County) – Fort Schuyler Management Corporation/RiverBend Park Capital – Buffalo Regional Innovation Cluster (Capital Grant)

REQUEST FOR: Findings and Determinations Pursuant to Section and 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions; Determination of No Significant Effect on the Environment

General Project Plan

I. Project Summary

Grantee: Fort Schuyler Management Corporation (the “FSMC”) on behalf of the State University of New York (“SUNY”) College of Nanoscale Science and Engineering (the “CNSE”)

Beneficiary Companies: Soraa, Inc. (“Soraa”)  
Silevo, Inc. (“Silevo“)  
Additional Beneficiaries to be identified in the future

ESD* Investment: A grant of up to $107 million to be used as reimbursement for real estate acquisition, site and infrastructure development, and construction costs.

* The New York State Urban Development Corporation doing business as Empire State Development (“ESD” or the “Corporation”)

Project Location: 1339-1341 South Park Avenue, Buffalo, Erie County
Proposed Project: Establish the Buffalo High-Tech Manufacturing Innovation Hub at RiverBend Park (“RiverBend”).

Project Type: Business attraction

Regional Council: The Western New York (“WNY”) Regional Economic Development Council oversees the implementation of the Buffalo Billion Investment Development Plan. This project is part of Governor Cuomo’s Buffalo Billion Initiative to promote advanced technology, manufacturing and smart growth; increase highly-skilled jobs; and maintain and attract young people to the WNY Region.

Employment Goals: Initial employment at time of application to ESD: 0
Current employment level: 0
Minimum employment on January 1, 2020: 850*

* Employees will be on the Beneficiaries’ payroll including Soraa, Silevo and additional Beneficiaries to be identified in the future.

II. Project Cost and Financing Sources

<table>
<thead>
<tr>
<th>Financing Uses</th>
<th>Amount</th>
</tr>
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<tbody>
<tr>
<td>Real Estate Acquisition</td>
<td>$5,000,000</td>
</tr>
<tr>
<td>Site &amp; Infrastructure Development</td>
<td>70,000,000</td>
</tr>
<tr>
<td>Construction</td>
<td>$32,000,000</td>
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</table>

Total Project Costs $107,000,000

<table>
<thead>
<tr>
<th>Financing Sources</th>
<th>Amount</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>ESD – Grant</td>
<td>$107,000,000</td>
<td>100%</td>
</tr>
</tbody>
</table>

Total Project Financing $107,000,000 100%

III. Project Description

A. Grantee

Industry: Real Estate Development

Company History: Authorized by Chapter 530 of the Laws of 2010, FSMC was formed by the State University of New York Research Foundation, in partnership with the State University of New York Institute of Technology (“SUNYIT”) to facilitate nanotechnology and semiconductor development. FSMC is authorized to purchase, construct, develop and manage facilities co-
located with the SUNYIT educational campus at the SUNYIT Marcy Technology Complex as well as ground sub-lease the property west of Edic Road constituting the Marcy Nanocenter project to Mohawk Valley Economic Development Growth Enterprises (“EDGE”) to attract nanomanufacturing operations by a commercial partner.

The CNSE is a global education, research, development, and technology deployment resource dedicated to preparing the next generation of scientists and researchers in nanotechnology. Since its inception in 2004, it has been leveraging its resources in partnership with business and government to support accelerated high technology education and commercialization, and seeks to create jobs and economic growth for nanotechnology-related industries.

Ownership: The Grantee is a 501(c)(3) not-for-profit organization.

Market: Worldwide advanced technology industries

ESD Involvement: In November 2013, the Governor announced a $225 million award from the Buffalo Billion Initiative for RiverBend, a $1.7 billion public and private-sector partnership to convert a vacant former manufacturing site into a state-of-the-art hub campus for high-tech and green energy manufacturing businesses. RiverBend, which is strategically located in a newly-developed “smart growth” urban commerce park with multi-modal transportation opportunities, will serve as a building block of continued growth in advanced manufacturing, which is a primary focus of the WNY REDC. Initially, two California-based clean energy companies, Soraa and Silevo, will serve as the anchor tenants in the newly-constructed RiverBend complex by relocating major parts of their respective operations to Buffalo. It is expected that once fully constructed, RiverBend will house multiple industry-related companies. $118 million of the $225 million award was approved by ESD Directors in April 2014 and will reimburse FSMC for planning/design costs and machinery and equipment acquisition; this request represents the balance of $107 million to reimburse FSMC for the real estate acquisition, site and infrastructure development, and facility construction.
### Past ESD Support:

Over the past five years, funding to the Grantee is summarized as follows:

<table>
<thead>
<tr>
<th>Program</th>
<th>Project #</th>
<th>Amount</th>
<th>Date Start (ESD Directors’ Approval date)</th>
<th>Date End (Project Completion: Contract Expiration or Job Requirement)</th>
<th>Purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local Assistance</td>
<td>V062</td>
<td>$2,250,000</td>
<td>October 2009 ($4M was originally awarded to EDGE in May 2007)</td>
<td>May 2011</td>
<td>Working Capital Grant – Advanced rent payment to FSMC for the 15-year ground lease of the Marcy Nanocenter site by EDGE.</td>
</tr>
<tr>
<td>New York State Economic Development Assistance Program</td>
<td>W277</td>
<td>$1,300,000</td>
<td>November 2009 ($10M was originally awarded to EDGE in September 2008)</td>
<td>March 2013</td>
<td>Capital Grant – $1.3 M for design and construction of the 300mm wafer clean room for the Computer Chip Commercialization Center (“Quad C”).</td>
</tr>
<tr>
<td>Economic Transformation Program</td>
<td>X812</td>
<td>$15,000,000</td>
<td>November 2003</td>
<td>December 2014</td>
<td>Capital Grant – Construction of the 253,000-square-foot Quad C.</td>
</tr>
<tr>
<td>State and Municipal Facilities Program</td>
<td>Y728</td>
<td>$20,000,000</td>
<td>January 2014</td>
<td>December 2014</td>
<td>Capital Grant – Purchase and install new advanced technology semiconductor packaging equipment and construction of the Quad C.</td>
</tr>
<tr>
<td>Buffalo Regional Innovation Cluster</td>
<td>Y365</td>
<td>$50,000,000</td>
<td>March 2014</td>
<td>December 2019</td>
<td>Capital Grant – Real estate and equipment acquisition to establish the Buffalo Medical Innovation and Commercialization Hub.</td>
</tr>
<tr>
<td>Buffalo Regional Innovation Cluster</td>
<td>Y962</td>
<td>$118,000,000</td>
<td>March 2014</td>
<td>December 2019</td>
<td>Capital Grant – Design and planning costs and new machinery and equipment to establish the Buffalo High-Tech Manufacturing Innovation Hub at RiverBend Park.</td>
</tr>
</tbody>
</table>
B. Beneficiary – Soraa

Industry: Soraa is the only manufacturer of light-emitting diode (“LED”) products made from pure gallium nitride substrates (GaN on GaN™), which are up to one thousand times more precise than other LEDs.

History: The Company was formed in 2008 by a team of engineering and semiconductor industry professors to manufacture the new GaN on GaN™ technology.

Ownership: The Company is privately owned.

Size: Soraa has one location in Galeta, California.

Market: The Company markets GaN on GaN™ LED products worldwide primarily to the restaurant, retail, hospitality, homeowners, and museums with need for high-grade, brilliant lighting.

C. Beneficiary – Silevo

Industry: Silevo manufactures hybrid solar cells which convert solar energy into electricity, known as photovoltaic (“PV”) applications, ultimately used in high-performance, low-cost solar panels.

History: The Company was founded in Fremont, California in 2007.

Ownership: Silevo is privately owned.

Size: The Company has a headquarters and research and development facility in Fremont, California, with 35 people and a high-volume manufacturing facility in Hangzhou, China with approximately 165 employees.

Market: Silevo’s technology is utilized in industrial solar and semiconductor applications.

D. The Project

Completion: Real Estate Acquisition: July 2014
Facility Construction: As early as November 2015

Activity: The $107 million project involves real estate acquisition of approximately 88-acres of previously contaminated industrial property owned by the City of Buffalo; site and infrastructure improvements including remediation and preparation, installation of utilities, construction of
roads, parking, drainage, site lighting, landscaping, and pedestrian trails; followed by the construction of an approximate 280,000-square-foot, tenant-ready, LEED-certified facility.

In March 2014, ESD approved $118 million of funding for design and planning costs, and machinery and equipment. The $107 million requested for this project brings the combined investment to $225 million.

Soraa will relocate its corporate research and development (“R&D”) and manufacturing operations to RiverBend, investing $750 million for the build-out of 50,000-square-feet of space, including 35,000-square-feet of clean rooms. It will also acquire specialized equipment including lithography, deposition, inspection, etching, metallization, and wafer dicing equipment. It is anticipated that Soraa will employ or cause to employ through the recruitment of suppliers and associated companies, 375 jobs, including engineers, technicians, operators and maintenance and facilities staff.

RiverBend will be the home of Silevo’s first North American manufacturing operation, a 200 megawatt production facility. Silevo, will occupy 232,000-square-feet, including 212,000-square-feet for manufacturing and 20,000-square-feet for administration and business offices, and will invest $750 million in facility build-out and manufacturing equipment. The Silevo plant will focus on the manufacturing of its innovative hybrid solar module technology, Triex, as well as continuing R&D functions to achieve next generation improvements to remain competitive in the marketplace. Silevo is anticipated to employ or cause to employ through the recruitment of suppliers and associated companies, 475 jobs, including manufacturing engineers, operators, maintenance, and facility staff.

While Soraa and Silevo are now the anchor tenants, establishing operations in the initial 280,000-square-foot facility, it is expected that RiverBend will consist of at least six new structures which will be constructed over time to accommodate approximately 1,200 new manufacturing jobs in the field of biotech, high tech and green energy.

Results:

The project is anticipated to create 850 jobs by January 1, 2020, and establish Buffalo as a nexus for advanced research and manufacturing for clean energy technologies and attract businesses from around the world. The RiverBend project will promote smart growth by transforming a vacant manufacturing site in a distressed area that was previously owned by Republic Steel into a vibrant hub of technology. Additionally, the project will spur adjacent private-sector investment for consumables,
amenities, and services, increase demand for housing, and attract and retain people to the WNY Region by providing highly-skilled and unskilled employment options.

Business Investment Project: Benefit-Costs Evaluations are used in evaluating projects that are categorized as Business Investment, Infrastructure Investment, and Economic Growth Investment and that involve 1) job retention and/or creation and/or 2) construction-related activity. For Business Investment projects, benefits typically reflect the impact of both jobs and construction-related activity. For Infrastructure Investment and Economic Growth Investment projects, which generate long-term benefits not captured in the period of analysis and may involve no permanent job commitments, the estimated benefits typically reflect only construction-related activity.

Evaluated over a seven-year period, the following are anticipated project impacts (dollar values are present value):

- Fiscal benefits to NYS government from the project are estimated at $6,232,598;
- Fiscal cost to NYS government is estimated at $107,000,000;
- Ratio of project fiscal benefits to costs to NYS government is 0.06:1;
- Fiscal benefits to all governments (state and local) are estimated at $10,897,719;
- Fiscal cost to all governments is $107,000,000;
- The fiscal benefit to cost ratio for all governments is 0.10:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at $82,212,040;
- The economic benefit to cost ratio is 0.77:1;
- Project construction cost is $102,000,000, which is expected to generate 937 direct job years and 598 indirect job years of employment;
- For every construction-related direct job generated by this project, an additional 0.64 indirect job is anticipated in the state’s economy.

(See Project Summary Benefit-Cost Evaluation attached for detail and definitions.)

Grantee Contact: Ms. Alicia Dicks, President
100 Seymour Drive
Utica, NY 13502
Phone: (315) 792-7306
Soraa Contact:  Mr. Tom Caulfield, President and Chief Operating Officer  
6500 Kaiser Drive  
Fremont, CA 94555  
Phone: (510) 456-2200

Silevo Contact:  Mr. Jeff Osorio, Chief Financial Officer  
45655 Northport Loop East  
Fremont, CA 94538  
Phone: (510) 771-1360

ESD Project No.:  Z328

Project Team:  
Origination  Christina Orsi  
Project Management  Jean Williams  
Legal  Steve Gawlik  
Contractor & Supplier Diversity  Vikas Gera  
Finance  Ross Freeman  
Environmental  Soo Kang

E. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Company shall pay a commitment fee of 1% of the $107,000,000 capital grant ($1,070,000) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.

2. The Company will demonstrate no materially adverse changes in its financial condition prior to disbursement.

3. Up to $107 million will be disbursed to Grantee as follows:  
   a) Up to $5 million will be made upon presentation of an invoice and other documentation as ESD may require documenting the costs of the real estate acquisition. The disbursement will be made at the time of closing, assuming that all project approvals have been completed and funds are available, at a time and place agreed to by ESD. This disbursement will be available solely for real estate acquisition costs.  
   b) The balance of the ESD Investment will be disbursed to the Grantee, no more frequently than monthly, for invoices due and payable during the course of site and infrastructure development and facility construction, in compliance with ESD Design and Construction Requirements, assuming all project approvals have been completed and funds are available. Requisitions for payment after the initial disbursement must include supporting documentation for the previous disbursement, including proof of payment for previously submitted payable invoices. The final 10% of the grant will be disbursed upon completion of the facilities, as evidenced by certificates of completion/occupancy. The Grantee
shall submit proof of payment for the final disbursement within ninety (90) days of ESD’s disbursement of these funds.

Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenditures reimbursed by ESD’s grant must be incurred on or after June 1, 2013, to be considered eligible project costs. All disbursements must be requested by April 1, 2019.

4. ESD may reallocate the project funds to another form of assistance, at an amount no greater than $107 million, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Company and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

IV. Statutory Basis – Buffalo Regional Innovation Cluster

The project was authorized in the 2013-2014 New York State budget and reappropriated in the 2014-2015 New York State budget. No residential relocation is required as there are no families or individuals residing on the site.

V. Design and Construction

ESD's Design & Construction ("D &C") staff will review the Project Plan, Scope, Budget/Design Development Estimates and proposed Schedule & Bid Packages. D&C shall be apprised of progress throughout site development and building construction phases and receive a copy of Meeting Minutes/OAECM and periodic project status reports. D&C will visit the Project Location at its option, attend meetings, review payment requisitions and recommend payment when its requirements have been met per the Grant Disbursement Agreement.

VI. Environmental Review

The State University of New York College of Nanoscale Science and Engineering, as lead agency, has completed an environmental review of the proposed project, pursuant to the requirements of the State Environmental Quality Review Act ("SEQRA") and the implementing regulations of the New York State Department of Environmental Conservation. This review found the project to be a Type I Action, which would not have a significant effect on the environment. The lead agency issued a Negative Declaration on May 2, 2014. ESD staff reviewed the Negative Declaration and supporting materials and concurs. It is recommended that the Directors make a Determination of No Significant Effect on the Environment.

VII. Non-Discrimination and Contractor & Supplier Diversity

ESD’s Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Recipient shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women Business Enterprise (MWBEs) for any
contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 30%. The overall goal shall include a Minority Business Enterprise (“MBE”) Participation Goal of 20% and a Women Business Enterprise (“WBE”) Participation Goal of 10% related to the total value of ESD’s funding.

VIII. **Smart Growth Public Infrastructure Review**

Pursuant to the requirements of the State Smart Growth Public Infrastructure Policy Act (the “SG Act”), ESD’s Smart Growth Advisory Committee has reviewed a Smart Growth Impact Statement for the project and found that the project is consistent with the State Smart Growth Public Infrastructure Criteria (“Smart Growth Criteria”). The designee of the Chief Executive Officer of the Corporation has attested that the project, to the extent practicable, meets the relevant Smart Growth Criteria set forth in the SG Act.

IX. **ESD Employment Enforcement Policy**

ESD’s Employment Enforcement Policy will not apply since the project will not directly create or retain jobs.

X. **ESD Financial Assistance Subject to Availability of Funds and Additional Approval**

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

XI. **Additional Submissions to Directors**

- Resolutions
- New York State Map
- Project Finance Memorandum
- Benefit-Cost Analysis
RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Fort Schuyler Management Corporation/Riverbend Park Capital – Buffalo Regional Innovation Cluster (Capital Grant) Project (the “Project”), the Corporation hereby determines pursuant to Section 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Fort Schuyler Management Corporation a grant for a total amount not to exceed One Hundred Seven Million Dollars ($107,000,000) from the Buffalo Regional Innovation Cluster, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *
RESOLVED, that based on the material submitted to the Directors with respect to the Fort Schuyler Management Corporation/RiverBend Park Capital Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *
Benefit-Cost Evaluations are used in evaluating projects that are categorized as Business Investment, Infrastructure Investment, and Economic Growth Investment and that involve 1) job retention and/or creation and/or 2) construction-related activity. For Business Investment projects, benefits reported in the table below typically reflect the impact of both jobs and construction-related activity. For Infrastructure Investment and Economic Growth Investment projects, which generate long-term benefits not captured in the period of analysis and may involve no permanent job commitments, the table typically reflects only construction-related activity. Benchmarks for each type of project are noted in the footnotes.

### Construction Job Years (Direct): 937  
### Construction Job Years (Indirect): 598

<table>
<thead>
<tr>
<th>Evaluation Statistics</th>
<th>Project Results NYS Govt.</th>
<th>NYS Govt. Benchmarks for ESD Projects</th>
<th>Project Results State &amp; Local Governments</th>
<th>State &amp; Local Government Benchmarks for ESD Projects</th>
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<td>$1,020,500</td>
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<tr>
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</tr>
<tr>
<td>Fiscal B/C Ratio</td>
<td>0.06</td>
<td>7.00</td>
<td>0.10</td>
<td>10.60</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Evaluation Statistics</th>
<th>Project Results for ESD Projects</th>
</tr>
</thead>
<tbody>
<tr>
<td>Economic Benefits5</td>
<td>$82,212,040</td>
</tr>
</tbody>
</table>
| Economic B/C Ratio    | 0.77                             | 75.00

1 Dollar values are present value calculated over a 7-year period. Separate evaluations are made and reported for New York State government assistance alone and for State and Local government.

2 The current project evaluation results (both fiscal and economic) are compared to performance measure benchmarks based on results of a sample of ESD non-retail projects. Infrastructure Investment (or Economic Growth Investment) project benchmarks are 3.00 (Fiscal) and 30.00 (Economic).

3 Fiscal cost includes the value of grants, loans and associated default risks, and discretionary subsidies (such as tax exemptions or abatements on sales, property, and interest income).

4 Fiscal benefits are the loan repayments and tax revenues to New York State and Local governments generated by project activity. This includes estimated taxes on personal incomes from project direct and indirect employment, corporate and business incomes, excise and user taxes, property taxes, and other taxes.

5 Economic benefits are estimated project benefits measuring fiscal flows to government plus net resident disposable income from project direct and indirect employment net of transfers, without adjusting for individual income earners’ opportunity cost of employment.
FOR CONSIDERATION
June 27, 2014

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Yonkers (Mid-Hudson Region – Westchester County) – Kawasaki Rail Car Capital – Empire State Economic Development Fund – General Development Financing (Capital Grant)

REQUEST FOR: Findings and Determinations Pursuant to Sections 16-m and 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

General Project Plan

I. Project Summary

Grantee: Kawasaki Rail Car, Inc. ("Kawasaki" or the “Company”)

ESD* Investment: A grant of up to $500,000 to be used for a portion of the cost of building purchase.

* The New York State Urban Development Corporation doing business as Empire State Development (“ESD” or the “Corporation”)

Project Location: 29 Wells Avenue, Yonkers, Westchester County

Proposed Project: Purchase of the Company’s current leased manufacturing facility.

Project Type: Real estate acquisition involving job retention.

Regional Council: The Mid-Hudson Regional Council has been made aware of this item. The Incentive Proposal was accepted in March 2011, predating the Regional Council Initiative. The project is consistent with the Mid-Hudson Regional Plan to retain and stimulate manufacturing jobs in the region.
Employment: Initial employment at time of Application to ESD: 383  
Current employment level: 383  
Minimum employment through January 1, 2019: 375

II. Project Cost and Financing Sources

<table>
<thead>
<tr>
<th>Financing Uses</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Real Estate Acquisition and Related Costs</td>
<td>$25,812,674</td>
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<tr>
<td>Total Project Costs</td>
<td>$25,812,674</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Financing Sources</th>
<th>Amount</th>
<th>Percent</th>
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<tr>
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<td>Total Project Financing</td>
<td>$25,812,674</td>
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</tr>
</tbody>
</table>

III. Project Description

A. Company

Industry: Manufacturer of rail cars

Company History: Kawasaki Rail Car, Inc., is a market leader in manufacturing rail cars for all the major transit authorities in the United States, particularly in the New York/tri-state area. Kawasaki established its base operations in New York in the 1980s in the former Otis Elevator Company factory in Yonkers. Since then, the Company has over manufactured over 2,500 train cars.

Ownership: Kawasaki Heavy Industry is the parent company located in Japan. Kawasaki Rail Car, Inc. is a subsidiary of Kawasaki Motors Manufacturing ("KMM"), but is operated independent of KMM.

Size: The Company’s headquarters and manufacturing hub are located in Yonkers, NY. An additional manufacturing facility is located in Lincoln, Nebraska.

Market: Kawasaki currently holds 35% of market share for heavy rail in the US market. Its primary competitors are Bombardier, located in Plattsburg, NY, and Alstom, located in Hornell, NY. The Company’s major customers include New York City Transit, Long Island Rail Road, Metro North Rail Road, PATH, and Boston, Virginia, and Maryland transit agencies.
ESD Involvement: In 2001, the Company expanded its operations with a state-of-the-art rail car shell manufacturing facility in Lincoln, Nebraska. In October 2010, the Company considered leaving New York State and consolidating operations in Nebraska. Kawasaki approached ESD for assistance with purchasing its current leased facility in Yonkers, NY, instead. ESD offered Kawasaki a capital grant to assist with the purchase of the building to keep the Company in New York State. The Company accepted ESD’s Incentive Proposal in March 2011.

Competition: Lincoln, Nebraska

Past ESD Support: This is the Company’s first project with ESD.

B. The Project

Completion: May 2014

Activity: For several decades, Kawasaki has operated its U.S. corporate headquarters and manufacturing from its facility in Yonkers. Kawasaki had been leasing the space and has now completed the purchase of the 239,000-square-foot facility.

Results: The Company will retain 375 existing jobs.

Grantee Contact: Laura Alemzadeh, General Counsel
29 Wells Avenue, Building 4
Yonkers, NY 10701
Phone: (914) 376-4700 Ext. 4714

ESD Project No.: X246

Project Team: Origination Ryan McLeod
Project Management Javier Roman-Morales
Contractor & Supplier Diversity Denise Ross
Finance Ross Freeman
Environmental Soo Kang

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Company shall pay a commitment fee of 1% of the $500,000 capital grant ($5,000) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.

2. The Company will demonstrate no materially adverse changes in its financial condition prior to disbursement.
3. The Company will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the Company’s acceptance of ESD’s offer. Equity is defined as cash injected into the project by the Company or by investors, and should be auditable through Company financial statements or Company accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.

4. Prior to disbursement, the Company must employ at least the number of Full-time Permanent Employees set forth as the Baseline Employment in the table below. A Full-time Permanent Employee shall mean (a) a full-time, permanent, private-sector employee on the Grantee’s payroll, who has worked at the Project Location for a minimum of thirty-five hours per week for not less than four consecutive weeks and who is entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties; or (b) two part-time, permanent, private-sector employees on Grantee’s payroll, who have worked at the Project Location for a combined minimum of thirty-five hours per week for not less than four consecutive weeks and who are entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties.

5. Up to $500,000 will be disbursed to the Grantee in three installments as follows:
   a) an Initial Disbursement of an amount equal to 50% of the grant ($250,000) will be disbursed upon completion of the project substantially as described in these materials, as evidenced by a certificate of sale or other such documentation as ESD may require and documentation of the employment of at least 375 Full-time Permanent Employees at the Project Location, and submission of documentation verifying project expenditures of $25 million, assuming that all project approvals have been completed and funds are available;
   b) a Second Disbursement of 25% of an amount equal to the grant ($125,000) will be disbursed no sooner than 12 months after the date the Initial Disbursement was made, upon documentation of the employment of at least 375 Full-time Permanent Employees at the Project Location, provided Grantee is otherwise in compliance with program requirements;
   c) a Third Disbursement of an amount equal to 25% of the grant ($125,000) will be disbursed no sooner than 24 months after the date the Initial Disbursement was made, upon documentation of the employment of at least 375 Full-time Permanent Employees at the Project Location, provided Grantee is otherwise in compliance with program requirements.

Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses reimbursed by ESD’s grant must be incurred on or after March 4, 2011, to be considered eligible project costs. All disbursements must be requested by April 1, 2017.
6. ESD may reallocate the project funds to another form of assistance, at an amount no greater than $500,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Company and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

7. In consideration for the making of the Grant, Grantee will achieve the Employment Goals set forth in Column B of the table below. If the Full-time Permanent Employee Count for the year prior to the reporting date set forth in Column A of the table below is less than eighty-five percent (85%) of the Employment Goal set forth in Column B (an “Employment Shortfall”), then upon demand by ESD, Grantee shall be obligated to repay to ESD a portion of each disbursement of the Grant, as follows:

The Recapture Amount is based on the time that has lapsed between when the Grant funds were disbursed and when the Employment Shortfall occurred. The Recapture Amount shall be calculated by aggregating the Recapture Amount for each disbursement of the Grant, which in each instance shall be equal to:

(i) 100% of the disbursed amount if the Employment Shortfall occurred in the calendar year that the disbursement was made, or in the first full calendar year after the disbursement was made;
(ii) 80% of the disbursed amount if the Employment Shortfall occurred in the second full calendar year after the disbursement was made;
(iii) 60% of the disbursed amount if the Employment Shortfall occurred in the third full calendar year after the disbursement was made;
(iv) 40% of the disbursed amount if the Employment Shortfall occurred in the fourth full calendar year after the disbursement was made;
(v) 20% of the disbursed amount if the Employment Shortfall occurred in the fifth full calendar year after the disbursement was made.

The Grantee’s number of Full-time Permanent Employees shall be deemed to be the greater of the number as of the last payroll date in the month of December for such year or the average employment for the 12 month period computed by quarter.

<table>
<thead>
<tr>
<th>A</th>
<th>B</th>
</tr>
</thead>
<tbody>
<tr>
<td>Date</td>
<td>Employment Goals</td>
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<tr>
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<td>375</td>
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<td>February 1, 2016</td>
<td>375</td>
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<tr>
<td>February 1, 2017</td>
<td>375</td>
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<tr>
<td>February 1, 2018</td>
<td>375</td>
</tr>
<tr>
<td>February 1, 2019</td>
<td>375</td>
</tr>
</tbody>
</table>
IV. Statutory Basis

1. The proposed project would promote the economic health of New York State by facilitating the creation or retention of jobs or would increase activity within a municipality or region of the state or would enhance or help to maintain the economic viability of family farms. As a result of this project, the Company will maintain its employment level of 375 jobs.

2. The proposed project would be unlikely to take place in New York State without the requested assistance. Without ESD assistance, this project would likely have been relocated to an existing facility in Lincoln, Nebraska.

3. The project is reasonably likely to accomplish its stated objectives and the likely benefits of the project exceed costs. Benefit-Costs Evaluations are used in evaluating projects that are categorized as Business Investment, Infrastructure Investment, and Economic Growth Investment and that involve 1) job retention and/or creation and/or 2) construction-related activity. For Business Investment projects, benefits typically reflect the impact of both jobs and construction-related activity. For Infrastructure Investment and Economic Growth Investment projects, which generate long-term benefits not captured in the period of analysis and may involve no permanent job commitments, the estimated benefits typically reflect only construction-related activity.

Evaluated over a seven-year period, the following are anticipated project impacts (dollar values are present value):

- Fiscal benefits to NYS government from the project are estimated at $16,769,227;
- Fiscal cost to NYS government is estimated at $500,000;
- Project cost to NYS government per direct job is $1,718;
- Project cost to NYS government per job (direct plus indirect) is estimated at $995;
- Ratio of project fiscal benefits to costs to NYS government is 33.54:1;
- Fiscal benefits to all governments (state and local) are estimated at $29,374,095;
- Fiscal cost to all governments is $500,000;
- All government cost per direct job is $1,718;
- All government cost per total job is $995;
- The fiscal benefit to cost ratio for all governments is 58.75:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at $172,342,671, or $342,929 per job (direct and indirect);
- The economic benefit to cost ratio is 344.69:1;
- There is no construction activity related to this project;
- For every permanent direct job generated by this project, an additional 0.73 indirect jobs are anticipated in the state’s economy;
- The payback period for NYS costs is one year.

(See Project Summary Benefit-Cost Evaluation attached for detail and definitions.)

4. **The requirements of Section 10(g) of the Act are satisfied.**
   No residential relocation is required because there are no families or individuals residing on the site.

V. **Environmental Review**

ESD staff has determined that the project constitutes a Type II action as defined by the New York State Environmental Quality Review Act (“SEQRA”) and the implementing regulations of the New York State Department of Environmental Conservation. No further environmental review is required in connection with the project.

VI. **ESD Financial Assistance Subject to Availability of Funds and Additional Approval**

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

VII. **Additional Submissions to Directors**

Resolution
New York State Map
Project Photographs
Project Finance Memorandum
Benefit-Cost Analysis
Yonkers (Mid-Hudson Region – Westchester County) – Kawasaki Rail Car Capital – Empire State Economic Development Fund – General Development Financing (Capital Grant) – Findings and Determinations Pursuant to Sections 16-m and 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Kawasaki Rail Car Capital – Empire State Economic Development Fund – General Development Financing (Capital Grant) Project (the “Project”), the Corporation hereby determines pursuant to Sections 16-m and 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that

1. The proposed project would promote the economic health of New York State by facilitating the creation or retention of jobs or would increase activity within a municipality or region of the state or would enhance or help to maintain the economic viability of family farms;

2. The project would be unlikely to take place in New York State without the requested assistance;

3. The project is reasonably likely to accomplish its stated objectives and that the likely benefits of the project exceed costs;

4. There are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Kawasaki Rail Car, Inc. a grant for a total amount not to exceed Five Hundred Thousand Dollars ($500,000) from the Empire State Economic Development Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further
RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

* * *
FOR CONSIDERATION
June 27, 2014

TO: The Directors
FROM: Kenneth Adams
SUBJECT: Discretionary Projects Consent Calendar
REQUEST FOR: Findings and Determinations Pursuant to Sections 16-m and 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions; Determination of No Significant Effect on the Environment

Attached is a summary of the discretionary project requesting ESD assistance of $100,000 and under in the following category:

Empire State Economic Development Fund

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Proj #</th>
<th>Grantee</th>
<th>Assistance up to</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Development Financing Projects</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A Optimax Systems Capital</td>
<td>X380</td>
<td>Optimax Systems, Inc.</td>
<td>$100,000</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td></td>
<td>$100,000</td>
</tr>
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</table>

The provision of ESD* financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

*The New York State Urban Development Corporation doing business as the Empire State Development ("ESD" or the "Corporation")

Environmental Review

Unless otherwise noted on a project summary, ESD staff has determined that the projects constitute Type II actions as defined by the New York State Environmental Quality Review Act and the implementing regulations for the New York State Department of Environmental Conservation. No further environmental review is required in connection with the projects.
Office of Contractor and Supplier Diversity

Pursuant to New York State Executive Law Article 15-A, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of certified minority and women-owned businesses in the performance of ESD contracts. Accordingly, ESD’s Non-discrimination and Supplier Diversity policy will apply to the projects. In the case of training, global export market service and productivity improvement projects, the grantees and/or the beneficiary companies, as applicable, shall use their good faith efforts to provide for the meaningful participation of minorities and women in any job or training opportunities created by the projects and to solicit and utilize minority and women-owned businesses for any contractual opportunities generated in connection with the projects.

For all other projects, unless otherwise specified in the project summary, grantees shall use their good faith efforts to achieve an overall Minority and Women Business Enterprise (“MWBE”) Participation Goal of 23% related to the total value of ESD’s funding. This shall include a Minority Business Enterprise (“MBE”) Participation goal of 13% and a Women Business Enterprise (“WBE”) Participation goal of 10%. Grantee shall use good faith efforts to solicit and utilize MWBEs for any contractual opportunities generated in connection with the Project and to include minorities and women in any job opportunities created by the Projects.

Reallocation of Funds

ESD may reallocate each project’s funds to another form of assistance, at an amount no greater than the amount approved, for the same project if ESD determines that the reallocation of the assistance would better serve the needs of the recipient and the state of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

ESD Employment Enforcement Policy

Unless otherwise noted on a project summary, the ESD Employment Enforcement Policy will not apply because these projects do not directly create jobs.

ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.
Statutory Basis:

A. Empire State Economic Development Fund
   Please see individual project summaries for factual bases for items 1, 2, and 3.

1. Each proposed project would promote the economic health of New York State by facilitating the creation or retention of jobs or would increase activity within a municipality or region of the State or would enhance or help to maintain the economic viability of family farms.

2. Each proposed project would be unlikely to take place in New York State without the requested assistance.

3. Each proposed project is reasonably likely to accomplish its stated objectives and the likely benefits of the project exceed costs.

4. The requirements of Section 10(g) of the Act are satisfied.
   No residential relocation is required in connection with any project involving the acquisition, construction, reconstruction, rehabilitation, or improvement of property because no families or individuals reside on the sites.

Attachments
New York State Map
Resolutions
Project Summary
Empire State Economic Development Fund – Findings and Determinations Pursuant to Sections 16-m and 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Empire State Economic Development Fund Project identified below (the “Project”), the Corporation hereby determines pursuant to Section 16-m of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that

1. The Project would promote the economic health of New York State by facilitating the creation or retention of jobs or would increase activity within a municipality or region of the State or would enhance or help to maintain the economic viability of family farms.

2. The Project would be unlikely to take place in New York State without the requested assistance.

3. The Project is reasonably likely to accomplish its stated objectives and the likely benefits of the project exceed costs.

4. There are no families or individuals to be displaced from the project area(s); and be it further

RESOLVED, that with respect to the General Development Financing Capital Project, the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, are hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s), that no substantive negative testimony or comment has been received at the public hearings held on the Plan, such Plan shall be effective at the conclusion of such hearings, and that upon such written findings being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make a grant to the party and for the amount listed below from the Empire State Economic Development Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further
RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals;

**Empire State Economic Development Fund**

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Proj #</th>
<th>Grantee</th>
<th>Assistance up to</th>
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</thead>
<tbody>
<tr>
<td>General Development Financing Projects</td>
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<tr>
<td>A Optimax Systems Capital X380</td>
<td></td>
<td>Optimax Systems, Inc.</td>
<td>$100,000</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td></td>
<td>$100,000</td>
</tr>
</tbody>
</table>

and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *
**A. Optimax Systems Capital (X380)**

June 27, 2014

**General Project Plan**

**Grantee:** Optimax Systems, Inc. (“Optimax” or the “Company”)

**ESD Investment:** A grant of up to $100,000 to be used for a portion of the cost to purchase machinery and equipment.

**Project Location:** 6367 Dean Parkway, Ontario, Wayne County

**Proposed Project:** Facility expansion and purchase of machinery and equipment for line to meet increasing customer demand and technical fabrication standards.

**Project Type:** Business expansion involving job retention and creation.

**Regional Council:** The Finger Lakes Regional Council has been made aware of this item. The Incentive Proposal was accepted in April 2011, predating the Regional Council Initiative. The project is consistent with the Regional Plan’s goals to support optics and imaging, a key industry cluster.

**Employment:**

- Initial employment at time of ESD Incentive Proposal: 150
- Current employment level: 197
- Minimum employment on January 1, 2016: 216

**Background:**

**Industry** - Optimax manufactures precision optical products.

**Company History** - Formed in 1991, Optimax has grown to become a leader for high precision, customer-driven optics fabrication in North America. It is viewed by the industry as a company that can produce high precision optics in short time cycles. Optimax was named one of Rochester’s Top Workplaces in 2014, and has participated in Presidential panels on workforce development. Its owners, Mike Mandina and Rick Plympton, were named the NYS Small Business Persons of the Year in 2012.

**Ownership** - The Company is privately owned.

**Size** - All facilities are located in Ontario, NY.

**Market** - Optimax manufactures spherical, aspheric, cylindrical, and prism type optics, primarily for the semiconductor, defense, energy, and medical industries.

In addition, Optimax contracts with the federal Government to perform research under the Small Business Innovation Research program for the Department of Defense and
A. Optimax Systems Capital (X380)
June 27, 2014

NASA. As a result of the federal budget sequester and reduction in defense department spending, there is an imperative for Optimax to produce high quality at lower costs. Its competitors include JML Optical, Newport Corporation, L-3 SSG Tinsley, and Jenoptik Optical Systems, Inc.

ESD Involvement - As a recognized leader in the optics industry, Optimax has been courted for relocation by other states including North Carolina, Ohio, Indiana, Pennsylvania, and Texas. In order to reduce costs and make its facility-expansion project feasible in New York, the Company approached ESD for financial assistance. ESD offered a $100,000 capital grant, which the Company accepted in April 2011. ESD funding was critical to offset the higher cost of doing business and reduction in defense-related contracts.

Competition – NC, OH, IN, PA, and TX

Past ESD Support - This is the Company’s first project with ESD. Optimax Systems is certified in the Wayne County Empire Zone effective June 14, 2010, and has reported using $293,702 in zone benefits per its Business Annual Reports 2010–2012.

The Project:

Completion – December 2013.

Activity - The Company has completed the construction of a 20,000-square-foot addition to its facility. Construction began in the spring of 2011 and was substantially complete by the end of 2011. As a result of long lead times, purchased equipment was delivered throughout 2012 and 2013. Optimax continues to invest heavily in equipment and training.

Results – The Company will retain 150 existing jobs and create 66 new jobs. The Company has already created 47 new jobs.
A. Optimax Systems Capital (X380)
June 27, 2014

<table>
<thead>
<tr>
<th>Financing Uses</th>
<th>Amount</th>
<th>Financing Sources</th>
<th>Amount</th>
<th>Percent</th>
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</thead>
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<tr>
<td>Land</td>
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<td>ESD - Grant</td>
<td>$100,000</td>
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<td>Total Project Cost</td>
<td>$9,880,792</td>
<td>Total Project Financing</td>
<td>$9,880,792</td>
<td>100%</td>
</tr>
</tbody>
</table>

1Total M&T Bank assistance ($4,731,531) consists of four loans, as follows:
   $1,434,000 for building – Terms: 4.04%, 15 yrs., 1st on RE
   $1,472,531 capital lease for HVAC – Terms: 4.66%, 7 yrs., 1st on specific M&E
   $1,175,000 for building (with SBA guarantee) – Terms: 4.24%, 15 yrs., 2nd on RE
   $650,000 for equipment – Terms: 3.4%, 5 yrs., 1st on M&E

2Wayne County Industrial Development Agency – Terms: 3.75%, 10 yrs., 3rd on RE

3Terms: Libor + 2%, 7 yrs., 1st on specific M&E

4Terms: 4.4%, 5 yrs., 1st on specific M&E

Grantee Contact - Tom Kelly, CFO
6367 Dean Parkway
Ontario, NY 14620
Phone: (585) 217-0729

Project Team -
Origation
Project Management
Contractor & Supplier Diversity
Environmental
Helen Blum
Edward Muszynski
Elizabeth Gocs
Soo Kang

Financial Terms and Conditions:

1. Upon execution of the grant disbursement agreement, the Company shall pay a commitment fee of 1% of the $100,000 ($1,000) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.

2. The Company will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.

3. The Company will be required to contribute at least 10% of the total project cost in the form of equity contributed after the Company’s written acceptance of ESD’s offer.
A. Optimax Systems Capital (X380)
June 27, 2014

Equity is defined as cash injected into the project by the Company or by investors, and should be auditable through Company financial statements or Company accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.

4. Prior to disbursement, the Company must employ at least the number of Full-time Permanent Employees set forth as the Baseline Employment in the table below. A Full-time Permanent Employee shall mean (a) a full-time, permanent, private-sector employee on the Grantee’s payroll, who has worked at the Project Location for a minimum of thirty-five hours per week for not less than four consecutive weeks and who is entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties; or (b) two part-time, permanent, private-sector employees on Grantee’s payroll, who have worked at the Project Location for a combined minimum of thirty-five hours per week for not less than four consecutive weeks and who are entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties.

5. Up to $100,000 will be disbursed to the Grantee in three installments as follows:
   a) an Initial Disbursement of an amount equal to 50% of the grant ($50,000) upon documentation of real estate, construction and machinery/equipment project costs totaling at least $9.3 million, and documentation of the employment of at least 170 Full-time Permanent Employees at the Project Location (Employment Increment of 20), assuming that all project approvals have been completed and funds are available;
   b) a Second Disbursement of an amount equal to 25% of the grant ($25,000) will be disbursed upon documentation of the employment of at least 193 Full-time Permanent Employees at the Project Location (Employment Increment of 23), provided Grantee is otherwise in compliance with program requirements;
   c) a Third Disbursement of an amount equal to 25% of the grant ($25,000) will be disbursed upon documentation of the employment of at least 216 Full-time Permanent Employees at the Project Location (Employment Increment of 23), provided Grantee is otherwise in compliance with program requirements.

Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses must be incurred on or after April 19, 2011, to be considered eligible project costs. All disbursements must be requested by April 1, 2016.

6. ESD may reallocate the project funds to another form of assistance, at an amount no greater than $100,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Company and the State of New York. In
A. Optimax Systems Capital (X380)  
June 27, 2014

no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

8. In consideration for the making of the Grant, Grantee will achieve the Employment Goals set forth in Column B of the table below. If the Full-time Permanent Employee Count for the year prior to the reporting date set forth in Column A of the table below is less than eighty-five percent (85%) of the Employment Goal set forth in Column B (an “Employment Shortfall”), then upon demand by ESD, Grantee shall be obligated to repay to ESD a portion of each disbursement of the Grant, as follows:

The Recapture Amount is based on the time that has lapsed between when the Grant funds were disbursed and when the Employment Shortfall occurred. The Recapture Amount shall be calculated by aggregating the Recapture Amount for each disbursement of the Grant, which in each instance shall be equal to:

(i) 100% of the disbursed amount if the Employment Shortfall occurred in the calendar year that the disbursement was made, or in the first full calendar year after the disbursement was made;
(ii) 80% of the disbursed amount if the Employment Shortfall occurred in the second full calendar year after the disbursement was made;
(iii) 60% of the disbursed amount if the Employment Shortfall occurred in the third full calendar year after the disbursement was made;
(iv) 40% of the disbursed amount if the Employment Shortfall occurred in the fourth full calendar year after the disbursement was made;
(v) 20% of the disbursed amount if the Employment Shortfall occurred in the fifth full calendar year after the disbursement was made.

The Grantee’s number of Full-time Permanent Employees shall be deemed to be the greater of the number as of the last payroll date in the month of December for such year or the average employment for the 12 month period computed by quarter.
### A. Optimax Systems Capital (X380)

**June 27, 2014**

<table>
<thead>
<tr>
<th>Baseline Employment</th>
<th>150</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>A</th>
<th>B</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reporting Date</td>
<td>Employment Goals</td>
</tr>
<tr>
<td>February 1, 2015</td>
<td>150+X+Y+Z</td>
</tr>
<tr>
<td>February 1, 2016</td>
<td>150+X+Y+Z</td>
</tr>
<tr>
<td>February 1, 2017</td>
<td>150+X+Y+Z</td>
</tr>
<tr>
<td>February 1, 2018</td>
<td>150+X+Y+Z</td>
</tr>
</tbody>
</table>

X = Grantee's Employment Increment that will be the basis of the First Disbursement of the Grant as described in section 5 above (i.e. X=20, and Employment Goals shall equal [150 + X = 170] if the First Disbursement is made, in the year such disbursement is made and for each year thereafter). If the First Disbursement has not yet been made then X=0.

Y = Grantee's Employment Increment that will be the basis of the Second Disbursement of the Grant as described in section 5 above (i.e. Y=#, and Employment Goals shall equal [150 + X + Y = 193] if the Second Disbursement is made, in the year such disbursement is made and for each year thereafter). If the Second Disbursement has not yet been made then Y=0.

Z = Grantee’s Employment Increment that will be the basis of the Third Disbursement of the Grant as described in section 5 above (i.e. Z=23, and Employment Goals shall equal [150 + X + Y + Z = 216] if the Third Disbursement is made, in the year such disbursement is made and for each year thereafter). If the Third Disbursement has not yet been made then Z=0.

**Environmental Review:**

The Town of Ontario Planning Board, as lead agency, has completed an environmental review of the proposed project, pursuant to the requirements of the State Environmental Quality Review Act (“SEQRA”) and the implementing regulations of the New York State Department of Environmental Conservation. This review found the project to be an Unlisted Action, which would not have a significant effect on the environment. The lead agency issued a Negative Declaration on February 8, 2011. ESD staff reviewed the Negative Declaration and supporting materials and concurs. It is recommended that the Directors make a Determination of No Significant Effect on the Environment.

**Non-Discrimination and Contractor & Supplier Diversity:**

ESD’s Non-discrimination and Contractor & Supplier Diversity policy will apply to the Project. The Company was encouraged to use its best efforts to include minorities and women in any job opportunities created by the Project, and to solicit and utilize Minority- and Women-owned Business Enterprises for any contractual opportunities generated in connection with the Project.
Statutory Basis – Empire State Economic Development Fund:

1. The project would promote the economic health of New York State by facilitating the creation or retention of jobs or would increase activity within a municipality or region of the State or would enhance or help to maintain the economic viability of family farms. As a result of this project, the Company will maintain its employment level of 150 and create 66 new jobs.

2. The project would be unlikely to take place in New York State without the requested assistance. Without ESD assistance to lower costs, the project would not have feasible in New York on the scale that Optimax needed to carry out.

3. The project is reasonably likely to accomplish its stated objectives and the likely benefits of the project exceed costs. Evaluated over a seven-year period, project fiscal benefits to New York State government are expected to be $2,563,703, which exceed the cost to the State.

4. The requirements of Section 10(g) of the Act are satisfied. See cover memo.
RESOLVED, that based on the material submitted to the Directors with respect to the Optimax Systems Capital Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *
FOR CONSIDERATION
June 27, 2014

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Regional Council Award – Priority Project – Rochester (Finger Lakes Region – Monroe County) – Health Sciences Center for Computational Innovation Capital – Regional Council Capital Fund (Capital Grant)

REQUEST FOR: Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

General Project Plan

I. Project Summary

Grantee: University of Rochester (“UR” or the “University”)

Beneficiary Company: International Business Machines (“IBM” or the “Company”)

ESD* Investment: A grant of up to $5,000,000 to be used for a portion of the cost of computer hardware and software, related equipment, and building renovations to UR’s off-campus data center and a visualization center.

* The New York State Urban Development Corporation doing business as Empire State Development “ESD” or the “Corporation”)

Project Locations: 300 Science Parkway (Data Research Center), Rochester, Monroe County
160 Trustee Road (Visualization Center), Rochester, Monroe County

Proposed Project: Facility improvements and installation of new generation supercomputing at the University’s off-campus data center and its on-campus visualization center and ongoing research collaboration with IBM

Project Type: Industry-university collaboration
Regional Council: The Health Sciences Center for Computational Innovation ("HSCCI") has been designated a Priority Project by the Finger Lakes Regional Economic Development Council and unanimously endorsed by two of its work groups, Advanced Healthcare and Life Sciences, as a top priority. The president of the University of Rochester is co-chair of the 21-member Finger Lakes Regional Economic Development Council. In conformance with the State’s policy, this individual has recused himself on votes recommending this project. The Council includes 14 additional, ex-officio members who are elected officials but cannot vote on individual project recommendations.

II. Project Cost and Financing Sources

<table>
<thead>
<tr>
<th>Financing Uses</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Computer Hardware &amp; Software</td>
<td>$6,200,000</td>
</tr>
<tr>
<td>Program/Research/Operational Support</td>
<td>3,820,000</td>
</tr>
<tr>
<td>Visualization Center Construction/Renovation</td>
<td>780,000</td>
</tr>
<tr>
<td>Visualization Hardware &amp; Software</td>
<td>600,000</td>
</tr>
<tr>
<td>Data Center Renovations/Equipment</td>
<td>500,000</td>
</tr>
<tr>
<td>Architecture/Engineering</td>
<td>100,000</td>
</tr>
</tbody>
</table>

Total Project Costs  $12,000,000

<table>
<thead>
<tr>
<th>Financing Sources</th>
<th>Amount</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>ESD – Grant</td>
<td>$5,000,000</td>
<td>42%</td>
</tr>
<tr>
<td>IBM</td>
<td>5,000,000</td>
<td>42%</td>
</tr>
<tr>
<td>Grantee Equity</td>
<td>2,000,000</td>
<td>16%</td>
</tr>
</tbody>
</table>

Total Project Financing $12,000,000 100%

III. Project Description

A. Grantee

Industry: The University of Rochester, IBM, and New York State (the “State”) are partnering to create the Health Sciences Center for Computational Innovation, resulting in one of the world’s most powerful supercomputing systems dedicated to health research.

Healthcare stands at the threshold of a new era. Decades of breakthroughs have been made in genomics, proteomics (the study of proteins), and molecular biology, technologies such as advanced health imaging systems and real-time sensors, and the accumulation of highly detailed demographic information. This progress has the potential to give scientists unprecedented
insights into human health. However, efforts to interpret this data have often lacked the computing resources or software tools powerful enough to analyze fully the volume of data generated.

**History:**

Formed in 1850, the University of Rochester is an institution of higher education, research and health care chartered by the State Board of Regents. Combined with its medical center and hospital, the University is the largest employer in the Finger Lakes Region, with the equivalent of over 22,000 full-time jobs as of December 2013. UR’s Medical Center (“URMC”), the region’s largest acute care facility, comprises the majority of those jobs with approximately 18,456 full-time equivalent employees. UR’s research represents a source of innovation and new technologies that can be harnessed for commercial potential. The University has a strong track record of helping convert its discoveries into commercial ventures. For the past several years, UR has been among the top 15 universities in the nation in terms of the royalty revenue it receives from its licensed technologies. As of October 2013, the University of Rochester has created 49 start-up companies, holds more than 440 U.S. and foreign patents, and has more than 140 licensing agreements for its technologies.

**Ownership:**

UR is a private university.

**Size:**

UR’s educational and main medical facilities are located in Rochester, NY. Other medical facilities are located throughout the Finger Lakes region.

**Market:**

For this project, UR’s market focus is supercomputing for health research.

**ESD Involvement:**

As a result of the Governor’s Regional Economic Development Council initiative, UR was awarded $5,000,000 through the 2013 Consolidated Funding Application (“CFA”) process. HSCCI will position Upstate New York as a hub of innovation and technology in health care. This is IBM’s first joint venture with a major U.S. research institution in advanced biomedical research and represents a significant new potential market for its products and services. This partnership is expected to advance medical knowledge and innovation to improve the quality, delivery and cost-effectiveness of health care and spur significant regional economic growth.

The Year 2 grant allows the University to expand this powerful computing environment by adding BlueHive 2, a next generation Linux cluster that extends the computing and analytics environment for researchers. Also part of the project is an “interactive collaboratory” called the Visualization Center, located on UR’s campus, where discoveries and work can be demonstrated and discussed with colleagues and students.

In recognizing that supercomputing holds the potential to open new doors of inquiry for scientists to analyze huge volumes of data and create complex
models and simulations not previously possible, the State wants to be in the forefront of this new wave. The previous grant (Year 1) provided funding for IBM’s Blue Gene/Q, which has a peak performance of 209 teraflops – meaning it can make 209 trillion calculations per second. Additionally, it is the world’s most energy-efficient computer, delivering computations with relatively minimal amount of electrical consumption. ESD funding is critical to leveraging resources to support HSCCI and to position the State as an international center for biomedical research, to facilitate industry collaborations and to create jobs. HSCCI will serve as a powerful resource for the State and foster greater connection and collaboration with industry and academia.

Competition: Other research university-industry collaborations in the U.S. and globally.

Past ESD Support: Funding for the past five years to the Grantee is summarized in the following chart:

<table>
<thead>
<tr>
<th>Program</th>
<th>Project #</th>
<th>Amount</th>
<th>Date Start (ESD Directors’ Approval date)</th>
<th>Date End (Project Completion: Contract Expiration)</th>
<th>Purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td>Upstate City-by-City</td>
<td>W424</td>
<td>$25,000,000</td>
<td>December 17, 2008</td>
<td>2013 (Disbursed)</td>
<td>Construction of medical research building.</td>
</tr>
<tr>
<td>Community Projects Fund</td>
<td>X308</td>
<td>$2,000,000</td>
<td>December 16, 2010</td>
<td>2025 (Partially Disbursed)</td>
<td>Upstate Regional Seed Fund</td>
</tr>
<tr>
<td>Economic Development Purposes Fund</td>
<td>X807</td>
<td>$3,300,000</td>
<td>December 20, 2012</td>
<td>2013 (Disbursed)</td>
<td>Phase I of Health Research Supercomputing Center</td>
</tr>
<tr>
<td>Regional Council Capital Fund</td>
<td>X861</td>
<td>$1,700,000</td>
<td>December 20, 2012</td>
<td>2013 (Disbursed)</td>
<td>Phase I of Health Research Supercomputing Center</td>
</tr>
</tbody>
</table>

B. Beneficiary – IBM

Industry: IBM, a multinational technology and consulting corporation, develops, manufactures, and sells advanced information processing products, including computers and microelectronic technology, software, networking systems and information technology-related services.
History: IBM, incorporated in 1911 and headquartered in Armonk, NY, has origins dating back to the Industrial Revolution when it began tabulating census data for the U.S. Census Bureau utilizing a punch card tabulating machine. In the mid-1970s, IBM developed the Universal Product Code (“UPC”), for embedding pricing and identification information on individual retail items. IBM expanded its market to homes, small businesses and schools in the early 1980s with the creation of the IBM personal computer and later designed the world's first portfolio notebook and comprehensive analytics solutions for health systems, as well as laid the foundation for network computing and numerous other applications.

Ownership: IBM is publicly traded on the New York Stock Exchange.

Size: IBM was ranked by Fortune magazine in 2012 as the second largest U.S. firm in terms of the number of employees, with 100,000 in the United States and 435,000 in 170 countries.

Market: IBM’s customers are primarily businesses and scientific/technical users.

Past ESD Support: Since 2005, ESD’s Directors have approved $195,000,000 to IBM, as summarized below.

<table>
<thead>
<tr>
<th>Program</th>
<th>Project #</th>
<th>Amount</th>
<th>Jobs</th>
<th>Total Project Cost</th>
<th>Date Start (ESD Directors’ Approval date)</th>
<th>Date End (Project Completion: Contract Expiration or Job Requirement)</th>
<th>Purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td>Special Legislative Appropriation</td>
<td>T224</td>
<td>$130,000,000</td>
<td>6,600</td>
<td>$1,900,000,000</td>
<td>April 1, 2005 (taken back to the Board May 19, 2005)</td>
<td>June 2005</td>
<td>Capital Grant - The creation of a NanoFab facility in East Fishkill by IBM and other partners. The facility created the next generation of 300mm semiconductors.</td>
</tr>
<tr>
<td>Investment Opportunity Fund</td>
<td>W285</td>
<td>$65,000,000</td>
<td>1,400</td>
<td>$1,500,000,000</td>
<td>September 18, 2008</td>
<td>October 2009</td>
<td>Capital Grant - Expand its nanotechnology R&amp;D and manufacturing activities in the form of substantial on-chip and off-chip related investments.</td>
</tr>
</tbody>
</table>

IBM is also a beneficiary for a project being presented to the Directors today, a $25 million grant to Fort Schuyler Management Corporation on behalf of the SUNY College of Nanoscale Science and Engineering to be used to equip
the Buffalo Information Innovation Hub, a high-end software development center.

C. The Project

Completion: Substantial completion in June 2014.

Activity: The Research Data Center (the “RDC”) is located in the University’s 23,000-square-foot state-of-the-art data center, at the City of Rochester’s Science Park, near the University campus. The facilities (a 7,500-square-foot production data center and a 677-square-foot research data center) incorporate best practices in data center design, management and sustainability. Collectively, the 8,177-square-foot raised floor areas optimize airflow and heat dissipation allowing the computing equipment to run more efficiently; an air cooled economizer that takes advantage of the area’s moderate climate; an energy-efficient water-cooling recirculating loop, a high R-value thermal reflective roof; low wattage, high efficiency lighting that reduces electrical costs and heat loads; and an automated building management system to optimize energy use.

In Fall 2013, ESD assistance was used to fund power and cooling enhancements to the RDC to provide the necessary infrastructure for the next-generation of research computing equipment. In January 2014, the University of Rochester took delivery of its next-generation Linux cluster (“BlueHive 2”), which provides approximately 190 teraflops of computing capacity (a teraflop is a trillion calculations per second). Although slower at raw computation that the Blue Gene/Q (209 teraflops) the BlueHive 2 adds data analytics capabilities to the researcher’s portfolio since it has a higher memory density per CPU core (vs. the Blue Gene/Q). The new Linux cluster also provides more memory to do searches, alignments, and sorting operations in numbers and text.

UR also constructed a 1,000-square-foot visualization center called the Collaboratory that is equipped with a large, interactive, tiled-display wall to render massive datasets in real time. The display wall consists of 24 46-inch displays, arranged in a curved 4 x 6 matrix. The Collaboratory is located in the Carlson Library on UR’s campus and is connected to supercomputers in the RDC over a dedicated high-speed optical network. The 20’ x 8’ display wall provides a 50 megapixel resolution for static and dynamic visual content and is driven by a clustered GPU rendering system. This visualization center is used by faculty researchers to visualize and analyze complex data instantaneously and collaboratively with colleagues and students.

Results: The project builds upon a collaboration established through IBM’s $3 million IBM Shared University Research grant (“SUR”) to UR in January 2009 providing the University with an initial Blue Gene system and the project recently completed that was partially funded through ESD’s HSCCI Phase I
Grant. These grants have fostered collaboration between UR and IBM researchers. To date, more than 100 principal investigators have been awarded a total of $307 million in research funding relying in part upon high performance computation during the past three years and more than 650 faculty, students, and research staff from more than 40 departments support computational and data-intensive research activities.

HSCCI research includes developing complex models of the human immune system to help predict severe disease after respiratory virus infections, anticipate pandemic outbreaks, and design of more effective vaccines. The University’s scientists are developing experimental therapies for HIV, better ways to understand and prevent brain injuries, and the next generation of antibiotics. IBM and UR are also collaborating on computer-generated heart simulation to understand better which drugs may cause lethal disruptions of the heart’s electrical activity. Additionally, there are capabilities for interdisciplinary research in other core areas at the University, including energy, environment and nanotechnology.

Building upon the success of the HSCCI, in October 2013, UR committed $50 million to creation of a new Institute for Data Science (the “Institute”), on top of over $50 million previously dedicated. This is a top University priority for the University's 2013-18 strategic plan and includes a new, $25 million, 50,000-square-foot state-of-the-art facility that will be home for the Institute and the newly New York State-designated Center of Excellence for Data Science.

The University will build upon existing University collaborations with companies such as Xerox and IBM to create the nation’s most advanced high performance computing health research center. Additionally, the Center will stimulate regional economic activity by generating innovative new technologies that can be spun off into commercial ventures and make the region attractive for relocation of existing companies.

**Economic Growth Investment Project:** Benefit-Cost Evaluations are used in evaluating projects that are categorized as Business Investment, Infrastructure Investment and Economic Growth Investment and that involve 1) job retention and/or creation and/or 2) construction-related activity. For Business Investment projects, benefits typically reflect the impact of both jobs and construction-related activity. For Infrastructure Investment and Economic Growth Investment projects, which generate long-term benefits not captured in the period of analysis and may involve no permanent job commitments, the estimated benefits typically reflect only construction-related activity.

Evaluated over a seven-year period, the following are anticipated project impacts (dollar values are present value):
Fiscal benefits to NYS government from the project are estimated at $212,766;
Fiscal cost to NYS government is estimated at $10,304,500;
Ratio of project fiscal benefits to costs to NYS government is 0.02:1;
Fiscal benefits to all governments (state and local) are estimated at $359,979;
Fiscal cost to all governments is $10,304,500;
The fiscal benefit to cost ratio for all governments is 0.03:1;
Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at $1,913,562;
The economic benefit to cost ratio is 0.19:1;
Project construction cost is $1,180,000, which is expected to generate 27 direct job years and 20 indirect job years of employment;
For every construction-related direct job generated by this project, an additional 0.72 indirect job is anticipated in the state’s economy.

See Project Summary Benefit-Cost Evaluation (attached) for detail and definitions.

Grantee Contact: David J. Topham, Ph.D., Vice Provost and Executive Director, Health Sciences Center for Computational Innovation
School of Medicine and Dentistry
601 Elmwood Avenue, Box 609
Rochester, NY 14642
Phone: (585) 273-1400

Beneficiary Contact: Onofrio Pirrotta
NYS Client Unit Executive
80 State Street
Albany, NY 12207
Phone/Fax: (518) 487-6108

ESD Project Nos.: Y252

Project Team:
Origination
Project Management
Contractor & Supplier Diversity
Finance
Environmental
Kevin Hurley
Edward Muszynski
Elizabeth Gocs
John Bozek
Soo Kang
D. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreements, the Grantee shall pay a commitment fee of 1% of the $5,000,000 capital grant ($50,000) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.

2. The Grantee will demonstrate no materially adverse changes in its financial condition prior to disbursement.

3. The Grantee will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the Grantee’s acceptance of ESD’s offer. Equity is defined as cash injected into the project by the Grantee or by investors, and should be auditable through Grantee’s financial statements or accounts, if so requested by ESD.

4. Up to $5,000,000 will be disbursed to Grantee upon documentation of project costs totaling approximately $12,000,000 as described in these materials, as evidenced by a certificate of occupancy, assuming that all project approvals have been completed and funds are available. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses reimbursed by ESD must be incurred on or after April 12, 2013, to be considered eligible project costs.

5. ESD may reallocate the project funds to another form of assistance, at an amount no greater than $5,000,000 for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Grantee and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

6. Grant funds will be subject to pro rata recapture if the property at the Data Research Center, at 300 Science Parkway, (the “Project Location”) is sold within five years of disbursement of funds. The Recapture Amount is based on the time that has lapsed between when the Grant funds were disbursed and when the transfer occurred. The Recapture Amount shall be calculated by aggregating the Recapture Amount for each disbursement of the Grant, which in each instance shall be equal to:

   (i) 100% of the disbursed amount if the transfer occurred in the calendar year that the disbursement was made, or in the first full calendar year after the disbursement was made;
   (ii) 80% of the disbursed amount if the transfer occurred in the second full calendar year after the disbursement was made;
   (iii) 60% of the disbursed amount if the transfer occurred in the third full calendar year after the disbursement was made;
   (iv) 40% of the disbursed amount if the transfer occurred in the fourth full calendar year after the disbursement was made;
   (v) 20% of the disbursed amount if the transfer occurred in the fifth full calendar year after the disbursement was made.
IV. Statutory Basis – Regional Council Capital Fund

The project was authorized in the 2012-2013 New York State budget and reappropriated in the 2013-2014 and 2014-2015 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

V. Environmental Review

ESD staff has determined that the project constitutes a Type II action as defined by the New York State Environmental Quality Review Act (“SEQRA”) and the implementing regulations of the New York State Department of Environmental Conservation. No further environmental review is required in connection with the project.

VI. Non-Discrimination and Contractor & Supplier Diversity

ESD’s Non-Discrimination and Contractor & Supplier Diversity policies will apply to the project. The Grantee, a non-profit organization, shall be required to use good faith efforts to achieve an overall Minority and Women Business Enterprise (“MWBE”) Participation goal of 23% of the $2.1 million in expenditures where MWBE utilization potential exists, or $483,000, and to solicit and utilize MWBEs for any contractual opportunities generated in connection with the project.

VII. ESD Employment Enforcement Policy

ESD’s Employment Enforcement Policy will not apply since the project will not directly create or retain jobs.

VIII. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

IX. Additional Submissions to Directors

Resolutions
New York State Map
Photograph of Data Center with BlueHive 2
Artist’s Rendering of Visualization Center
Project Finance Memorandum
Benefit-Cost Analysis
Regional Council Award – Priority Project – Rochester (Finger Lakes – Monroe County) – Health Sciences Center for Computational Innovation Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Health Sciences Center for Computational Innovation Capital – Regional Council Capital Fund (Capital Grant) Project (the “Project”), the Corporation hereby determines pursuant to Section 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to the University of Rochester grants for a total amount not to exceed Five Million Dollars ($5,000,000) from the Regional Council Capital Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, subsequent to the making of the grants, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grants as he or she may deem necessary or appropriate in the administration of the grants; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *
Project Summary
Benefit-Cost Evaluation¹

University of Rochester Health Sciences Center for Computational Innovation
Economic Growth Investment*

Benefit-Cost Evaluations are used in evaluating projects that are categorized as Business Investment, Infrastructure Investment, and Economic Growth Investment and that involve 1) job retention and/or creation and/or 2) construction-related activity. For Business Investment projects, benefits reported in the table below typically reflect the impact of both jobs and construction-related activity. For Infrastructure Investment and Economic Growth Investment projects, which generate long-term benefits not captured in the period of analysis and may involve no permanent job commitments, the table typically reflects only construction-related activity. Benchmarks for each type of project are noted in the footnotes.

Construction Job Years (Direct): 27
Construction Job Years (Indirect): 20

<table>
<thead>
<tr>
<th></th>
<th>Project Result</th>
<th>NYS Govt. Benchmarks for ESD Projects²</th>
<th>Project Results</th>
<th>State &amp; Local Government Benchmarks for ESD Projects</th>
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<td>Fiscal Benefits⁴</td>
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<td>Fiscal B/C Ratio</td>
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<th>Project Results for ESD Projects</th>
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<td>Economic Benefits⁵</td>
<td>$1,913,562</td>
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<tr>
<td>Economic B/C Ratio</td>
<td>0.19</td>
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¹The analysis includes earlier grants approved in 2012 totaling $5,000,000. The New York State government fiscal costs and state and local governments fiscal costs reported in the table are net present value in 2014 dollars, using a 3% real discount rate.

²The current project evaluation results (both fiscal and economic) are compared to performance measure benchmarks based on results of a sample of ESD non-retail projects. Infrastructure Investment (or Economic Growth Investment) project benchmarks are 3.00 (Fiscal) and 20.00 (Economic).

³Fiscal cost includes the value of grants, loans and associated default risks, and discretionary subsidies (such as tax exemptions or abatements on sales, property, and interest income).

⁴Fiscal benefits are the loan repayments and tax revenues to New York State and Local governments generated by project activity. This includes estimated taxes on personal incomes from project direct and indirect employment, corporate and business incomes, excise and user taxes, property taxes, and other taxes.

⁵Economic benefits are estimated project benefits measuring fiscal flows to government plus net resident disposable income from project direct and indirect employment net of transfers, without adjusting for individual income earners’ opportunity cost of employment.

¹ Dollar values are present value calculated over a 7-year period. Separate evaluations are made and reported for New York State government assistance alone and for State and Local government.

² The current project evaluation results (both fiscal and economic) are compared to performance measure benchmarks based on results of a sample of ESD non-retail projects. Infrastructure Investment (or Economic Growth Investment) project benchmarks are 3.00 (Fiscal) and 20.00 (Economic).
FOR CONSIDERATION
June 27, 2014

TO: The Directors
FROM: Kenneth Adams
SUBJECT: Regional Council Award – Priority Project – Rochester (Finger Lakes Region – Monroe County) – Midtown Tower Capital – Regional Council Capital Fund (Capital Grant)

REQUEST FOR: Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

General Project Plan

I. Project Summary

Grantee: Midtown Tower, LLC (“Midtown Tower” or the “Company”)

ESD* Investment: A grant of up to $4,000,000 from the Regional Council Capital Fund to be used for a portion of the cost of renovations and related soft costs

* The New York State Urban Development Corporation doing business as Empire State Development (“ESD” or the “Corporation”)

Project Location: 270-280 East Broad Street, Rochester, Monroe County

Proposed Project: Construction and related soft costs of the Midtown Tower redevelopment project

Project Type: Adaptive reuse of former downtown mall building

Regional Council: The Finger Lakes Regional Economic Development Council has identified the Midtown Tower as a priority that meets the following objectives in its strategic plan: reinforce the identity, sense of place,
and character of the area through downtown redevelopment, adaptive reuse of existing buildings and infrastructure, and historic preservation; foster the development of the region’s industrial complexes and business parks for commercial or industrial use; enrich living environments by increasing access to affordable housing and mixed-income units, and promoting energy efficiency; and improve access to credit and capital for revitalization and reinvestment.

Employment: Initial employment at time of ESD Incentive Proposal: 0
Current employment level: 0
Minimum employment on January 1, 2018: 8*

* New employees cannot be transferred from other NYS locations of the Company or of the joint venture partners, Buckingham Properties and Morgan Management.

II. Project Cost and Financing Sources

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<th>Financing Uses</th>
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<td>Interest Reserve</td>
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<td>Total Project Costs</td>
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<table>
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<tr>
<th>Financing Sources</th>
<th>Amount</th>
<th>Percent</th>
<th>Rate/Term/Lien</th>
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<td>ESD – Grant (Y465)</td>
<td>$4,000,000</td>
<td>7%</td>
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<tr>
<td>ESD – Grant (X340)**</td>
<td>1,200,000</td>
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<tr>
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<td>63%</td>
<td>Variable/6 yrs/1st lien on RE</td>
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<td>City of Rochester – Grant</td>
<td>8,700,000</td>
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<td>Rochester Gas and Electric – Grant</td>
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<tr>
<td>Company Equity</td>
<td>6,799,000</td>
<td>12%</td>
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<tr>
<td>Total Project Financing</td>
<td>$57,699,000</td>
<td>100%</td>
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</table>

** This is an Upstate Regional Blueprint fund grant that will be considered by the Upstate Empire State Economic Development Corporation Board of Directors on June 27, 2014.
III. Project Description

A. Company

Industry: Commercial/residential real estate developer


Ownership: The Company is privately owned.

Size: The joint venture partners maintain an extensive portfolio of commercial properties (Buckingham) and residential units (Morgan) in New York State and beyond.

Market: Prospective tenants of mixed-use space (office, retail, residential, etc.)

ESD Involvement: Midtown Plaza (“Midtown”) was the first indoor urban mall in the nation, built in 1962 in the heart of downtown Rochester. Midtown had fallen into disrepair, with an 85% vacancy rate, and was a blighting influence despite several revitalization attempts by the private sector. The mall closed its doors permanently in 2009. Recognizing a need for government intervention, the City of Rochester (the “City”) established an Urban Renewal District to encompass the site in 2007, and also proposed public acquisition of Midtown. The City took title to Midtown in May 2008 through eminent domain and completed the acquisition of the last property in September 2010. The entire site has undergone abatement of asbestos-containing materials and demolition of most of the structures, funded by a $55 million New York State appropriation, which ESD managed. (The Tower, once a 17-story office building and hotel, and one other structure were demolished down to their steel frame and concrete floor decks for later adaptive reuse.) In addition to the State’s commitment, the redevelopment of the entire 8.6-acre site is strongly supported by the City of Rochester, which has to date invested $22.4 million in acquisition and relocation costs.

While interest for use of the Tower by potential tenants is high, the complexities and costs associated with redeveloping this building in the context of market rents required public funding. ESD’s grant funds will be a major catalyst in fostering significant new investment in the core of Rochester’s downtown and increase the City’s tax base. As a result, economic revitalization will occur and enhanced sustainable neighborhoods will flourish. This positive cycle has proven itself in other urban communities around the country. The ESD funds help to level the playing field thereby helping the City to grow and prosper.
Competition: N/A

Past ESD Support: This is the Company’s first project with ESD.

B. The Project

Completion: Fall 2015

Activity: The project involves the adaptive reuse of the Midtown Tower (the “Tower”) into a focal point of commercial/retail, office and residential space. The Tower is a 17-story masonry and steel frame that sits above a portion of the former mall. The proposed project will renovate and redevelop the first two floors of the Tower to create 126,000 square feet (“SF”) of Class A office space. The remainder of the Tower, 261,000 SF, will be converted into a mix of affordable and market rate housing.

The site sits at the heart of downtown Rochester on a 1.6-acre parcel that fronts East Broad Street to the south. The project is part of an overall plan by the City of Rochester to redevelop the entire 8.6-acre multi-block, former Midtown Plaza site for residential and mixed use. The Tower is part of the larger redevelopment of the as the third project to follow a $106 million public infrastructure project (which includes the cost of acquisition, relocation, asbestos abatement, demolition, and construction of new streets, open space, a new service tunnel entrance, and rehabilitation of the existing 1,800 space underground parking garage) and the $19 million adaptive reuse of the 109,000 square feet Windstream offices (former Seneca Building). Via an RFP-process, in August 2012 the City selected Midtown Tower, LLC among interested developers with viable commercial tenants for the project.

Results: The project is an integral part of the Rochester’s extensive ongoing downtown revitalization efforts. After years of decline, the new street grid that is fully funded and currently in design phase and the new buildings that will soon rise on the Midtown site represent a significant step forward in the city’s revitalization efforts. The project will also contribute to the region’s sustainability by focusing development in an area that is well-served by existing infrastructure. As a result of the project, the long-term viability of one of downtown Rochester’s important assets will be assured.

Economic Growth Investment Project: Benefit-Costs Evaluations are used in evaluating projects that are categorized as Business Investment, Infrastructure Investment, and Economic Growth Investment and that involve 1) job retention and/or
creation and/or 2) construction-related activity. For Business Investment projects, benefits typically reflect the impact of both jobs and construction-related activity. For Infrastructure Investment and Economic Growth Investment projects, which generate long-term benefits not captured in the period of analysis and may involve no permanent job commitments, the estimated benefits typically reflect only construction-related activity.

Evaluated over a seven-year period, the following are anticipated project impacts (dollar values are present value):

- Fiscal benefits to NYS government from the project are estimated at $3,797,826;
- Fiscal cost to NYS government is estimated at $5,200,000;
- Project cost to NYS government per direct job is $1,155,556;
- Project cost to NYS government per job (direct plus indirect ) is estimated at $761,420;
- Ratio of project fiscal benefits to costs to NYS government is 0.73:1;
- Fiscal benefits to all governments (state and local) are estimated at $6,423,711
- Fiscal cost to all governments is $13,646,602;
- All government cost per direct job is $3,032,578;
- All government cost per total job is $1,998,229;
- The fiscal benefit to cost ratio for all governments is 0.47:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at $34,004,643, or $4,979,193 per job (direct and indirect);
- The economic benefit to cost ratio is 2.40:1;
- Project construction cost is $55,438,500, which is expected to generate 462 direct job years and 333 indirect job years of employment;
- For every permanent direct job generated by this project, an additional 0.52 indirect job is anticipated in the state’s economy;
- The payback period for NYS costs is over seven years.

See Project Summary Benefit-Cost Evaluation (attached) for detail and definitions.

Grantee Contact: Rich Finley, Chief Financial Officer, Buckingham Properties
259 Alexander Street
Rochester, NY 14607
Phone: (585) 287-5851

ESD Project No.: Y465
C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Company shall pay a commitment fee of 1% of the capital grant ($40,000) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.

2. The Company will demonstrate no materially adverse changes in its financial condition prior to disbursement.

3. The Company will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the Company’s acceptance of ESD’s offer. Equity is defined as cash injected into the project by the Company or by investors, and should be auditable through Company financial statements or Company accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project. At the time of contribution, the equity value of any real property injected into the project (the Midtown Tower) shall be equal to the appraised value of the real property, less the value of any encumbrances thereupon. Prior to disbursement, Grantee shall provide an independent third party appraisal detailing the value of the property to be injected into the project, in a form acceptable to ESD. In addition, Grantee shall provide all pertinent documentation evidencing the value of any outstanding encumbrances(s) on the real property. Any shortfall in real-property equity must consist of additional cash equity.

4. Prior to disbursement, the Company must employ at least the number of Full-time Permanent Employees set forth as the Baseline Employment in the table below. A Full-time Permanent Employee shall mean (a) a full-time, permanent, private-sector employee on the Grantee’s payroll, who has worked at the Project Location for a minimum of thirty-five hours per week for not less than four consecutive weeks and who is entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties; or (b) two part-time, permanent, private-sector employees on Grantee’s payroll, who have worked at the Project Location for a combined minimum of thirty-five hours per week for not less than four consecutive weeks and who are entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties.
5. Up to $4,000,000 will be disbursed to the Grantee in five installments as follows:
   a) an Initial Disbursement of an amount equal to 25% of the grants ($1,000,000) upon documentation of 25% completion of the project substantially as described in these materials, compliance with ESD’s Design and Construction requirements, and submittal of an independent third party appraisal, in a form acceptable to ESD, detailing the value of the Midtown Tower property to be injected into the project as equity, assuming that all project approvals have been completed and funds are available;
   b) a Second Disbursement of an amount equal to 25% of the grants ($1,000,000) will be disbursed upon documentation 50% completion of the project substantially as described in these materials and compliance with ESD’s Design and Construction requirements, provided Grantee is otherwise in compliance with program requirements;
   c) a Third Disbursement of an amount equal to 25% of the grants ($1,000,000) will be disbursed upon documentation of 75% completion of the project substantially as described in these materials and compliance with ESD’s Design and Construction requirements, provided Grantee is otherwise in compliance with program requirements;
   d) a Fourth Disbursement of an amount equal to 15% of the grants ($600,000) will be disbursed upon documentation of 100% completion of the project substantially as described in these materials, and compliance with ESD’s Design and Construction requirements, verification of project expenditures of approximately $50 million, evidence of leasing commitments in any combination for 25% of residential/commercial space, and of the employment of at least 2 Full-time Permanent Employees at the Project Location (Employment Increment of 2), provided Grantee is otherwise in compliance with program requirements.
   e) a Fifth Disbursement of an amount equal to 10% of the grants ($400,000) will be disbursed upon documentation of the employment of at least 8 Full-time Permanent Employees at the Project Location (Employment Increment of 6), provided Grantee is otherwise in compliance with program requirements.

Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses reimbursed by ESD’s grants must be incurred on or after June 27, 2013, to be considered eligible project costs. All disbursements must be requested by April 1, 2018.

6. ESD may reallocate the project funds to another form of assistance, at an amount no greater than $4,000,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Company and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

7. In consideration for the making of the Grants, Grantee will achieve the Employment Goals set forth in Column B of the table below. If the Full-time Permanent Employee
Count for the year prior to the reporting date set forth in Column A of the table below is less than eighty-five percent (85%) of the Employment Goal set forth in Column B (an “Employment Shortfall”), then upon demand by ESD, Grantee shall be obligated to repay to ESD a portion of each disbursement of the Grants, as follows:

The Recapture Amount is based on the time that has lapsed between when the Grant funds were disbursed and when the Employment Shortfall occurred. The Recapture Amount shall be calculated by aggregating the Recapture Amount for each disbursement of the Grant, which in each instance shall be equal to:

(i) 100% of the disbursed amount if the Employment Shortfall occurred in the calendar year that the disbursement was made, or in the first full calendar year after the disbursement was made;
(ii) 80% of the disbursed amount if the Employment Shortfall occurred in the second full calendar year after the disbursement was made;
(iii) 60% of the disbursed amount if the Employment Shortfall occurred in the third full calendar year after the disbursement was made;
(iv) 40% of the disbursed amount if the Employment Shortfall occurred in the fourth full calendar year after the disbursement was made;
(v) 20% of the disbursed amount if the Employment Shortfall occurred in the fifth full calendar year after the disbursement was made.

The Grantee’s number of Full-time Permanent Employees shall be deemed to be the greater of the number as of the last payroll date in the month of December for such year or the average employment for the 12 month period computed by quarter.

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<table>
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<td>0+X+Y</td>
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<tr>
<td>February 1, 2019</td>
<td>0+X+Y</td>
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</tbody>
</table>

X = Grantee's Employment Increment that will be the basis of the Fourth Disbursement of the Grant as described in section C.5 above (i.e. X=2, and Employment Goals shall equal [0 + X = 2] if the Fourth Disbursement is made, in the year such disbursement is made and for each year thereafter). If the Fourth Disbursement has not yet been made, then X=0.

Y = Grantee's Employment Increment that will be the basis of the Fifth Disbursement of the Grant as described in section C.5 above (i.e. Y=6, and Employment Goals shall equal [0 + X + Y = 8] if the Fifth Disbursement is made, in the year such disbursement is made and for each year thereafter). If the Fifth Disbursement has not yet been made, then Y=0.
8. Grant funds will be subject to pro rata recapture if the property at the Project Location is sold within five years of disbursement of funds. The Recapture Amount is based on the time that has lapsed between when the Grant funds were disbursed and when the transfer occurred. The Recapture Amount shall be calculated by aggregating the Recapture Amount for each disbursement of the Grant, which in each instance shall be equal to:

(i) 100% of the disbursed amount if the transfer occurred in the calendar year that the disbursement was made, or in the first full calendar year after the disbursement was made;
(ii) 80% of the disbursed amount if the transfer occurred in the second full calendar year after the disbursement was made;
(iii) 60% of the disbursed amount if the transfer occurred in the third full calendar year after the disbursement was made;
(iv) 40% of the disbursed amount if the transfer occurred in the fourth full calendar year after the disbursement was made;
(v) 20% of the disbursed amount if the transfer occurred in the fifth full calendar year after the disbursement was made.

IV. Statutory Basis – Regional Council Capital Fund

The project was authorized in the 2012-2013 New York State budget and reappropriated in the 2013-2014 and 2014-2015 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

V. Design and Construction

The project involves financial assistance with costs for design, construction and adaptive reuse of the Midtown Tower in Downtown Rochester. Indirect and soft costs are part of the grant and Design and Construction staff (“D&C”) will review applicable final drawings and specifications for construction. Once construction is underway, D&C will, at its option, attend construction meetings and monitor construction progress. D&C will review and approve all change orders and contractor requisitions, and verify that all requirements have been satisfied prior to the approval and release of ESD funds. D&C will review the completed construction documents, project bidding and, at its discretion, visit the site before funds are distributed. The project will be reviewed in conjunction with D&C’s requirements and forms.

VI. Environmental Review

As an Involved Agency, the Directors issued a Findings Statement at their meeting of May 21, 2009, pursuant to the State Environmental Quality Review Act (“SEQRA”) and its implementing regulations of the New York State Department of Environmental Conservation for the Midtown Redevelopment Project, which included potential adaptive reuse of the Midtown Tower. This Findings Statement was based upon the Draft and Final Generic Environmental Impact
Statement ("DGEIS" AND "FGEIS") and Findings Statement issued by the SEQRA Lead Agency, the City of Rochester Director of Zoning. These findings addressed all aspects of the proposed project. Therefore, no further environmental review is required in connection with this action.

In addition, because the Midtown Block was determined to be eligible for inclusion on the State and National Registers of Historic Places ("S/NRHP"), ESD and the City consulted with the New York State Office of Parks, Recreation and Historic Preservation ("OPRHP") in accordance with Section 14.09 of the New York State Historic Preservation Act. This consultation resulted in ESD, the City, and OPRHP entering into a Letter of Resolution ("LOR") on March 2, 2009 outlining stipulations to mitigate impacts to S/NRHP-eligible resources. Facilitating the adaptive reuse of the Midtown Tower was included as a specific stipulation of the LOR.

VII. Non-Discrimination and Contractor & Supplier Diversity

ESD’s Non-discrimination and Contractor & Supplier Diversity policy will apply to the project. The Company shall be required to use good faith efforts to achieve an overall Minority and Women Business Enterprise ("MWBE") Participation goal of 30%, a Minority Business Enterprise ("MBE") Participation goal of 18% and a Women Business Enterprise ("WBE") Participation goal of 12%, related to the total value of ESD’s funding, and solicit and utilize New York State certified MWBEs for any contractual opportunities generated in connection with the project.

VIII. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

IX. Additional Submissions to Directors

Resolutions
New York State Map
Current Tower Photo and Project Rendering
Project Finance Memorandum
Benefit-Cost Analysis
Regional Council Award – Priority Project – Rochester (Finger Lakes Region – Monroe County) – Midtown Tower Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make Grants and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Midtown Tower Capital - Regional Council Capital Fund (Capital Grant) Project (the “Project”), the Corporation hereby determines pursuant to Section 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Midtown Tower, LLC a grant for a total amount not to exceed Four Million Dollars ($4,000,000) from the Regional Council Capital Fund for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

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* * *
**Project Summary**  
**Benefit-Cost Evaluation**

**Midtown Tower – Economic Growth Investment**

Benefit-Cost Evaluations are used in evaluating projects that are categorized as Business Investment, Infrastructure Investment, and Economic Growth Investment and that involve 1) job retention and/or creation and/or 2) construction-related activity. For Business Investment projects, benefits reported in the table below typically reflect the impact of both jobs and construction-related activity. For Infrastructure Investment and Economic Growth Investment projects, which generate long-term benefits not captured in the period of analysis and may involve no permanent job commitments, the table typically reflects only construction-related activity. Benchmarks for each type of project are noted in the footnotes.

<table>
<thead>
<tr>
<th>Evaluation Statistics</th>
<th>Project Results NYS Gov’t.</th>
<th>NYS Gov’t. Benchmarks²</th>
<th>Project Results State &amp; Local Government</th>
<th>State &amp; Local Government Benchmarks</th>
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<tbody>
<tr>
<td>Fiscal Costs³</td>
<td>$5,200,000</td>
<td>$794,250</td>
<td>$13,646,602</td>
<td>$1,020,500</td>
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<td>Fiscal Benefits⁴</td>
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<td>Fiscal B/C Ratio</td>
<td>0.73</td>
<td>3.00</td>
<td>0.47</td>
<td>10.60</td>
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<table>
<thead>
<tr>
<th>Project Results</th>
<th>Benchmarks</th>
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<tr>
<td>Economic Benefits⁵</td>
<td>$34,004,643</td>
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<td>Econ. Benefits/Total Jobs</td>
<td>$4,979,193</td>
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<tr>
<td>Economic B/C Ratio</td>
<td>2.40</td>
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</table>

¹ Dollar values are present value calculated over a 7-year period. Separate evaluations are made and reported for New York State government assistance alone and for State and Local government.

² The current project evaluation results (both fiscal and economic) are compared to performance measure benchmarks based on results of a sample of ESD non-retail projects. Business Investment project benchmarks are 7.00 (Fiscal) and 50.00 (Economic). Infrastructure Investment (or Economic Growth Investment) project benchmarks are 3.00 (Fiscal) and 20.00 (Economic).

³ Fiscal cost includes the value of grants, loans and associated default risks, and discretionary subsidies (such as tax exemptions or abatements on sales, property, and interest income).

⁴ Fiscal benefits are the loan repayments and tax revenues to New York State and Local governments generated by project activity. This includes estimated taxes on personal incomes from project direct and indirect employment, corporate and business incomes, excise and user taxes, property taxes, and other taxes.

⁵ Economic benefits are estimated project benefits measuring fiscal flows to government plus net resident disposable income from project direct and indirect employment net of transfers, without adjusting for individual income earners’ opportunity cost of employment.
General Project Plan

I. Project Summary

Grantee: St. Joseph's Hospital Health Center ("St. Joseph’s")

ESD* Investment: A grant of up to $2,500,000 to be used for a portion of the cost of construction and the purchase and installation of machinery and equipment.

* The New York State Urban Development Corporation doing business as Empire State Development ("ESD" or the “Corporation”)

Project Location: 301 Prospect Avenue, Syracuse, Onondaga County

Proposed Project: Construct and equip a new patient tower and greenway corridor to North Side businesses in the City of Syracuse, as part of a major facility expansion and one of the largest green health care construction projects in the Northeast.

Project Type: Facility expansion involving job retention and creation
Regional Council: The project is closely aligned with the Central New York Regional Council’s mission, vision and identified strategic goals in the area of health care and biomedical sciences. This project will provide a green, state-of-the-art facility that fosters innovation, improve the health of the urban neighborhood surrounding the hospital through the creation of new infrastructure, serve as a training ground for the education of health care professionals, and contribute toward considerable energy and water savings each year.

Employment: Initial employment at time of ESD Incentive Proposal: 2,923
Current employment level: 2,960
Minimum employment through January 1, 2019*: 3,069

*New employees cannot be transferred from other NYS locations

II. Project Cost and Financing Sources

<table>
<thead>
<tr>
<th>Financing Uses</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction/Renovation</td>
<td>$94,261,000</td>
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<tr>
<td>Machinery and Equipment</td>
<td>19,564,000</td>
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Total Project Costs $113,825,000

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<tr>
<th>Financing Sources</th>
<th>Amount</th>
<th>Percent</th>
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<tr>
<td>ESD – Grant</td>
<td>$2,500,000</td>
<td>2%</td>
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<tr>
<td>Grantee Equity</td>
<td>111,325,000</td>
<td>98%</td>
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</table>

Total Project Financing $113,825,000 100%

III. Project Description

A. Company

Industry: St. Joseph’s Hospital Health Center, located in Syracuse, is a not-for-profit teaching hospital sponsored by the Sisters of St. Francis. It is a 431-bed comprehensive medical care institution which provides acute inpatient, outpatient, primary care, emergency, psychiatric, clinic, home health and other services for residents of Central New York, and is accredited by DNV Healthcare Inc. In addition to providing general medical and surgical care, St. Joseph's offers several specialty services, including hemodialysis,
maternity services, a separate birth center, emergency care, intensive care, wound care, dental services, suicide prevention and certified home health care. St. Joseph’s has also been designated a Chest Pain Center by the Society of Chest Pain Centers, and New York State recognizes it as a Special Care Neonatal Unit, Apnea Center, Cardiac Diagnostic Center, Cardiac Surgical Center, Community Mental Health Center, and Tobacco Cessation Center.

**History:**

St. Joseph’s has been an integral part of Syracuse and the Central New York Community for more than 140 years. It has stood as a community landmark on Prospect Hill in Syracuse since 1869 when five Sisters of St. Francis, including Saint Marianne Cope, transformed a dance hall and bar into a 15-bed hospital. Today, St. Joseph’s continues to be sponsored by the Sisters of St. Francis.

**Ownership:**

St. Joseph’s is a privately owned not-for-profit teaching hospital affiliated with St. Joseph’s Health Center Properties, Inc., and St. Joseph’s Hospital Health Center Foundation, Inc., among other entities.

**Size:**

St. Joseph’s has evolved into a medical complex that, in addition to the hospital, includes a College of Nursing, psychiatric emergency program and physician’s office building. The institution operates several satellite facilities, including two ambulatory surgery centers, family and maternal child/clinics, a dental clinic, psychiatric services center, The Wellness Place, Regional Dialysis Center, neighborhood dialysis centers and a cardiopulmonary rehabilitation center.

The hospital’s medical staff of more than 800 is comprised of physicians and dentists representing a broad spectrum of specialties. Nearly 3,900 other health care professionals and support personnel are employed by St. Joseph’s. More than 1,000 volunteers and members of the hospital's auxiliary help support patient care programs.

**ESD Involvement:**

As a result of the Governor’s Regional Economic Development Council Initiative and the Grantee’s Facility Master Plan, St. Joseph’s was awarded $2,500,000 through the first round of the Consolidated Funding Application ("CFA") process to complete the final phase (Phase 2B) of a $265 million major facility expansion. Incorporating St. Joseph’s vision for the future, the Facility Master Plan included projects to align the look of the hospital campus with its North Side neighborhood, keep pace with advances in health care and medical technology, and more adequately serve Central New York’s growing patient population. The goal of Phase 1 was primarily to mitigate the pressing need for parking on the hospital campus, with associated elements including pedestrian and vehicular
access, way finding, and safety. These projects, completed in 2008, included a new parking garage and medical office building, a new main entrance and lobby, and a pedestrian bridge connecting the new garage to the hospital, while Phase 2A focused on the supporting infrastructure work necessary to undertake Phase 2B. St. Joseph’s Phase 2B facility expansion project proved to be a regional economic priority because it contributes to job creation, economic investment in the Central New York region, sustainable design principles, and community revitalization.

Past ESD Support: This is the Grantee’s first project with ESD.

B. The Project

Completion: October 2014

Activity: St. Joseph’s is finalizing the construction and equipping of a 104,000-square-foot patient tower including 110 private rooms, intensive care units, a 73,000-square-foot surgical suite with 14 operating rooms, a 12,100-square-foot central sterile area, and a greenway corridor which connects the hospital to North Side area businesses in the City of Syracuse. The tower will also contain space for support services, staff education and family waiting areas. In line with Syracuse’s national identity as one of the 10 top green communities in the nation by the U.S. Environmental Protection Agency, the project will also use sustainable design principles to build a healthier hospital environment for the region while seeking LEED certification, as one of the largest green health care construction projects in New York State and will include several major green energy initiatives such as energy conservation, day lighting, solar power, and site drainage.

Results: St. Joseph’s will retain 2,923 existing jobs at the project location and create 146 new jobs.

In addition, the project will have a substantial economic development impact on the State’s emergent green building industries and will have a major catalyzing effect, fostering the development of knowledge and expertise necessary to develop regional clusters in these sectors. The project will help to advance the State’s green innovation economy by supporting green businesses and green building professionals and trades people.

Economic Growth Investment Project: Benefit-Costs Evaluations are used in evaluating projects that are categorized as Business Investment, Infrastructure Investment, and
Economic Growth Investment and that involve 1) job retention and/or creation and/or 2) construction-related activity. For Business Investment projects, benefits typically reflect the impact of both jobs and construction-related activity. For Infrastructure Investment and Economic Growth Investment projects, which generate long-term benefits not captured in the period of analysis and may involve no permanent job commitments, the estimated benefits typically reflect only construction-related activity.

Evaluated over a seven-year period, the following are anticipated project impacts (dollar values are present value):

- Fiscal benefits to NYS government from the project are estimated at $9,704,091;
- Fiscal cost to NYS government is estimated at $2,500,000;
- Project cost to NYS government per direct job is $32,342;
- Project cost to NYS government per job (direct plus indirect) is estimated at $20,298;
- Ratio of project fiscal benefits to costs to NYS government is 3.88:1;
- Fiscal benefits to all governments (state and local) are estimated at $16,497,802;
- Fiscal cost to all governments is $2,500,000;
- All government cost per direct job is $32,342;
- All government cost per total job is $20,298;
- The fiscal benefit to cost ratio for all governments is 6.60:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at $87,462,343, or $710,139 per job (direct and indirect);
- The economic benefit to cost ratio is 34.98:1;
- Project construction cost is $94,261,000, which is expected to generate 868 direct job years and 562 indirect job years of employment;
- For every permanent direct job generated by this project, an additional 0.60 indirect job is anticipated in the state’s economy;
- The payback period for NYS costs is one year.

See Project Summary Benefit-Cost Evaluation (attached) for detail and definitions.

Grantee Contact: Kristen Mucitelli-Heath
Director, State, Federal Relations and Community Initiatives
301 Prospect Avenue
Syracuse, NY 13203
Phone: (315)703-2189
C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Grantee shall pay a commitment fee of 1% of the $2,500,000 capital grant ($25,000) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project. In the event the full grant amount is not realized by St. Joseph’s the fee shall be reimbursed on a prorated basis.

2. The Grantee will demonstrate no materially adverse changes in its financial condition prior to disbursement.

3. The Grantee will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the Grantee’s acceptance of ESD’s offer. Equity is defined as cash injected into the project by the Company or by investors, and should be auditable through Company financial statements or Company accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.

4. Prior to disbursement, the Company must employ at least the number of Full-time Permanent Employees set forth as the Baseline Employment in the table below. A Full-time Permanent Employee shall mean (a) a full-time, permanent, private-sector employee on the Grantee’s payroll, who has worked at the Project Location for a minimum of thirty-five hours per week for not less than four consecutive weeks and who is entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties; or (b) two part-time, permanent, private-sector employees on Grantee’s payroll, who have worked at the Project Location for a combined minimum of thirty-five hours per week for not less than four consecutive weeks and who are entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties.

5. Up to $2,500,000 will be disbursed to the Grantee in three installments as follows: 
   a) an Initial Disbursement of an amount equal to 50% of the grant ($1,250,000) upon completion of construction as evidenced by a Certificate of Occupancy or equivalent, documentation of construction and/or machinery and equipment project costs totaling $100,000,000, and documentation of the employment of at least 2,923 Full-time Permanent Employees at the Project Location, assuming that
all project approvals have been completed and funds are available;

b) a Second Disbursement of an amount equal to 25% of the grant ($625,000) will be disbursed upon documentation of the employment of at least 2,996 Full-time Permanent Employees at the Project Location (Employment Increment of 73), provided Grantee is otherwise in compliance with program requirements;

c) a Third Disbursement of an amount equal to 25% of the grant ($625,000) will be disbursed upon documentation of the employment of at least 3,069 Full-time Permanent Employees at the Project Location (Employment Increment of 146), provided Grantee is otherwise in compliance with program requirements.

Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses must be incurred on or after March 6, 2012, to be considered eligible project costs. All disbursements must be requested by April 1, 2017.

6. ESD may reallocate the project funds to another form of assistance, at an amount no greater than $2,500,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Company and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

7. In consideration for the making of the Grant, Grantee will achieve the Employment Goals set forth in Column B of the table below. If the Full-time Permanent Employee Count for the year prior to the reporting date set forth in Column A of the table below is less than eighty-five percent (85%) of the Employment Goal set forth in Column B (an “Employment Shortfall”), then upon demand by ESD, Grantee shall be obligated to repay to ESD a portion of each disbursement of the Grant, as follows:

The Recapture Amount is based on the time that has lapsed between when the Grant funds were disbursed and when the Employment Shortfall occurred. The Recapture Amount shall be calculated by aggregating the Recapture Amount for each disbursement of the Grant, which in each instance shall be equal to:

(i) 100% of the disbursed amount if the Employment Shortfall occurred in the calendar year that the disbursement was made, or in the first full calendar year after the disbursement was made;
(ii) 80% of the disbursed amount if the Employment Shortfall occurred in the second full calendar year after the disbursement was made;
(iii) 60% of the disbursed amount if the Employment Shortfall occurred in the third full calendar year after the disbursement was made;
(iv) 40% of the disbursed amount if the Employment Shortfall occurred in the fourth full calendar year after the disbursement was made;
(v) 20% of the disbursed amount if the Employment Shortfall occurred in the fifth
full calendar year after the disbursement was made.

The Grantee’s number of Full-time Permanent Employees shall be deemed to be the greater of the number as of the last payroll date in the month of December for such year or the average employment for the 12 month period computed by quarter.

| Baseline Employment | 2,923 |

<table>
<thead>
<tr>
<th>A</th>
<th>B</th>
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<tbody>
<tr>
<td>Reporting Date</td>
<td>Employment Goals</td>
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<tr>
<td>February 1, 2015</td>
<td>2,923+X+Y</td>
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<tr>
<td>February 1, 2016</td>
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<td>February 1, 2017</td>
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<td>February 1, 2018</td>
<td>2,923+X+Y</td>
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<tr>
<td>February 1, 2019</td>
<td>2,923+X+Y</td>
</tr>
</tbody>
</table>

X = Grantee's Employment Increment that will be the basis of the Second Disbursement of the Grant as described in section C.5 above (i.e. X=73, and Employment Goals shall equal [2,923 + X = 2,996] if the Second Disbursement is made, in the year such disbursement is made and for each year thereafter). If the Second Disbursement has not yet been made then X=0.

Y = Grantee’s Employment Increment that will be the basis of the Third Disbursement of the Grant as described in section C.5 above (i.e. Y=73, and Employment Goals shall equal [2,923 + X + Y = 3,069] if the Third Disbursement is made, in the year such disbursement is made and for each year thereafter). If the Third Disbursement has not yet been made then Y=0.

IV. Statutory Basis – Regional Council Capital Fund

The project was authorized in the 2012-2013 New York State budget and reappropriated in the 2013-2014 and 2014-2015 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

V. Environmental Review

The City of Syracuse Planning Commission, as lead agency, has completed an environmental review of the proposed project, pursuant to the requirements of the State Environmental Quality Review Act (“SEQRA”) and the implementing regulations of the New York State Department of Environmental Conservation. This review found the project to be a Type I Action, which would not have a significant effect on the environment. The lead agency issued a Negative Declaration on February 23, 2009. ESD staff reviewed the Negative Declaration and supporting materials and concurs. It is recommended that the Directors make a Determination of No Significant Effect on the Environment.
VI. Non-Discrimination and Contractor & Supplier Diversity

ESD’s Non-Discrimination and Contractor & Supplier Diversity policies will apply to the project. The Grantee shall be required to use good faith efforts to achieve an overall Minority and Women Business Enterprise (“MWBE”) Participation goal of 23%, a 13% Minority Business Enterprise (“MBE”) Participation goal and a 10% Women Business Enterprise (“WBE”) Participation goal, related to the total value of ESD’s funding, and to solicit and utilize MWBEs for any contractual opportunities generated in connection with the Project.

VII. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

VIII. Additional Submissions to Directors

Resolutions
New York State Map
Project Photographs
Project Finance Memorandum
Benefit-Cost Analysis
RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the St. Joseph's Hospital Health Center Capital – Regional Council Capital Fund Project (the “Project”), the Corporation hereby determines pursuant to Section 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to St. Joseph's Hospital Health Center a grant for a total amount not to exceed Two Million Five Hundred Thousand Dollars ($2,500,000) from the Regional Council Capital Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of
them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

* * *
Regional Council Award – Priority Project – Syracuse (Central New York Region – Onondaga County) – St. Joseph's Hospital Health Center Capital – Regional Council Capital Fund (Capital Grant) – Determination of No Significant Effect on the Environment

RESOLVED, that based on the material submitted to the Directors with respect to the St. Joseph’s Hospital Health Center Capital Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *
FOR CONSIDERATION
June 27, 2014

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Regional Council Award – Priority Project – Clayton (North Country Region – Jefferson County) – Clayton Harbor Hotel Capital – Regional Council Capital Fund (Capital Grant)

REQUEST FOR: Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions; Determination of No Significant Effect on the Environment; Waiver of Labor Peace Agreement

General Project Plan

I. Project Summary

Grantee: Clayton Harbor Hotel, LLC (the “Company”)  

ESD* Investment: A grant of up to $3,000,000 to be used for a portion of the cost of construction.

* The New York State Urban Development Corporation doing business as Empire State Development “ESD” or the “Corporation”

Project Location: Webb Street, Clayton, Jefferson County

Proposed Project Construct a new 105-unit hotel and conference facility

Project Type: New business development along with job creation
Regional Council: The project is designated as a priority project by the North Country Regional Economic Development Council. This project will support new business development, job creation, tourism, recreation, and improve quality of life in the Watertown-1000 Islands region.

Employment: Initial employment at time of ESD incentive proposal: 0
Current employment: 0
Minimum employment on January 1, 2015: 90

II. Project Cost and Financing Sources

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<th>Financing Uses</th>
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<td>Land acquisition</td>
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<tr>
<td>Construction</td>
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<tr>
<td>Furnishings</td>
<td>2,500,000</td>
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<tr>
<td>Soft Costs</td>
<td>1,985,000</td>
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Total Project Costs $23,587,000

<table>
<thead>
<tr>
<th>Financing Sources</th>
<th>Amount</th>
<th>Percent</th>
<th>Rate/Term/Lien</th>
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</thead>
<tbody>
<tr>
<td>ESD – Grant (X689)</td>
<td>$2,250,000</td>
<td>9%</td>
<td></td>
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<tr>
<td>ESD – Grant (Z285)</td>
<td>750,000</td>
<td>3%</td>
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<tr>
<td>Northwest Savings Bank – Loan</td>
<td>15,000,000</td>
<td>64%</td>
<td>4.84%/10 years/1st on RE</td>
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<tr>
<td>Company Equity</td>
<td>5,587,000</td>
<td>24%</td>
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Total Project Financing $23,587,000 100%

III. Project Description

A. Company

Industry: Hotel and tourism

Company History: Clayton Harbor Hotel LLC was formed April 24, 2012.

Ownership: The Company is privately owned.

Size: The Company has one facility in Clayton.

Market: The facility will cater to tourism in the Lake Ontario-1000 Islands-St. Lawrence Seaway Region. The Company competes locally with several major hotel brands in Watertown and competes internationally with hotels in nearby Canada.
ESD Involvement: Limited local funding for this new facility resulted in a financing gap; therefore, Clayton Harbor Hotel LLC requested ESD assistance to help develop its new hotel facility. As part of the Regional Economic Development initiative, Clayton Harbor Hotel LLC was awarded $3,000,000 through the Consolidated Funding Application process. This project would not be possible without ESD assistance.

Past ESD Support: This is the Company’s first project with ESD

B. The Project

Completion: June 2014

Activity: The Company has purchased land and constructed a new 105-unit full service hotel and conference center in Clayton at the St. Lawrence Seaway. This facility will contribute to regional economic viability with new additional year-round employment, support increased tourism activity, and contribute to the community with enhanced quality of life with new recreation and entertainment opportunities.

Results: The Company will create 90 jobs by January 1, 2015.

Business Investment Project: Benefit-Costs Evaluations are used in evaluating projects that are categorized as Business Investment, Infrastructure Investment, an Economic Growth Investment and that involve 1) job retention and/or creation and/or 2) construction-related activity. For Business Investment projects, benefits typically reflect the impact of both jobs and construction-related activity. For Infrastructure Investment and Economic Growth Investment projects, which generate long-term benefits not captured in the period of analysis and may involve no permanent job commitments, the estimated benefits typically reflect only construction-related activity.

Evaluated over a seven-year period, the following are anticipated project impacts (dollar values are present value):

- Fiscal benefits to NYS government from the project are estimated at $2,888,109;
- Fiscal cost to NYS government is estimated at $3,490,323;
- Project cost to NYS government per direct job is $51,708;
- Project cost to NYS government per job (direct plus indirect) is estimated at $43,803;
• Ratio of project fiscal benefits to costs to NYS government is 0.83:1;  
• Fiscal benefits to all governments (state and local) are estimated at $4,845,189;  
• Fiscal cost to all governments is $5,109,010;  
• All government cost per direct job is $75,689;  
• All government cost per total job is $64,117;  
• The fiscal benefit to cost ratio for all governments is 0.95:1;  
• Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at $23,282,731, or $292,195 per job (direct and indirect);  
• The economic benefit to cost ratio is 4.56:1;  
• Project construction cost is $18,700,000, which is expected to generate 210 direct job years and 82 indirect job years of employment;  
• For every permanent direct job generated by this project, an additional 0.18 indirect job is anticipated in the state’s economy;  
• The payback period for NYS costs is over seven years.

See Project Summary Benefit-Cost Evaluation (attached) for detail and definitions.

Grantee Contact: Paul Neureuter, President  
4 Centre Drive  
Orchard Park NY 14127  
Phone: (716) 667-1234

ESD Project Nos.: X689 (Regional Council Capital Fund – Round I)  
Z285 (Regional Council Capital Fund – Round III)

Project Team: Origination William Ferguson  
Project Management John Vandeloo  
Contractor & Supplier Diversity Liz Gocs  
Finance Jonevan Hornsby  
Environmental Soo Kang

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Company shall pay a commitment fee of 1% of the $3,000,000 capital grant ($30,000) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.

2. Corporate Guarantees are required from any entity or commonly controlled entities together owning 50% or more of the Borrower including, Hart-Clayton, LLC and Krog-Clayton, LLC.
3. The Company will demonstrate no materially adverse changes in its financial condition prior to disbursement.

4. The Company will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the Company’s acceptance of ESD’s offer. Equity is defined as cash injected into the project by the Company or by investors, and should be auditable through Company financial statements or Company accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.

5. Prior to disbursement, the Company must employ at least the number of Full-time Permanent Employees set forth as the Baseline Employment in the table below. A Full-time Permanent Employee shall mean (a) a full-time, permanent, private-sector employee on the Grantee’s payroll, who has worked at the Project Location for a minimum of thirty-five hours per week for not less than four consecutive weeks and who is entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties; or (b) two part-time, permanent, private-sector employees on Grantee’s payroll, who have worked at the Project Location for a combined minimum of thirty-five hours per week for not less than four consecutive weeks and who are entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties.

6. Up to $3,000,000 will be disbursed to Grantee upon documentation verifying construction project costs totaling $23,587,000, upon completion of the project substantially as described in these materials, as evidenced by a certificate of occupancy, and documentation of the employment of at least 90 Full-time Permanent Employees at the Project Location, assuming that all project approvals have been completed and funds are available. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses must be incurred on or after November 14, 2012, to be considered eligible project costs. All disbursements must be requested by April 1, 2015.

7. ESD may reallocate the project funds to another form of assistance, at an amount no greater than $3,000,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Company and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

8. In consideration for the making of the Grant, Grantee will achieve the Employment Goals set forth in Column B of the table below. If the Full-time Permanent Employee Count for the year prior to the reporting date set forth in Column A of the table below is less than eighty-five percent (85%) of the Employment Goal set forth in Column B.
(an “Employment Shortfall”), then upon demand by ESD, Grantee shall be obligated to repay to ESD a portion of each disbursement of the Grant, as follows:

The Recapture Amount is based on the time that has lapsed between when the Grant funds were disbursed and when the Employment Shortfall occurred. The Recapture Amount shall be calculated by aggregating the Recapture Amount for each disbursement of the Grant, which in each instance shall be equal to:

(i) 100% of the disbursed amount if the Employment Shortfall occurred in the calendar year that the disbursement was made, or in the first full calendar year after the disbursement was made;
(ii) 80% of the disbursed amount if the Employment Shortfall occurred in the second full calendar year after the disbursement was made;
(iii) 60% of the disbursed amount if the Employment Shortfall occurred in the third full calendar year after the disbursement was made;
(iv) 40% of the disbursed amount if the Employment Shortfall occurred in the fourth full calendar year after the disbursement was made;
(v) 20% of the disbursed amount if the Employment Shortfall occurred in the fifth full calendar year after the disbursement was made.

The Grantee’s number of Full-time Permanent Employees shall be deemed to be the greater of the number as of the last payroll date in the month of December for such year or the average employment for the 12 month period computed by quarter.

<table>
<thead>
<tr>
<th>Baseline Employment</th>
<th>0</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>A</th>
<th>B</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reporting Date</td>
<td>Employment Goals</td>
</tr>
<tr>
<td>February 1, 2015</td>
<td>90</td>
</tr>
<tr>
<td>February 1, 2016</td>
<td>90</td>
</tr>
<tr>
<td>February 1, 2017</td>
<td>90</td>
</tr>
<tr>
<td>February 1, 2018</td>
<td>90</td>
</tr>
<tr>
<td>February 1, 2019</td>
<td>90</td>
</tr>
</tbody>
</table>

D. Labor Peace

Public Authorities Law Section 2879-b prohibits public authorities from providing financing for any project that includes, as one of the principal functions, a hotel with more than fifteen employees unless a labor peace agreement (“LPA”) is entered into with a labor organization representing hotel or convention center employees in the State, for a period of at least five years. An LPA is an agreement between the project developer (or its contractors) and a labor organization prohibiting the labor organization and its members from engaging in labor
activities that disrupt the hotel’s operations.

The statute also provides that the LPA requirement can be waived if the public authority determines that the project would not be able to go forward with an LPA or the costs of the project to the authority would be substantially increased by such a requirement. The Grantee/Borrower has requested a waiver from the LPA requirement because the increased costs associated with an LPA would make the project infeasible.

Review of the developer’s projected operations indicates that the effect of an LPA on the project would be a significant increase in wage labor and benefits. The Grantee has demonstrated to ESD that, absent a waiver, the project will not proceed. Staff, therefore, recommends that ESD waive the LPA requirement for this project.

IV. Statutory Basis – Regional Council Capital Fund

The project was authorized in the 2012-2013 New York State budget and reappropriated in the 2013-2014 and 2014-2015 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

V. Environmental Review

The Joint Town of Clayton Village of Clayton Planning Board, as lead agency, has completed the environmental reviews for the proposed project, pursuant to the requirements of the State Environmental Quality Review Act (“SEQRA”) and the implementing regulations of the New York State Department of Environmental Conservation. This review found the project to be a Type I Action, which would not have a significant effect on the environment. The lead agency issued Negative Declarations on February 7, 2013. ESD staff reviewed the Negative Declarations and supporting materials and concurs. It is recommended that the Directors make a Determination of No Significant Effect on the Environment.

VI. Non-Discrimination and Contractor & Supplier Diversity

ESD’s Non-discrimination and Contractor Diversity policy will apply to the Project. The Grantee shall be required to use “good faith efforts” to achieve an overall Minority and Women Business Enterprise (“MWBE”) Participation goal of 20%, a Minority Business Enterprise (“MWBE”) participation goal of 10% and a Women Business Enterprise (“WBE”) Participation goal of 10%, related to the total value of ESD’s funding and to solicit and utilize MWBEs for any contractual opportunities generated in connection with the Project.
VII. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

VIII. Additional Submissions to Directors

Resolutions
New York State Map
Project Photograph
Project Finance Memorandum
Benefit-Cost Analysis
Regional Council Award – Priority Project – Clayton (North Country Region – Jefferson County) – Clayton Harbor Hotel Capital – Regional Council Capital Fund (Capital Grant) Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Clayton Harbor Hotel - Regional Council Capital Fund (Capital Grant) Project (the “Project”), the Corporation hereby determines pursuant to Section 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Clayton Harbor Hotel LLC a grant for a total amount not to exceed Three Million Dollars ($3,000,000) from the Regional Council Capital Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further
RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *
RESOLVED, that based on the material submitted to the Directors with respect to the Clayton Harbor Hotel Capital Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *
RESOLVED, that on the basis of the materials presented at this meeting, the Corporation hereby finds, pursuant to New York State Public Authorities Law Section 2879-b, that the project would not be able to go forward if a labor peace agreement were required and hereby waives such requirement in connection with the project.

* * *
FOR CONSIDERATION
June 27, 2014

TO: The Directors
FROM: Kenneth Adams

REQUEST FOR: Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions; Determination of No Significant Effect on the Environment

General Project Plan

I. Project Summary

Grantee: Jefferson County (the “County”)

ESD* Investment: A grant of up to $1,500,000 to be used for a portion of the cost of construction.

* The New York State Urban Development Corporation doing business as Empire State Development ("ESD" or the “Corporation”)

Project Location: Route 12F, Dexter, Jefferson County

Proposed Project: Construction of a new 14,000-square-foot hangar building at the Watertown International Airport

Project Type: Municipal facility construction
Regional Council: The project is consistent with the North Country Regional Economic Development Council Plan to support activity leading to new business development, tourism-travel, and to improve quality of life in North Country communities.

II. Project Cost and Financing Sources

<table>
<thead>
<tr>
<th>Financing Uses</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction</td>
<td>$1,700,000</td>
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<tr>
<td>Engineering</td>
<td>100,000</td>
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</tbody>
</table>

Total Project Costs $1,800,000

<table>
<thead>
<tr>
<th>Financing Sources</th>
<th>Amount</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>ESD – Grant</td>
<td>$1,500,000</td>
<td>84%</td>
</tr>
<tr>
<td>County Equity</td>
<td>300,000</td>
<td>16%</td>
</tr>
</tbody>
</table>

Total Project Financing $1,800,000 100%

III. Project Description

A. Grantee

County History: Jefferson County is in northern NYS and borders the St. Lawrence River and Canada to the North and Lake Ontario to the West. The County population is 116,229. Since 2006, Jefferson County has owned-operated the airport located in the nearby Town of Dexter. The origins of the airport go back to 1929 along with a terminal building that was constructed in 1948. The airport is now known as the Watertown International Airport with flights to Philadelphia provided by American Eagle under a Federal subsidy program to rural airports.

Market: The airport serves the greater Jefferson County area and competes with Canadian airports for air transportation business.

ESD Involvement: In an effort to modernize and expand the Watertown International Airport facility and buildings, the County sought ESD assistance to finance the airport improvement project and further develop this regional asset. The County applied for funding assistance through the Consolidated Funding Application (“CFA”) and was awarded $1,500,000. Without the ESD funding assistance, the County would not have a modern or adequate hangar facility suitable for current and future air transportation requirements. This important building construction project would not be possible without ESD assistance.
Past ESD Support: Since 2009 Jefferson County has received ESD funding for 3 projects amounting to $2,576,400. One project has been successfully completed. Two projects are in progress.

Funding to the County in the past five years is as follows:

<table>
<thead>
<tr>
<th>Program</th>
<th>Project #</th>
<th>Amount</th>
<th>Date Start (ESD Directors’ Approval date)</th>
<th>Date End (Project Completion: Contract Expiration or Job Requirement)</th>
<th>Purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regional Council Capital Fund</td>
<td>Y164</td>
<td>$1,000,000</td>
<td>April 2013</td>
<td>December 2015</td>
<td>Capital Grant - Airport phase II – Interior build out</td>
</tr>
</tbody>
</table>

B. The Project

Completion: June 2014

Activity: Jefferson County has planned, designed, and constructed a new 14,000-square-foot hangar building to expand private and commercial aircraft operations. The new hangar building allows the airport to provide security, safe storage, maintenance and fueling of the commercial aircraft which are now using the airport. The new hangar will also provide adequate and safe space for passengers to connect with local transportation. Moreover, the facility is a new source of rental revenue to offset costly airport operations.

Results: The new building is an initial step of a larger plan to develop airport facilities and modern business center for use by business travelers and to create adequate offices for airport administrative operations. The project is a safety and quality of life benefit as well as a regional economic development asset for the Watertown-North Country region.

The earlier expansion of the airport runway has led to use by larger planes with more regular and connecting flights, which are more convenient for residents, business users, vacationers, and most importantly, for Fort Drum visitors, soldiers and families.

Business Investment Project: Benefit-Costs Evaluations are used in evaluating projects that are categorized as Business Investment, Infrastructure Investment, and Economic Growth Investment and that involve 1) job retention and/or creation and/or 2) construction-related activity. For Business Investment projects, benefits typically reflect the impact of both jobs and construction-related activity. For Infrastructure Investment and
Economic Growth Investment projects, which generate long-term benefits not captured in the period of analysis and may involve no permanent job commitments, the estimated benefits typically reflect only construction-related activity.

Evaluated over a seven-year period, the following are anticipated project impacts (dollar values are present value):

- Fiscal benefits to NYS government from the project are estimated at $114,225;
- Fiscal cost to NYS government is estimated at $1,500,000;
- Ratio of project fiscal benefits to costs to NYS government is 0.08:1;
- Fiscal benefits to all governments (state and local) are estimated at $192,702;
- Fiscal cost to all governments is $1,800,000;
- The fiscal benefit to cost ratio for all governments is 0.11:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at $969,888;
- The economic benefit to cost ratio is 0.54:1;
- Project construction cost is $1,800,000, which is expected to generate 20 direct job years and eight indirect job years of employment;
- For every construction-related direct job generated by this project, an additional 0.39 indirect job is anticipated in the state’s economy.

See Project Summary Benefit-Cost Evaluation (attached) for detail and definitions.

Grantee Contact: Robert Hagemann  
County Administrator  
195 Arsenal Street  
Watertown NY 13601  
Phone: (315) 785-3075

ESD Project No.: X668

Project Team:  
Origination: John Vandeloo
Project Management: John Vandeloo
Contractor & Supplier Diversity: Elizabeth Gocs
Finance: Ross Freeman
Environmental: Soo Kang

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the County shall pay a
commitment fee of 1% of the $1,500,000 capital grant ($15,000) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.

2. The County will demonstrate no materially adverse changes in its financial condition prior to disbursement.

3. The County will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the Company’s acceptance of ESD’s offer. Equity is defined as cash injected into the project by the Company or by investors, and should be auditable through Company financial statements or Company accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.

4. Up to $1,500,000 will be disbursed to Grantee upon documentation of construction project costs totaling $1,800,000, upon completion of the project substantially as described in these materials, as evidenced by a certificate of occupancy, assuming that all project approvals have been completed and funds are available. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses must be incurred on or after March 19, 2012. to be considered eligible project costs. All disbursements must be requested by April 1, 2015.

IV. Statutory Basis – Regional Council Capital Fund

The project was authorized in the 2012-2013 New York State budget and reappropriated in the 2013-2014 and 2014-2015 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

V. Environmental Review

The County of Jefferson, as lead agency, has completed an environmental review of the proposed project, pursuant to the requirements of the State Environmental Quality Review Act (“SEQRA”) and the implementing regulations of the New York State Department of Environmental Conservation. This review found the project to be an Unlisted Action, which would not have a significant effect on the environment. The lead agency issued a Negative Declaration on November 12, 2012. ESD staff reviewed the Negative Declaration and supporting materials and concurs. It is recommended that the Directors make a Determination of No Significant Effect on the Environment.

VI. Non-Discrimination and Contractor & Supplier Diversity

ESD’s Non-discrimination and Contractor Diversity policy will apply to the Project. The Company shall be required to use “good faith efforts” to achieve an overall Minority and Women Business Enterprise ("MWBE") Participation goal of 23%, a Minority Business Enterprise ("MWBE") participation goal of 13% and a Women Business Enterprise ("WBE") Participation
goal of 10%, related to the total value of ESD’s funding and to solicit and utilize MWBEs for any contractual opportunities generated in connection with the Project.

VII. **ESD Employment Enforcement Policy**

ESD’s Employment Enforcement Policy will not apply since the project will not directly create or retain jobs.

VIII. **ESD Financial Assistance Subject to Availability of Funds and Additional Approval**

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

IX. **Additional Submissions to Directors**

Resolutions
New York State Map
Project Photograph
Project Finance Memorandum
Benefit-Cost Analysis
Regional Council Award – Priority Project – Dexter (North Country Region – Jefferson County) – Jefferson County Watertown International Airport – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Jefferson county Watertown International Airport – Regional Council Capital Fund (Capital Grant) Project (the “Project”), the Corporation hereby determines pursuant to Section 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of
them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

* * *
RESOLVED, that based on the material submitted to the Directors with respect to the Jefferson County Watertown International Airport Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.
FOR CONSIDERATION
June 27, 2014

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Regional Council Award – Poughkeepsie (Mid-Hudson Region – Dutchess County) – Marist College Capital – Regional Council Capital Fund (Capital Grant)

REQUEST FOR: Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

General Project Plan

I. Project Summary

Grantee: Marist College (“Marist” or the “College”)

ESD* Investment: A grant of up to $3,000,000 to be used for a portion of the cost to purchase machinery and equipment.

* The New York State Urban Development Corporation doing business as Empire State Development (“ESD” or the “Corporation”)

Project Location: 3399 North Road, Poughkeepsie, Dutchess County

Proposed Project: Marist College will establish the New York State Cloud Computing and Analytics Center (“NYSCCAC”) that will provide IT services, including hardware, software, training and consulting services to companies in early-stage IT project development and testing.

Project Type: Machinery and equipment to establish the NYSCCAC
Regional Council: The project is consistent with the Mid-Hudson Regional Strategic Plan to strengthen the diversified service-based economy with several technology-based industries and the educational resources, including engineering at SUNY and expertise in cloud computing and analytics research at Marist College, to prepare individuals for careers in technology-based industries. The President of Marist College, Dennis Murray, is co-chair of the 24 member Mid-Hudson Regional Economic Development Council. In conformance with the State’s policy this individual has recused himself on votes recommending this project.

II. Project Cost and Financing Sources

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<thead>
<tr>
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<th>Amount</th>
</tr>
</thead>
<tbody>
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<td>Machinery and Equipment Acquisition</td>
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<tr>
<td>Operating expenses (including:</td>
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<tr>
<td>Faculty, Marketing, Outreach, Advertising, Supplies/Materials, Other)</td>
<td>6,135,000</td>
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<tr>
<td>Total Project Costs</td>
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<tr>
<th>Financing Sources</th>
<th>Amount</th>
<th>Percent</th>
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<tbody>
<tr>
<td>ESD – Grant</td>
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<td>IBM Donated Equipment</td>
<td>23,791,965</td>
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<td>National Science Foundation – Grant</td>
<td>1,890,000</td>
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<tr>
<td>Company Equity</td>
<td>6,621,938</td>
<td>20%</td>
</tr>
<tr>
<td>Total Project Financing</td>
<td>$35,303,903</td>
<td>100%</td>
</tr>
</tbody>
</table>

III. Project Description

A. Grantee

Industry: Marist is an independent, co-educational, comprehensive liberal arts college.

Grantee History: The College can trace its roots back to 1905, when the Marist brothers purchased property along the eastern shore of the Hudson River in Poughkeepsie they named St. Ann’s Hermitage. A few years later, an estate with more than 150 acres was purchased to continue the expansion. By 1929, college-level courses were offered, and in 1946 the
State of New York granted the institution an official four-year charter under the leadership of founding President Brother Paul Ambrose Fontaine. The brothers set out to construct several buildings on the grounds of what was then called Marian College. By 1960, Marian College was renamed Marist College.

Ownership: Marist College is a not-for-profit corporation.

Size: All facilities are located in Poughkeepsie, NY.

Market: The College enrolls 4,787 traditional-age undergraduate students, 543 adult undergraduate students, and 799 full- and part-time graduate students. Academic programs are organized into seven schools: the School of Communication & the Arts; the School of Computer Sciences & Mathematics, the School of Global & Professional Programs, the School of Liberal Arts, the School of Management, the School of Science, and the School of Social and Behavioral Sciences. Students may choose among 44 undergraduate majors and 12 graduate programs, including fully on-line MBA, MPA, MS, and MA degrees.

ESD Involvement: As a highly selective, comprehensive, liberal arts institution noted for its leadership in the use of technology in and out of the classroom, Marist has committed to establishing the New York State Cloud Computing and Analytics Center that will provide IT services, including hardware, software, training and consulting services, to companies in early-stage IT project development and testing. To bridge the financing gap for the purchase of the necessary equipment and materials required to establish the NYSCCAC, Marist applied for financial support via the Consolidated Funding Application. ESD awarded Marist a capital grant in the amount of $3,000,000, which will ensure that the project moves forward.

Past ESD Support: Since 2001, Marist College has received ESD grants totaling approximately $7,771,000 for a variety of projects. All project funds have been disbursed and are in compliance with grant agreement terms.

B. The Project

Completion: December 2013

Activity: Marist College created and manages the NYSCCAC, a first-of-its-kind center, providing IT services, hardware, software, training, and consulting services. The NYSCCAC works with companies on early-stage IT projects with the goal to develop and test ways to deploy commercial cloud computing environments. The NYSCCAC also provides critical education
and training, through the cloud, in analytics and cloud computing, as well as other critical areas. NYSCCAC is available to members of the high performance computing community. It specifically provides an analytics cloud, a Cloud Computing and Analytics Incubation Center, and a workforce development cloud. The equipment to support this initiative includes: IBM Pure Systems, IBM Netezza systems, high speed networking components, and emergency power systems.

Results: The NYSCCAC programs will comprise IT services and consulting as well as business consulting, temporary office space, shared services, and administrative support offered on-site and over the internet to companies for periods of up to two years, at which point successful companies would graduate from the Incubator to other locations in the region, providing additional jobs and economic benefit to the local economy. Transition of these companies, and/or their cloud products, to other facilities will always be part of the initial business plan, project design, and implementation strategy.

Economic Growth Investment Project: This project is an Economic Growth Investment project that does not involve permanent job commitments or construction spending. While such projects generate significant long term fiscal and economic benefits, such benefits are not estimated within the short-term period used in the benefit cost analysis. Therefore, no benefit cost analysis is provided.

Grantee Contact: Roger Norton, Dean, School of Computer Science and Mathematics
3399 North Road
Poughkeepsie, NY 12601
Phone: (845) 575-3000 ext. 3610

ESD Project No.: Y268

Project Team: Origination Charles Radier
Project Management Simone Bethune
Contractor & Supplier Diversity Denise Ross
Finance Ross Freeman
Environmental Soo Kang

C. Financial Terms and Conditions
1. Upon execution of the grant disbursement agreement, the Grantee shall pay a commitment fee of 1% of the $3,000,000 capital grant ($30,000) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.

2. The Grantee will be obligated to advise ESD of any materially adverse changes in its
financial condition prior to disbursement.

3. The Grantee will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the Grantee’s acceptance of ESD’s offer. Equity is defined as cash injected into the project by the Grantee or by investors, and should be auditable through Grantee financial statements or Grantee accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.

4. Up to $3,000,000 will be disbursed to Grantee upon documentation of project expenditures totaling $35,303,903, and upon completion of the project substantially as described in these materials, as evidenced by a certificate of occupancy, assuming that all project approvals have been completed and funds are available. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses must be incurred on or after May 2, 2013, to be considered eligible project costs.

5. ESD may reallocate the project funds to another form of assistance, at an amount no greater than $3,000,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Company and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

6. Grant funds will be subject to pro rata recapture if the property at the Project Location is sold within five years of disbursement of funds. The Recapture Amount is based on the time that has lapsed between when the Grant funds were disbursed and when the transfer occurred. The Recapture Amount shall be calculated by aggregating the Recapture Amount for each disbursement of the Grant, which in each instance shall be equal to:

(i) 100% of the disbursed amount if the transfer occurred in the calendar year that the disbursement was made, or in the first full calendar year after the disbursement was made;
(ii) 80% of the disbursed amount if the transfer occurred in the second full calendar year after the disbursement was made;
(iii) 60% of the disbursed amount if the transfer occurred in the third full calendar year after the disbursement was made;
(iv) 40% of the disbursed amount if the transfer occurred in the fourth full calendar year after the disbursement was made;
(v) 20% of the disbursed amount if the transfer occurred in the fifth full calendar year after the disbursement was made.

IV. Statutory Basis – Regional Council Capital Fund
The project was authorized in the 2012-2013 and re-appropriated in the 2013-14 and 2014-15 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

V. Environmental Review

ESD staff has determined that the project constitutes a Type II action as defined by the New York State Environmental Quality Review Act (“SEQRA”) and the implementing regulations of the New York State Department of Environmental Conservation. No further environmental review is required in connection with the project.

VI. Non-Discrimination and Contractor & Supplier Diversity

ESD’s Non-discrimination and Contractor Diversity policy will apply to the Project. Marist shall be required to use good faith efforts to achieve an overall Minority and Women Business Enterprise (“MWBE”) Participation goal of 30%, Minority Business Enterprise (“MBE”) Participation goal of 20% and a Women Business Enterprise (“WBE”) Participation goal of 10% related to the total value of ESD’s funding and to solicit and utilize MWBEs for any contractual opportunities generated in connection with the Project.

VII. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

VIII. ESD Employment Enforcement Policy

ESD’s Employment Enforcement Policy will not apply since the project will not directly create or retain jobs.

IX. Additional Submissions to Directors

Resolutions
New York State Map
Project Finance Memorandum
Benefit-Cost Analysis
Regional Council Award – Poughkeepsie (Mid-Hudson Region – Dutchess County) – Marist College Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Marist College Capital – Regional Council Capital Fund (Capital Grant) Project (the “Project”), the Corporation hereby determines pursuant to Section 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Marist College a grant for a total amount not to exceed Three Million Dollars ($3,000,000) from the Regional Council Capital Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of
them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *
Marist College Capital
Poughkeepsie
Dutchess County
TO: The Directors
FROM: Kenneth Adams
SUBJECT: Regional Council Award – Priority Project — Buffalo (Western New York Region – Erie County) – Buffalo Streetscapes Capital – Regional Council Capital Fund (Capital Grant)

REQUEST FOR: Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Determination of No Significant Effect on the Environment

General Project Plan

I. Project Summary

Grantee: City of Buffalo ("Buffalo" or the "City")

ESD* Investment: A grant of up to $2 million to be used for a portion of streetscape and infrastructure development costs.

* The New York State Urban Development Corporation doing business as Empire State Development “ESD” or the “Corporation”

Project Location: 495-564 Main Street (the “500 Block of Main”), Buffalo, Erie County

Proposed Project: Streetscape and infrastructure development in downtown Buffalo to advance and improve traffic flow and connectivity

Project Type: Infrastructure development

Regional Council: This is a Priority Project for the Western New York Regional Economic Development Council ("WNY REDC"). The project is consistent with the Regional Plan to revitalize the City’s downtown core to promote smart growth, attract tourism and young adults, and retain and expand business opportunities.
II. Project Cost and Financing Sources

<table>
<thead>
<tr>
<th>Financing Uses</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>500 Block of Main Street</td>
<td>$20,750,000</td>
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</table>

Total Project Costs $20,750,000

<table>
<thead>
<tr>
<th>Financing Sources</th>
<th>Amount</th>
<th>Percent</th>
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</thead>
<tbody>
<tr>
<td>ESD – Grant</td>
<td>$2,000,000</td>
<td>10%</td>
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<tr>
<td>Federal (TIGER III) Grant</td>
<td>$15,000,000</td>
<td>72%</td>
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<tr>
<td>Marchselli (NYSDOT)</td>
<td>$1,675,000</td>
<td>8%</td>
</tr>
<tr>
<td>City Equity</td>
<td>$2,075,000</td>
<td>10%</td>
</tr>
</tbody>
</table>

Total Project Financing $20,750,000 100%

III. Project Description

A. Grantee

History: The City, incorporated in 1832, is located in Erie County in Western New York State. At the turn of the twentieth century, Buffalo was the eighth most populous city and hosted the fifth largest economy in the United States. Buffalo, which is located at the western terminus of the Erie Barge Canal, became known as the “Queen City” of the Great Lakes. It developed as a major transportation hub and contained a vibrant industrial base which produced innovations in energy, chemicals and aeronautics. Today, as a result of shifts in transportation trends and a decline of its industrial base, Buffalo is one of the poorest of the largest 100 cities in the United States based on household income, unemployment and percentage of population on public assistance. In the 1990s, more jobs were lost in Buffalo than any other urban community of comparable size in the country. The City has lost over 50% of its population since the 1950s and the current poverty rate is 27%. Buffalo is also ranked one of the top five cities based on the number of vacant housing units, which currently involve over 22,000 properties. The City has over two million square feet of vacant and underutilized primarily commercial building stock.

Ownership: Public municipality

Size: The City is approximately 41 square miles in area and has a population of approximately 280,000 people.
ESD Involvement: Over the past five years, downtown Buffalo has benefited from $1 billion in private investment including over $50 million at the Erie Canal Harbor and $500 million at the Buffalo Niagara Medical Campus (“BNMC”) and estimates the completion of an additional $1 billion in additional projects by 2020. The City’s decaying and inefficient public infrastructure needs to complement these substantial capital investments to yield a transformational effect for downtown Buffalo. In an effort to achieve this goal, the City is making an investment in streetscape and infrastructure development in accordance with Buffalo’s national award winning plan for downtown, the Queen City Hub Plan, which recognizes five separate downtown districts including the Erie Canal Harbor and waterfront district, downtown education and public safety campus, financial district and government center, theatre district and the BNMC.

As a result of the Governor’s Regional Economic Development Council Initiative, the City of Buffalo was awarded $4 million through the Consolidated Funding Application (“CFA”) process to fund a priority project to improve street and streetscapes in an effort to improve traffic flow and provide connectivity between the separate downtown districts.

Following the CFA award, the grant was split to fund the project in two phases. The $2 million grant currently being requested will fund the 500 Block of Main Street. Another $2 million grant will be used for the future development of Pearl Street between Goodell and Lower Terrace Streets, and Genesee Street between Washington and Oak Streets. The later phase will be brought before the ESD Directors following completion of the required environmental and the State Historic Preservation Office of the New York State Office of Parks, Recreation and Historic Preservation reviews.
Past ESD Support: Since 2009, ESD Directors have approved $24,840,000 in financial support to the City.

ESD’s financial support to the City for the past five years is summarized in the charts below.

<table>
<thead>
<tr>
<th>Program</th>
<th>Project #</th>
<th>Amount</th>
<th>Date Start (ESD Directors’ Approval date)</th>
<th>Date End (Project Completion: Contract Expiration or Job Requirement)</th>
<th>Purpose</th>
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<tr>
<td>Restore NY</td>
<td>W848</td>
<td>$2,000,000</td>
<td>December 2009</td>
<td>March 2012</td>
<td>Capital Grants – demolition, deconstruction, rehabilitation, or reconstruction of vacant, obsolete or surplus structures</td>
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<tr>
<td></td>
<td>W896</td>
<td>$1,350,000</td>
<td>February 2010</td>
<td>July 2015</td>
<td></td>
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<tr>
<td></td>
<td>W839</td>
<td>$7,635,526</td>
<td>November 2010</td>
<td>December 2014</td>
<td></td>
</tr>
<tr>
<td></td>
<td>W898</td>
<td>$2,634,474</td>
<td>June 2011</td>
<td>March 2015</td>
<td></td>
</tr>
<tr>
<td></td>
<td>W897</td>
<td>$320,000</td>
<td>November 2012</td>
<td>October 2013</td>
<td></td>
</tr>
<tr>
<td></td>
<td>X110</td>
<td>$500,000</td>
<td>January 2013</td>
<td>June 2013</td>
<td></td>
</tr>
<tr>
<td></td>
<td>W895</td>
<td>$100,000</td>
<td>February 2014</td>
<td>March 2014</td>
<td></td>
</tr>
<tr>
<td>Upstate City-by-City</td>
<td>W904</td>
<td>$1,000,000</td>
<td>March 2010</td>
<td>December 2015</td>
<td>Capital Grant – renovations, construction</td>
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<td></td>
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<td>March 2010</td>
<td>February 2013</td>
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<tr>
<td></td>
<td>X956</td>
<td>$3,000,000</td>
<td>December 2012</td>
<td>Ongoing</td>
<td>Capital Grant – regional revolving loan fund</td>
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<tr>
<td></td>
<td>X834</td>
<td>$5,300,000</td>
<td>May 2013</td>
<td>December 2014</td>
<td>Capital Grant – rehabilitation, renovation, and restoration</td>
</tr>
</tbody>
</table>

B. The Project

Completion: July 2015

Activity: The focus of this project will be re-establishing high-quality multi-modal transportation corridors focusing on road reconstruction and/or resurfacing, new curbs, street lighting, sidewalks, new directional signing, garbage receptacles and benches.
In the late 1970s, the Niagara Frontier Transportation Authority ("NFTA") started constructing a high-speed underground 6.2-mile rail system (the "Metro Rail") from the State University of New York at Buffalo’s South Campus to Buffalo’s waterfront, at the base of Main Street. However, by the early 1980s, due to unexpected high costs and population decline, the NFTA decided not to proceed with the final stretch of the underground Metro Rail and instead removed two-way vehicular traffic with storefront parking in the 100 to 700 Blocks of Main Street to accommodate the construction of an above-ground section of the Metro Rail.

Unfortunately, the decision to remove two-way traffic along with the creation of a pedestrian mall had a detrimental effect on storefront businesses, which were only accessible by a pedestrian mall. To encourage the return of retail on Main Street, the City is re-introducing automobile traffic to Main Street, starting with a 700 Block conversion completed in 2009. The conversion of the 600 Block is currently underway. This project will focus on the conversion of the 500 Block, located in the theatre district, which will involve the construction of one lane of traffic with parking in each direction sharing the roadway with the light rail tracks and new curbing, sandstone exposed aggregate sidewalks and signage. The City plans to continue with the conversion of the 100 to 400 Blocks upon securing sufficient funds.

Results: The infrastructure investment will provide improved traffic flow and connections in and between now segmented districts, creating a vibrant, walkable, mixed-use environment, promoting smart growth and adjoining distressed neighborhoods thereby improving equitable job access, workforce connections, and recreational and shopping opportunities. The project is expected to retain and significantly expand downtown businesses, particularly on Main Street, and spur the rehabilitation of over two million square feet of vacant and underutilized primarily commercial building stock into mixed-use, residential and commercial structures, thereby attracting young adults and professionals to downtown Buffalo. Additionally, it will provide easier access to downtown Buffalo’s seven local and national historic districts and over 30 individually listed structures on the National Register of Historic Places, increasing tourism.

Infrastructure Investment Project: Benefit-Costs Evaluations are used in evaluating projects that are categorized as Business Investment, Infrastructure Investment, and Economic Growth Investment and that involve 1) job retention and/or creation and/or 2) construction-related activity. For Business Investment projects, benefits typically reflect the impact of both jobs and construction-related activity. For Infrastructure Investment and Economic Growth Investment projects, which generate long-term benefits not captured in the period of analysis and may involve no permanent job
commitments, the estimated benefits typically reflect only construction-related activity.

Evaluated over a seven-year period, the following are anticipated project impacts (dollar values are present value):

- Fiscal benefits to NYS government from the project are estimated at $1,267,906;
- Fiscal cost to NYS government is estimated at $2,000,000;
- Ratio of project fiscal benefits to costs to NYS government is 0.63:1;
- Fiscal benefits to all governments (state and local) are estimated at $2,216,938;
- Fiscal cost to all governments is $2,000,000;
- The fiscal benefit to cost ratio for all governments is 1.11:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at $16,724,508;
- The economic benefit to cost ratio is 8.36:1;
- Project construction cost is $20,750,000, which is expected to generate 191 direct job years and 122 indirect job years of employment;
- For every construction-related direct job generated by this project, an additional 0.64 indirect job is anticipated in the state’s economy.

See Project Summary Benefit-Cost Evaluation (attached) for detail and definitions.

Grantee Contact:  John D. Bidell, Project Engineer  
515 City Hall  
Buffalo, NY 14202-3376  
Phone: (716) 851-5625

ESD Project No.:  X741

Project Team:  Origination  
Diego Sirianni  
Project Management  
Jean Williams  
Contractor & Supplier Diversity  
Vikas Gera  
Finance  
Jonevan Hornsby  
Design & Construction  
Dennis Conroy  
Environmental  
Soo Kang

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the City shall pay a commitment fee of 1% of the $2,000,000 capital grant ($20,000) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The City will demonstrate no materially adverse changes in its financial condition prior to disbursement.

3. The City will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the City’s acceptance of ESD’s offer. Equity is defined as cash injected into the project by the City or by investors, and should be auditable through City financial statements or City accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.

4. Funds will be disbursed as reimbursement for eligible expenditures during the course of construction no more frequently than quarterly, in compliance with ESD’s Design & Construction Requirements and in proportion to ESD’s funding share, assuming that all project approvals have been completed and funds are available. The final 10% of the grant will be disbursed upon completion of the project, and a certificate of completion and/or other documentation verifying project completion as ESD may require. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenditures must be incurred on or after September 18, 2012 to be considered eligible project costs. All disbursements must be requested by December 31, 2015.

5. ESD may reallocate the project funds to another form of assistance, at an amount no greater than $2 million, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the City and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

IV. Statutory Basis – Regional Council Capital Fund

The project was authorized in the 2011-2012 New York State budget and re-appropriated in the 2012-2013, 2013-2014 and 2014-2015 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

V. Design and Construction

Upon acceptance of this Incentive Proposal and prior to moving forward with the project, ESD’s Design & Construction (“D&C”) staff will review the project management plan, scope, budget and schedule. D&C shall be apprised of progress throughout construction period and receive a copy of meeting minutes/Owner/Construction Manager reports. D&C will visit each site at its option, review quarterly payment requisitions and recommend payment when its requirements have been met per the GDA disbursement agreement.

VI. Environmental Review

The Federal Transit Administration (“FTA”) of the United States Department of Transportation has completed an environmental review of the proposed project pursuant to the requirements of the National Environmental Policy Act (“NEPA”). The FTA prepared an Environmental
Assessment (“EA”) and issued a Findings of No Significant Impact (“FONSI”) on October 5, 2009. ESD staff reviewed the EA and FONSI and concurs. The project constitutes an Unlisted Action, which would not have a significant effect on the environment. It is recommended that the Directors make a Determination of No Significant Effect on the Environment.

Due to the presence of historic resources within the project site, which are listed or eligible for listing on the National Register of Historic Places, ESD has confirmed that the project sponsor consulted with the New York State Office of Parks, Recreation and Historic Preservation pursuant to the requirements of Section 14.09 of the New York State Parks, Recreation and Historic Preservation Law. No further consultation is required.

VII. Smart Growth Public Infrastructure Review

Pursuant to the requirements of the State Smart Growth Public Infrastructure Policy Act (the “SG Act”), ESD’s Smart Growth Advisory Committee has reviewed a Smart Growth Impact Statement for the project and found that the project is consistent with the State Smart Growth Public Infrastructure Criteria (“Smart Growth Criteria”). The designee of the Chief Executive Officer of the Corporation has attested that the project, to the extent practicable, meets the relevant Smart Growth Criteria set forth in the SG Act.

VIII. Non-Discrimination and Contractor & Supplier Diversity

ESD’s Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Recipient shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women Business Enterprise (“MWBEs”) for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 23%. The overall goal shall include a Minority Business Enterprise (“MBE”) Participation Goal of 15% and a Women Business Enterprise (“WBE”) Participation Goal of 8% related to the total value of ESD’s funding.

IX. ESD Employment Enforcement Policy

ESD’s Employment Enforcement Policy will not apply since the project will not directly create or retain jobs.

X. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.
XI. Additional Submissions to Directors

Resolutions
New York State Map
Project Photographs
Project Finance Memorandum
Benefit-Cost Analysis
Regional Council Award – Priority Project — Buffalo (Western New York Region – Erie County) – Buffalo Streetscapes Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Buffalo Streetscapes Capital — Regional Council Capital Fund (Capital Grant) Project (the “Project”), the Corporation hereby determines pursuant to Section 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to the City of Buffalo, a grant for a total amount not to exceed Two Million Dollars ($2,000,000) from the Regional Council Capital Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further
RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *
Regional Council Award – Priority Project — Buffalo (Western New York Region – Erie County) – Buffalo Streetscapes Capital – Regional Council Capital Fund – (Capital Grant) Determination of No Significant Effect on the Environment

RESOLVED, that based on the material submitted to the Directors with respect to the Buffalo Streetscapes Capital – Regional Council Capital Fund (Capital Project) Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *
**Project Summary**  
**Benefit-Cost Evaluation**¹

**Buffalo Streetscape (500 Block of Main Street) - Infrastructure Investment**

Benefit-Costs Evaluations are used in evaluating projects that are categorized as Business Investment, Infrastructure Investment, and Economic Growth Investment and that involve 1) job retention and/or creation and/or 2) construction-related activity. For Business Investment projects, benefits reported in the table below typically reflect the impact of both jobs and construction-related activity. For Infrastructure Investment and Economic Growth Investment projects, which generate long-term benefits not captured in the period of analysis and may involve no permanent job commitments, the table typically reflects only construction-related activity. Benchmarks for each type of project are noted in the footnotes.

**Construction Job Years (Direct):** 191  
**Construction Job Years (Indirect):** 122

<table>
<thead>
<tr>
<th>Evaluation Statistics</th>
<th>Project Result</th>
<th>NYS Govt.</th>
<th>Project Results</th>
<th>State &amp; Local Government</th>
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<tr>
<td></td>
<td>NYS Govt.</td>
<td>Benchmarks for ESD Projects²</td>
<td>State &amp; Local Government</td>
<td>Benchmarks for ESD Projects</td>
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<td>Fiscal Costs³</td>
<td>$2,000,000</td>
<td>$794,250</td>
<td>$2,000,000</td>
<td>$1,020,500</td>
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<td>Fiscal Benefits⁴</td>
<td>$1,267,906</td>
<td>$2,085,600</td>
<td>$2,216,938</td>
<td>$4,271,980</td>
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<tr>
<td>Fiscal B/C Ratio</td>
<td>0.63</td>
<td>3.00</td>
<td>1.11</td>
<td>10.60</td>
</tr>
</tbody>
</table>

| Economic Benefits⁵    | $16,724,508 | $119,468,000 |
| Economic B/C Ratio    | 8.36         | 30.00     |

¹ Dollar values are present value calculated over a 7-year period. Separate evaluations are made and reported for New York State government assistance alone and for State and Local government.

² The current project evaluation results (both fiscal and economic) are compared to performance measure benchmarks based on results of a sample of ESD non-retail projects. Infrastructure Investment (or Economic Growth Investment) project benchmarks are 3.00 (Fiscal) and 30.00 (Economic).

³ Fiscal cost includes the value of grants, loans and associated default risks, and discretionary subsidies (such as tax exemptions or abatements on sales, property, and interest income).

⁴ Fiscal benefits are the loan repayments and tax revenues to New York State and Local governments generated by project activity. This includes estimated taxes on personal incomes from project direct and indirect employment, corporate and business incomes, excise and user taxes, property taxes, and other taxes.

⁵ Economic benefits are estimated project benefits measuring fiscal flows to government plus net resident disposable income from project direct and indirect employment net of transfers, without adjusting for individual income earners’ opportunity cost of employment.
FOR CONSIDERATION
June 27, 2014

TO: The Directors
FROM: Kenneth Adams
SUBJECT: Regional Council Award – Priority Project – Gowanda (Western New York Region – Cattaraugus County) – Gowanda’s Historic Hollywood Theater Capital – Regional Council Capital Fund (Capital Grant)

REQUEST FOR: Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

General Project Plan

I. Project Summary

Grantee: Gowanda’s Historic Hollywood Theater, Ltd. (the “Hollywood Theater”)

ESD* Investment: A grant of up to $166,667 to be used as reimbursement for a portion of interior restoration costs.

* The New York State Urban Development Corporation doing business as Empire State Development (“ESD” or the “Corporation”)

Project Location: 39 West Main Street, Gowanda, Cattaraugus County

Proposed Project: Interior renovation and restoration of Gowanda’s Historic Hollywood Theater (the “Theater”)

Project Type: Downtown revitalization

Regional Council: The project is consistent with the Western New York (“WNY”) Regional Economic Development Council’s (“REDC”) Plan as it rehabilitates and preserves a historic building; increases tourism; creates a center for visual and performing arts; creates jobs for the community’s youth; and spurs further economic development in the surrounding downtown district.
II. Project Cost and Financing Sources

<table>
<thead>
<tr>
<th>Financing Uses</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction/Renovations</td>
<td>$629,193</td>
</tr>
</tbody>
</table>

Total Project Costs $629,193

<table>
<thead>
<tr>
<th>Financing Sources</th>
<th>Amount</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>ESD – Grant</td>
<td>$166,667</td>
<td>26%</td>
</tr>
<tr>
<td>NYS Parks Environmental Protection Fund</td>
<td>295,138</td>
<td>47%</td>
</tr>
<tr>
<td>Grantee Equity</td>
<td>167,388</td>
<td>27%</td>
</tr>
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</table>

Total Project Financing $629,193 100%

III. Project Description

A. Grantee

Industry: The Hollywood Theater manages the rehabilitation and preservation of the 12,600-square-foot Theater, which was constructed in 1926 and was once home to big band performances, vaudeville acts, and reel movies until 1992, when it closed.

Grantee History: In 1997, the Gernatt family purchased the vacant Theater and donated it to the Gowanda Area Redevelopment Corporation. With assistance from grass-roots volunteers known as “The Friends of the Hollywood,” rehabilitation fundraising began. In 2003, the Grantee was established for the purpose of rehabilitating and operating the Theater. The Hollywood Theater receives funding from various private and public sources and also holds various fundraisers including the annual Hollywood Happening, which attracts nearly 15,000 motorcyclists from the U.S. and Canada to enjoy live outdoor music, bike shows, and a bike run.

Ownership: Not-for-profit organization.

Size: The Grantee operates out of its one facility in Gowanda, NY.

Market: Upon complete rehabilitation of the Theater, it will re-open as a regional center for the visual and performing arts, catering to the specific needs of area residents of a rural tri-county area and serving as a tourist attraction.
ESD Involvement: The Hollywood Theater has been making strides to preserve all of the original historic fabric of the Theater, which is listed on the National Register of Historic Places. Since 2003, the Hollywood Theater has completed asbestos abatement; historic door, window and lighting restoration; partial restoration of plaster and paint; plumbing and electrical upgrades; bathroom renovations; and preliminary installation of heating, ventilation, and air-conditioning (“HVAC”); mechanical system ductwork for code; and ADA compliance. However, the Hollywood Theater did not have sufficient financial resources to proceed with additional phases of renovations. As a result of the Governor’s REDC Initiative, the Hollywood Theater was awarded a $166,667 grant through the Consolidated Funding Application process to support additional Theater restorations.

Past ESD Support: This is the Grantee’s first project with ESD. However, the Theater was a Beneficiary of RESTORE NY III funds, through the Village of Gowanda as follows:

<table>
<thead>
<tr>
<th>Program</th>
<th>Project #</th>
<th>Amount</th>
<th>Date Start (ESD Directors’ Approval date)</th>
<th>Date End (Project Completion: Contract Expiration or Job Requirement)</th>
<th>Purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td>RestoreNY</td>
<td>W866</td>
<td>$660,000</td>
<td>December 18, 2009</td>
<td>April 30, 2014</td>
<td>Capital Grant – Design; engineering; partial interior demolition; and interior renovations including water and sewer upgrades; plumbing; electrical; security; and sprinkler systems</td>
</tr>
</tbody>
</table>

B. The Project

Completion: November 2015

Activity: The project involves completion of the HVAC and mechanical systems including duct work and air handling units; completion of ceiling plaster and paint, plaster repair and paint restoration six feet from the ceiling; reinforcement of truss; establishment of dry space under the lobby.

Results: The project will allow for approximate 85% completion of the Theater, which is expected to re-open to the public on a limited basis in November 2015. Upon full restoration, the Theater will preserve and enhance the Village of Gowanda’s Historic District, while serving as a catalyst for economic redevelopment in the adjacent business district; provide employment in an area that has experienced a significant decrease in job
opportunities over the last decade; convert a long-vacant building into a visual and performing arts center; and increase tourism to the area.

Economic Growth Investment Project: Benefit-Costs Evaluations are used in evaluating projects that are categorized as Business Investment, Infrastructure Investment, and Economic Growth Investment and that involve 1) job retention and/or creation and/or 2) construction-related activity. For Business Investment projects, benefits typically reflect the impact of both jobs and construction-related activity. For Infrastructure Investment and Economic Growth Investment projects, which generate long-term benefits not captured in the period of analysis and may involve no permanent job commitments, the estimated benefits typically reflect only construction-related activity.

Evaluated over a seven-year period, the following are anticipated project impacts (dollar values are present value):

- Fiscal benefits to NYS government from the project are estimated at $16,109;
- Fiscal cost to NYS government is estimated at $271,055;
- Ratio of project fiscal benefits to costs to NYS government is 0.06:1;
- Fiscal benefits to all governments (state and local) are estimated at $28,166;
- Fiscal cost to all governments is $271,055;
- The fiscal benefit to cost ratio for all governments is 0.10:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at $212,404;
- The economic benefit to cost ratio is 0.78:1;
- Project construction cost is $271,055, which is expected to generate two direct job years and two indirect job years of employment;
- For every construction-related direct job generated by this project, an additional 0.57 indirect job is anticipated in the state’s economy.

See Project Summary Benefit-Cost Evaluation (attached) for detail and definitions.

Grantee Contact: Ms. Deborah Harris, Theater Project Coordinator
39 West Main Street
Gowanda, NY 14070
Phone: (716) 532-6103

ESD Project No.: Y770
C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Grantee shall pay a commitment fee of 1% of the $166,667 capital grant ($1,666) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.

2. The Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.

3. The Grantee will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the Grantee’s acceptance of ESD’s offer. Equity is defined as cash injected into the project by the Grantee or by investors, and should be auditable through Grantee financial statements or Grantee accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.

4. Up to $166,667 will be disbursed to Grantee, no more frequently than monthly, upon documentation of upon completion of the project substantially as described in these materials, and compliance with the Design & Construction requirements, assuming that all project approvals have been completed and funds are available. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenditures must be incurred on or after May 1, 2014, to be considered eligible project costs. All disbursements must be requested by April 1, 2016.

5. Grant funds will be subject to pro rata recapture if the property at the Project Location is sold within five years of disbursement of funds. The Recapture Amount is based on the time that has lapsed between when the Grant funds were disbursed and when the transfer occurred. The Recapture Amount shall be calculated by aggregating the Recapture Amount for each disbursement of the Grant, which in each instance shall be equal to:

   (i) 100% of the disbursed amount if the transfer occurred in the calendar year that the disbursement was made, or in the first full calendar year after the disbursement was made;
   (ii) 80% of the disbursed amount if the transfer occurred in the second full calendar year after the disbursement was made;
   (iii) 60% of the disbursed amount if the transfer occurred in the third full calendar year after the disbursement was made;
(iv) 40% of the disbursed amount if the transfer occurred in the fourth full calendar year after the disbursement was made;
(v) 20% of the disbursed amount if the transfer occurred in the fifth full calendar year after the disbursement was made.

IV. Statutory Basis – Regional Council Capital Fund

The project was authorized in the 2013-2014 and re-appropriated in the 2014-2015 New York State budget. No residential relocation is required as there are no families or individuals residing on the site.

V. Design and Construction

Upon acceptance of this incentive proposal and prior to moving forward with the project, ESD’s Design & Construction ("D&C") staff will review the Project Plan, scope, construction documents (CD’s), budget and proposed schedule. D&C shall be apprised of progress throughout construction and receive periodic meeting minutes/project status reports. D&C will visit the site at its option, review payment requests and recommend payment when its requirements have been met per the grant disbursement agreement.

VI. Environmental Review

ESD staff has determined that the project constitutes a Type II action as defined by the New York State Environmental Quality Review Act ("SEQRA") and the implementing regulations of the New York State Department of Environmental Conservation. No further environmental review is required in connection with the project.

Due to the building's inclusion on the National Register of Historic Places, ESD has confirmed that the project sponsor consulted with the New York State Office of Parks, Recreation and Historic Preservation pursuant to the requirements of Section 14.09 of the New York State Parks, Recreation and Historic Preservation Law. No further consultation is required.

VII. Non-Discrimination and Contractor & Supplier Diversity

ESD’s Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Recipient shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women Business Enterprise (“MWBEs”) for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 30%. The overall goal shall include a Minority Business Enterprise (“MBE”) Participation Goal of 20% and a Women Business Enterprise (“WBE”) Participation Goal of 10% related to the total value of ESD’s funding.

VIII. ESD Employment Enforcement Policy

ESD's Employment Enforcement Policy will not apply since the project will not directly create or retain jobs.
IX. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

X. Additional Submissions to Directors

Resolutions
New York State Map
Project Photographs
Project Finance Memorandum
Benefit-Cost Analysis
Regional Council Award – Priority Project – Gowanda (Western New York Region – Cattaraugus County) – Gowanda’s Historic Hollywood Theater Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Gowanda’s Historic Hollywood Theater Capital – Regional Council Capital Fund (Capital Grant) Project (the “Project”), the Corporation hereby determines pursuant to Section 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Gowanda’s Historic Hollywood Theater, Ltd. a grant for a total amount not to exceed One Hundred Sixty-six Thousand Six Hundred Sixty-seven Dollars ($166,667) from the Regional Council Capital Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *
Project Summary
Benefit-Cost Evaluation

Gowanda’s Historic Hollywood Theater – Economic Growth Investment

Benefit-Cost Evaluations are used in evaluating projects that are categorized as Business Investment, Infrastructure Investment, and Economic Growth Investment and that involve 1) job retention and/or creation and/or 2) construction-related activity. For Business Investment projects, benefits reported in the table below typically reflect the impact of both jobs and construction-related activity. For Infrastructure Investment and Economic Growth Investment projects, which generate long-term benefits not captured in the period of analysis and may involve no permanent job commitments, the table typically reflects only construction-related activity. Benchmarks for each type of project are noted in the footnotes.

Construction Job Years (Direct): 2
Construction Job Years (Indirect): 2

<table>
<thead>
<tr>
<th>Evaluation Statistics</th>
<th>Project Result NYS Govt.</th>
<th>NYS Govt. Benchmarks for ESD Projects</th>
<th>Project Results State &amp; Local Governments</th>
<th>State &amp; Local Government Benchmarks for ESD Projects</th>
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</thead>
<tbody>
<tr>
<td>Fiscal Costs³</td>
<td>$271,055</td>
<td>$794,250</td>
<td>$271,055</td>
<td>$1,020,500</td>
</tr>
<tr>
<td>Fiscal Benefits⁴</td>
<td>$16,109</td>
<td>$2,085,600</td>
<td>$28,166</td>
<td>$4,271,980</td>
</tr>
<tr>
<td>Fiscal B/C Ratio</td>
<td>0.06</td>
<td>3.00</td>
<td>0.10</td>
<td>10.60</td>
</tr>
</tbody>
</table>

| Economic Benefits⁵     | $212,404                 | $119,468,000                           |
| Economic B/C Ratio     | 0.78                     | 30.00                                  |

¹ Dollar values are present value calculated over a 7-year period. Separate evaluations are made and reported for New York State government assistance alone and for State and Local government.

² The current project evaluation results (both fiscal and economic) are compared to performance measure benchmarks based on results of a sample of ESD non-retail projects. Infrastructure Investment (or Economic Growth Investment) project benchmarks are 3.00 (Fiscal) and 30.00 (Economic).

³ Fiscal cost includes the value of grants, loans and associated default risks, and discretionary subsidies (such as tax exemptions or abatements on sales, property, and interest income).

⁴ Fiscal benefits are the loan repayments and tax revenues to New York State and Local governments generated by project activity. This includes estimated taxes on personal incomes from project direct and indirect employment, corporate and business incomes, excise and user taxes, property taxes, and other taxes.

⁵ Economic benefits are estimated project benefits measuring fiscal flows to government plus net resident disposable income from project direct and indirect employment net of transfers, without adjusting for individual income earners’ opportunity cost of employment.
FOR CONSIDERATION
June 27, 2014

TO: The Directors
FROM: Kenneth Adams
SUBJECT: Regional Council Award – Farmingdale (Long Island Region – Suffolk County) – J.M. Haley Capital – Empire State Economic Development Fund – General Development Financing (Capital Grant)

REQUEST FOR: Findings and Determinations Pursuant to Sections 16-m and 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions;

General Project Plan

I. Project Summary

Grantee: J.M. Haley Corporation (“JM” or the “Company”)

ESD* Investment: A grant of up to $200,000 to be used for a portion of the cost of property acquisition, renovation, and the purchase of machinery and equipment.

* The New York State Urban Development Corporation doing business as Empire State Development (“ESD” or the “Corporation”)

Project Location: 151 Toledo Street, Farmingdale, Suffolk County

Proposed Project: Property acquisition, renovation, and machinery and equipment purchase

Project Type: Business expansion involving job retention and creation
The project is consistent with the Long Island Regional Economic Development Council Strategic Plan for long-term economic growth is characterized by increased collaboration among academia, the private and public sectors and labor to protect and grow our advanced manufacturing base while encouraging innovation in the life sciences, information technology, clean energy, defense and homeland security industry clusters.

Employment:

Initial employment at time of ESD Incentive Proposal: 65
Current employment level: 65
Minimum employment through January 1, 2020: 115

II. Project Cost and Financing Sources

<table>
<thead>
<tr>
<th>Financing Uses</th>
<th>Amount</th>
<th>Percent</th>
<th>Rate/Term/Lien</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building Purchase</td>
<td>$990,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Construction Materials</td>
<td>55,876</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contractor Costs</td>
<td>42,684</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Building Equipment (HVAC and Storage)</td>
<td>10,042</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equipment Purchases</td>
<td>141,683</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Software Purchases</td>
<td>43,315</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Relocation Costs</td>
<td>22,212</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Soft Costs (Agencies, Attorneys, Title, Closing)</td>
<td>88,934</td>
<td></td>
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</tr>
</tbody>
</table>

Total Project Costs: $1,394,746

<table>
<thead>
<tr>
<th>Financing Sources</th>
<th>Amount</th>
<th>Percent</th>
<th>Rate/Term/Lien</th>
</tr>
</thead>
<tbody>
<tr>
<td>ESD – Grant</td>
<td>$200,000</td>
<td>14%</td>
<td></td>
</tr>
<tr>
<td>M&amp;T Bank Mortgage</td>
<td>495,000</td>
<td>35%</td>
<td>5.02%/20 years/1st on RE</td>
</tr>
<tr>
<td>SBA/NYBDC (504 Program) – Wells Fargo Bank – Loan</td>
<td>342,289</td>
<td>25%</td>
<td>4.50%/20 years/2nd on RE</td>
</tr>
<tr>
<td>M&amp;T Bank – Loan</td>
<td>200,000</td>
<td>15%</td>
<td>4.27%/7 years/3rd on RE</td>
</tr>
<tr>
<td>Company Equity</td>
<td>$157,457</td>
<td>11%</td>
<td></td>
</tr>
</tbody>
</table>

Total Project Financing: $1,394,746 100%

III. Project Description

A. Company

Industry: The J.M. Haley Corporation is a full-service, sheet-metal duct shop. It
also fabricates galvanized black-iron, aluminum and stainless-steel metals.

Company History: The Company was started over 40 years ago and became incorporated in 1971.

Ownership: Privately held business corporation

Size: All facilities are located in Farmingdale, NY.

Market: The target market for J.M. Haley Corporation’s business is comprised of mechanical contractors, real estate companies and direct building owners.

ESD Involvement: The Company was experiencing significant growth and needed to relocate its ductwork fabrication and installation operations to a new facility. The Company considered Suffolk and Suffolk Counties for the facility as well as the option to relocate to New Jersey because of the lower facility and operations costs and proximity to New York City, where the majority of contracts are performed. Through the Regional Economic Development Council Consolidated Funding Application (“CFA”) process, the Company was awarded $200,000 in grant funds to encourage the Company to proceed with the project in New York State.

Competition: New Jersey

Past ESD Support: This is the Company’s first project with ESD.

B. The Project

Completion: March 2014

Activity: The Company has purchased and renovated a 10,000-square-foot facility in Farmingdale and also purchased new machinery and equipment. The facility will enhance productivity and quality, will offer new technologies for improved financial visibility and planning and will provide a professional environment and capacity to increase fabrication volume without the need to outsource during peak business times.

Results: The Company will retain 65 existing jobs and create 50 new jobs.

Grantee Contact: Jim Ackerson, Vice President
71 Sylvester Street
Westbury, NY 11590
Phone: (516) 334-7277
C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Company shall pay a commitment fee of 1% of the $200,000 capital grant ($2,000) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.

2. The Company will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.

3. The Company will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the Company’s acceptance of ESD’s offer. Equity is defined as cash injected into the project by the Company or by investors, and should be auditable through Company financial statements or Company accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.

4. Prior to disbursement, the Company must employ at least the number of Full-time Permanent Employees set forth as the Baseline Employment in the table below. A Full-time Permanent Employee shall mean (a) a full-time, permanent, private-sector employee on the Grantee’s payroll, who has worked at the Project Location for a minimum of thirty-five hours per week for not less than four consecutive weeks and who is entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties; or (b) two part-time, permanent, private-sector employees on Grantee’s payroll, who have worked at the Project Location for a combined minimum of thirty-five hours per week for not less than four consecutive weeks and who are entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties.

5. Up to $200,000 will be disbursed to the Grantee in three installments as follows: a) an Initial Disbursement of an amount equal to 50% of the grant ($100,000) upon documentation of building acquisition, purchase and installation on new machinery and equipment project costs totaling approximately $1,200,000, upon completion of the project substantially as described in these materials, including a Certificate of Occupancy, or other documentation verifying project completion as ESD may require and documentation of the employment of at least 65 Full-time Year Round Permanent Employees at the Project Location, assuming that all
project approvals have been completed and funds are available;
b) a Second Disbursement of an amount equal to 25% of the grant ($50,000) will be disbursed upon documentation of the employment of at least 95 Full-time Year Round Permanent Employees at the Project Location (Employment Increment of 30), provided Grantee is otherwise in compliance with program requirements;

c) a Third Disbursement of an amount equal to 25% of the grant ($50,000) will be disbursed upon documentation of the employment of at least 115 Full-time Year Round Permanent Employees at the Project Location (Employment Increment of 20), provided Grantee is otherwise in compliance with program requirements.

Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses reimbursed by ESD’s grant must be incurred on or after March 6, 2013, to be considered eligible project costs. All disbursements must be requested by April 1, 2019.

6. ESD may reallocate the project funds to another form of assistance, at an amount no greater than $200,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Company and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

7. In consideration for the making of the Grant, Grantee will achieve the Employment Goals set forth in Column B of the table below. If the Full-time Permanent Employee Count for the year prior to the reporting date set forth in Column A of the table below is less than eighty-five percent (85%) of the Employment Goal set forth in Column B (an “Employment Shortfall”), then upon demand by ESD, Grantee shall be obligated to repay to ESD a portion of each disbursement of the Grant, as follows:

The Recapture Amount is based on the time that has lapsed between when the Grant funds were disbursed and when the Employment Shortfall occurred. The Recapture Amount shall be calculated by aggregating the Recapture Amount for each disbursement of the Grant, which in each instance shall be equal to:

(i) 100% of the disbursed amount if the Employment Shortfall occurred in the calendar year that the disbursement was made, or in the first full calendar year after the disbursement was made;

(ii) 80% of the disbursed amount if the Employment Shortfall occurred in the second full calendar year after the disbursement was made;

(iii) 60% of the disbursed amount if the Employment Shortfall occurred in the third full calendar year after the disbursement was made;

(iv) 40% of the disbursed amount if the Employment Shortfall occurred in the fourth full calendar year after the disbursement was made;

(v) 20% of the disbursed amount if the Employment Shortfall occurred in the fifth full calendar year after the disbursement was made.

The Grantee’s number of Full-time Permanent Employees shall be deemed to be the
greater of the number as of the last payroll date in the month of December for such year or the average employment for the 12 month period computed by quarter.

<table>
<thead>
<tr>
<th>Baseline Employment</th>
<th>65</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>A</th>
<th>B</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reporting Date</td>
<td>Employment Goals</td>
</tr>
<tr>
<td>February 1, 2015</td>
<td>65+X+Y</td>
</tr>
<tr>
<td>February 1, 2016</td>
<td>65+X+Y</td>
</tr>
<tr>
<td>February 1, 2017</td>
<td>65+X+Y</td>
</tr>
<tr>
<td>February 1, 2018</td>
<td>65+X+Y</td>
</tr>
<tr>
<td>February 1, 2019</td>
<td>65+X+Y</td>
</tr>
<tr>
<td>February 1, 2020</td>
<td>65+X+Y</td>
</tr>
</tbody>
</table>

X = Grantee’s Employment Increment that will be the basis of the Second Disbursement of the Grant as described in section C.5 above (i.e. X=30, and Employment Goals shall equal [65 + X = 95] if the Second Disbursement is made, in the year such disbursement is made and for each year thereafter). If the Second Disbursement has not yet been made then X=0.

Y = Grantee’s Employment Increment that will be the basis of the Third Disbursement of the Grant as described in section C.5 above (i.e. Y=20, and Employment Goals shall equal [65 + X + Y = 115] if the Third Disbursement is made, in the year such disbursement is made and for each year thereafter). If the Third Disbursement has not yet been made then Y=0.

IV. Statutory Basis

1. The proposed project would promote the economic health of New York State by facilitating the creation or retention of jobs or would increase activity within a municipality or region of the state or would enhance or help to maintain the economic viability of family farms.

As a result of this project, the Company will maintain its employment level of 65 and create 50 new jobs.

2. The proposed project would be unlikely to take place in New York State without the requested assistance.

The Company considered relocating its operations to New Jersey. ESD’s assistance helped to reduce costs and make the project feasible in New York.

3. The project is reasonably likely to accomplish its stated objectives and the likely benefits of the project exceed costs.

Benefit-Costs Evaluations are used in evaluating projects that are categorized as Business Investment, Infrastructure Investment, and Economic Growth Investment and that involve 1) job retention and/or creation and/or 2) construction-related activity.

For Business Investment projects, benefits typically reflect the impact of both jobs and
construction-related activity. For Infrastructure Investment and Economic Growth Investment projects, which generate long-term benefits not captured in the period of analysis and may involve no permanent job commitments, the estimated benefits typically reflect only construction-related activity.

Evaluated over a seven-year period, the following are anticipated project impacts (dollar values are present value):

- Fiscal benefits to NYS government from the project are estimated at $3,193,377;
- Fiscal cost to NYS government is estimated at $200,000;
- Project cost to NYS government per direct job is $2,575;
- Project cost to NYS government per job (direct plus indirect) is estimated at $1,553;
- Ratio of project fiscal benefits to costs to NYS government is 15.97:1;
- Fiscal benefits to all governments (state and local) are estimated at $5,710,258;
- Fiscal cost to all governments is $200,000;
- All government cost per direct job is $2,575;
- All government cost per total job is $1,553;
- The fiscal benefit to cost ratio for all governments is 28.55:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at $26,341,868, or $204,576 per job (direct and indirect);
- The economic benefit to cost ratio is 131.71:1;
- Project construction cost is $50,000, which is expected to generate less than one direct job year and less than one indirect job year of employment;
- For every permanent direct job generated by this project, an additional 0.67 indirect job is anticipated in the state’s economy;
- The payback period for NYS costs is one year.

See Project Summary Benefit-Cost Evaluation (attached) for detail and definitions.

4. The requirements of Section 10(g) of the Act are satisfied.

No residential relocation is required because there are no families or individuals residing on the site.

V. Environmental Review

ESD staff has determined that the project constitutes a Type II action as defined by the New York State Environmental Quality Review Act (“SEQRA”) and the implementing regulations of the New York State Department of Environmental Conservation. No further environmental review is required in connection with the project.

VI. Non-Discrimination and Contractor & Supplier Diversity
ESD’s Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Recipient shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women Business Enterprise (“MWBEs”) for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 28%. The overall goal shall include a Minority Business Enterprise (“MBE”) Participation Goal of 15% and a Women Business Enterprise (“WBE”) Participation Goal of 13% related to the total value of ESD’s funding.

VII. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

VIII. Additional Submissions to Directors

Resolutions
New York State Map
Benefit-Cost Analysis
Regional Council Award – Farmingdale (Long Island Region – Suffolk County) – J.M. Haley Capital – Empire State Economic Development Fund – General Development Financing (Capital Grant) – Findings and Determinations Pursuant to Sections 16-m and 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the J.M. Haley Capital – Empire State Economic Development Fund – General Development Financing (Capital Grant) Project (the “Project”), the Corporation hereby determines pursuant to Sections 16-m and 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that

1. The proposed project would promote the economic health of New York State by facilitating the creation or retention of jobs or would increase activity within a municipality or region of the state or would enhance or help to maintain the economic viability of family farms;

2. The project would be unlikely to take place in New York State without the requested assistance;

3. The project is reasonably likely to accomplish its stated objectives and that the likely benefits of the project exceed costs;

4. There are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to J.M. Haley Corporation a grant for a total amount not to exceed Two Hundred Thousand Dollars ($200,000) from the Empire State Economic Development Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further
RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *
FOR CONSIDERATION
June 27, 2014

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Regional Council Award – Priority Project - Albany (Capital Region – Albany County) – ATTAIN Capital – Regional Council Capital Fund (Capital Grant) and Economic Development Purposes Fund (Working Capital Grant)

REQUEST FOR: Findings and Determinations Pursuant to Sections 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

General Project Plan

I. Project Summary

Grantee: Trinity Alliance of the Capital Region, Inc. ("Trinity" or the "Organization")

ESD* Investment: Grants totaling $475,000 including:

A grant of up to $375,000 (Z252) to be used for a portion of the cost of the purchase and installation of computer equipment, systems and infrastructure, and furniture and fixtures, and

A grant of up to $100,000 (Z253) to be used for a portion of the cost to implement computer and Microsoft Certification training, including system maintenance fees, telecommunication services, supplies and staff training.

* The New York State Urban Development Corporation doing business as Empire State Development ("ESD" or the "Corporation")

Project Location: 20 Warren Street, Albany, Albany County
Proposed Project: The project includes the purchase and installation of computer equipment, systems and infrastructure, and furniture and fixtures to establish ATTAIN, an Advanced Technology Training And Information Networking lab at the Albany Housing Authority’s Capital South Campus Center. The project also includes staff training for the delivery of Microsoft Certification training, network system maintenance, telecommunications services and licensing, to offer Microsoft Certification instruction and job training opportunities to underserved residences of Albany, preparing them to participate in New York’s growing high tech economy.

Project Type: Economic growth investment and Opportunity Agenda Technical Assistance

Regional Council: This is a Priority Project for the Capital Region Economic Development Council (“CREDC”) that leverages partnerships while building collaboration to make the Capital Region a destination of choice. The project furthers the goal of preparing for tomorrow by providing services to current and future inner city workers to meet the requirements of employers in the growing Innovation Economy. The project also brings cities to life by creating an urban hub for learning and educational attainment in a community that has been suffering from poverty and its effects.

II. Project Cost and Financing Sources

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Financing Uses – Technical

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<td>Microsoft Certification Exam Licenses</td>
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<tr>
<td>And Vouchers</td>
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<td>Supplies</td>
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Total Project Costs $111,111

Financing Sources

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<th></th>
<th>Amount</th>
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<tr>
<td>ESD – Grant</td>
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<td>Company Equity</td>
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Total Project Financing $111,111 100%

III. Project Description

A. Company

Industry: Trinity Alliance of the Capital Region is located in Albany’s South End. Its mission is to improve the neighborhood for family life, contribute to the health and well-being of area residents, and promote education and employment opportunities as a means of self-development.

Company History: Trinity Alliance of the Capital Region was founded in 1912. The Organization is known for its pioneering efforts in the delivery of social, health and wellness programs, including one of the longest continuously running after-school programs in the city of Albany, support for social involvement and community development, and support programs aimed at keeping families together.

Ownership: Trinity Alliance is a not-for-profit organization governed by a 21-member all-volunteer Board of Directors that includes bankers, lawyers, educators, media representatives, and business owners.

Size: Trinity employs 75 individuals.

Market: Trinity serves as a family and neighborhood resource center to over 10,000 individuals in the downtown Albany area, offering a multitude of
programs to improve the lives of children, teens, and adults. Its services address a wide range of individual and social needs including substance abuse, violence and gang prevention, literacy and education, employment counseling, family engagement, and early childhood/after school enrichment.

**ESD Involvement:** The project is a collaborative effort by Trinity Alliance of the Capital Region, the Albany Housing Authority (“AHA”), the State University of New York University Center for Academic and Workforce Development (“SUNY UCAWD”) and the State University of New York College of Nanoscale Science and Engineering (“CNSE”), to bridge the cultural, technological and economic divide that exists in a high poverty area. As a result of the Governor’s Regional Economic Development Council Initiative and the Capital Region Economic Development Council’s (“CREDC”) 2013 Opportunity Agenda, Trinity was awarded a combined $475,000 in grant funding through the Consolidated Funding Application to establish the ATTAIN lab. The project is part of a larger redevelopment plan to transform Lincoln Square, a 4.5-acre block in Albany’s South End, into a mixed-use educational campus. In keeping with CREDC’s Opportunity Agenda, the project offers opportunities to inner city residents by providing collaborative education and training to participate in New York’s growing high tech economy.

**Past ESD Support:** This is the Trinity’s first project with ESD.

**B. The Project**

**Completion:** August 2013

**Activity:** The ATTAIN lab will be located in 800 square feet of space within the Capital South Campus Center (“CSCC”), a $4.3 million, 17,500-square-foot building recently constructed by the Albany Housing Authority with funding from the U.S. Department of Housing and Urban Development. The project includes the purchase and installation of computer equipment, systems and infrastructure, and furniture and fixtures to equip two 24-station computer training classrooms. The project also involves staff training to deliver Microsoft Certification instruction, network system maintenance, telecommunications services and licensing for ATTAIN participants to receive Microsoft Certifications. Through an agreement with the AHA, Trinity will manage the Capital South Campus Center. The SUNY UCAWD will operate the ATTAIN lab and will hire, train and supervise two ATTAIN lab personnel who will be employed by The Research Foundation for State University of New York. Additionally,
courses in nanotechnology will be available at the ATTAIN lab by instructors from CNSE.
Results: The project will provide accessible, high quality training space and access to new technologies, education and technology training for inner city residents. The ATTAIN lab will offer over 30 occupational, academic and self-development courses including resume preparation, General Equivalency Diploma, English as a Second Language, college preparatory, and advanced certifications in Microsoft. The space will also be used to deliver courses in nanotechnology instruction, with the goal of fostering successful integration of an urban community into the high tech workforce. Trinity anticipates 150 ATTAIN participants in the first year.

Economic Growth Investment Project: This project is an Economic Growth Investment project that does not involve permanent job commitments or construction spending. While such projects generate significant long term fiscal and economic benefits, such benefits are not estimated within the short-term period used in the benefit cost analysis. Therefore, no benefit cost analysis is provided.

Grantee Contact: Harris Oberlander, CEO
15 Trinity Place
Albany, NY 12202
Phone: (518) 449-5155 x116

ESD Project Nos.: Z252 and Z253

Project Team: Origination Arnie Will
Project Management Linda Dillon
Contractor & Supplier Diversity Elizabeth Gocs
Finance Ross Freeman
Environmental Soo Kang

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Grantee shall pay a commitment fee of 1% of the $375,000 capital grant ($3,750) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.

2. The Grantee will demonstrate no materially adverse changes in its financial condition prior to disbursement.

3. The Grantee will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after ESD's announcement of the project. Equity is defined as cash injected into the project by the Grantee or by investors, and should be
Opportunity returned Any expenditures guidelines. Confirmation expenditures completion, assuming Grantee.

Capital Grant (Z252) – Upon the execution of a Grant Disbursement Agreement ("Agreement"), ESD shall deposit 90% of the grant ($337,500) into an imprest account at a bank mutually acceptable to ESD and the Grantee. These funds will be invested as per ESD's Directors approved investment guidelines. Interest earned on the funds deposited in the imprest account must be returned to ESD quarterly along with copies of all bank statements, starting when the funds are deposited and continuing until all funds have been disbursed. The Grantee may seek authorization to withdraw funds to pay for eligible capital project costs from the imprest account in proportion to ESD’s funding share (90%), assuming that all project approvals have been completed and funds are available. ESD’s approval for the final 10% of the grant ($37,500), shall be withheld until project completion, as evidenced by $416,677 in total capital project expenditures and commencement of operations of ATTAIN.

Opportunity Agenda Technical Assistance Grant (Z253) – Upon the execution of a Grant Disbursement Agreement ("Agreement"), ESD shall deposit 90% of the grant ($90,000) into an imprest account at a bank mutually acceptable to ESD and the Grantee. These funds will be invested as per ESD’s Directors approved investment guidelines. Interest earned on the funds deposited in the imprest account must be returned to ESD quarterly along with copies of all bank statements, starting when the funds are deposited and continuing until all funds have been disbursed. The Grantee may seek authorization to withdraw funds to pay for eligible technical assistance project costs from the imprest account in proportion to ESD’s funding share (90%), assuming that all project approvals have been completed and funds are available. ESD’s approval for the final 10% of the grant ($10,000), shall be withheld until project completion, as evidenced by $111,111 in total technical assistance project expenditures and commencement of operations of ATTAIN.

Any and all requests to withdraw funds will be made upon presentation to ESD of an invoice and other such documentation as ESD may reasonably require. Expenses must be incurred on or after December 19, 2013, to be considered eligible project costs.

With each withdraw request, the Grantee’s Chief Financial Officer shall provide confirmation in writing that all Quarterly Interest Payments due to ESD are current as of the date of the draw down request.

Grantee must submit all documentation for the final disbursement of the Grant by no later than April 1, 2015.
5. The Grantee is required to submit annual progress reports on the achievement of the following project goals and metrics annually for three (3) years following the final disbursement:

i. Goal – First year enrollment of 150 individuals

   Metric – The ATTAIN Network Management System will document the enrollment and effort of every ATTAIN participant and the amount of time spent on task in the lab. Reports documenting enrollments will be reviewed on a monthly basis.

ii. Goal – Of the 150 ATTAIN participants in Year 1, 40% or 60 participants will achieve at least one Microsoft certification

   Metric – The number of participants who achieve the certification will be documented in the ATTAIN Network Management System. The certification provider delivers web-based access to results once the participant has completed the exam. Participants that successfully achieve the certification receive an official certificate from Microsoft

ATTAIN will continue to monitor and document program enrollment and successful certification for the duration of the reporting period.

6. ESD may reallocate the project funds to another form of assistance, at an amount no greater than $375,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Grantee and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

7. Grant funds will be subject to pro rata recapture if the property at the Project Location is sold within five years of disbursement of funds. The Recapture Amount is based on the time that has lapsed between when the Grant funds were disbursed and when the transfer occurred. The Recapture Amount shall be calculated by aggregating the Recapture Amount for each disbursement of the Grant, which in each instance shall be equal to:

   (i) 100% of the disbursed amount if the transfer occurred in the calendar year that the disbursement was made, or in the first full calendar year after the disbursement was made;
   (ii) 80% of the disbursed amount if the transfer occurred in the second full calendar year after the disbursement was made;
(iii) 60% of the disbursed amount if the transfer occurred in the third full calendar year after the disbursement was made;
(iv) 40% of the disbursed amount if the transfer occurred in the fourth full calendar year after the disbursement was made;
(v) 20% of the disbursed amount if the transfer occurred in the fifth full calendar year after the disbursement was made.

IV. Statutory Basis – Regional Council Capital Fund and Economic Development Purposes Fund

The project was authorized in the 2012-2013 and reappropriated in the 2013-2014 and 2014-2015 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

V. Environmental Review

ESD staff has determined that the project constitutes a Type II action as defined by the New York State Environmental Quality Review Act (“SEQRA”) and the implementing regulations of the New York State Department of Environmental Conservation. No further environmental review is required in connection with the project.

VI. Non-Discrimination and Contractor & Supplier Diversity

ESD’s Non-discrimination and Contractor & Supplier Diversity policy will apply to the Project. The Recipient shall be required to use good faith efforts to achieve an overall Minority and Women Business Enterprise (“MWBE”) Participation goal of 20% of the total value of ESD’s Regional Council Capital Fund-Capital Grant (Project #Z252), and to solicit and utilize MWBEs for any contractual opportunities generated in connection with the Project.

VII. ESD Employment Enforcement Policy

ESD’s Employment Enforcement Policy will not apply since the project will not directly create or retain jobs.

VIII. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

IX. Additional Submissions to Directors

Resolutions
New York State Map
Project Finance Memorandum
RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the ATTAIN Capital -- Regional Council Capital Fund (Capital Grant) and Economic Development Purposes Fund (Working Capital Grant) Project (the “Project”), the Corporation hereby determines pursuant to Section 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Trinity Alliance of the Capital Region, Inc. a grant for a total amount not to exceed Three Hundred Seventy Five Thousand Dollars ($375,000) from the Regional Council Capital Fund, and grant for a total amount not to exceed One Hundred Thousand Dollars ($100,000) from the Economic Development Purposes Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further
RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

12
A. Hamilton County Broadband Phase II (Y583)
June 27, 2014

General Project Plan

Grantee: Hamilton County (the “County”)

ESD Investment: A grant of up to $1,700,000 to be used to upgrade existing services to provide high-speed broadband and increase reliability of service through use of fiber-optics to hamlets in a 1,700 square mile section of Adirondack Park.

Project Location: Hamilton County; Zip codes: 12853, 12847, 12846, 13331, 12134, 13436, 12190, 12842, 12108, 12117, 12182

Proposed Project: Hamilton County will provide high-speed broadband upgrades through installation of fiber optics within a 1,700 square mile piece of the Adirondack Park, including Long Lake, Indian Lake, Blue Mountain Lake, Raquette Lake, Inlet, Speculator, Wells, Hope, Benson, Piseco and Lake Pleasant.

Project Type: Infrastructure development

Regional Council: The project is consistent with the North Country Regional Plan to expand high-speed internet, stimulate local business growth and job creation, and enhance the economic well-being of the region.

Background:

Industry – Hamilton County is a branch of New York State’s local government, and is governed by a Board of Supervisors that represents each of the County’s nine townships.

History – Founded 1816, Hamilton County was an outgrowth of Montgomery County. In 1840, it became an independent organization with the county seat at Sageville, the present Lake Pleasant. Hamilton County is located in the north-central portion of the state and contains approximately 1,806 square miles of mountainous terrain with many lakes, rivers and streams. It is New York State’s third largest county, the least populated, and located entirely within the Adirondack Park. The county has nine towns and one incorporated village.

Size – As of the 2010 census, the County’s population is 4,836.

Market – Access to the Internet can be achieved by a number of different technologies. The definition of broadband is determined by the data transmission speeds in both directions. Download speeds refer to data which is received, such as accessing
websites, receiving files through email, streaming video, and using cloud-based services. Upload speeds refer to data which is transmitted to another user or to a website or cloud-based service. Average consumers typically use broadband for downloading data, making download speeds the standard measure for broadband access.

Broadband service is facilitated by either wireline or wireless technologies. Wireline services require a physical cable connection to provide connectivity, while wireless services are transmitted using antennas and wireless receivers similar to how radio transmissions are carried. Although there are a number of different wireless technologies, many wireless broadband providers use a hybrid model of providing service, as a wireline (usually fiber) connection is required at some point in the network.

In New York State, broadband service is provided by the following categories of service providers:

- Cable – 16 Providers, (Provides service to 94% of the state)
- DSL – 38 Providers, (Provides service to 92% of the state - Speeds: 768kbps – 25 mbps
- Fiber – 26 Providers, (12 business only)
- Fixed Wireless- 12 Providers reporting coverage, (Serves 5% of the state – Speeds - 1.5 mbps – 100 mbps
- Mobile Wireless- 6 providers (Speeds: 768 kbps – 12 mbps)
- Satellite Providers- 4 providers

ESD Involvement – In March 2013, eighteen broadband projects were selected to receive Connect NY Broadband grants based on the support of the Regional Economic Development Councils and technical scores awarded by a committee who analyzed and ranked projects competing for $25 million in funding. In addition, 4 North Country Broadband Project Sponsors received more than $6 million from Round 2 of the Regional Economic Development Council Grants to expand broadband in the North Country Region.

Past ESD Support – In 2013, ESD awarded Hamilton County a $472,000 grant from the Empire State Economic Development Fund for broadband installation. The terms for the award were fulfilled and the funds have been fully disbursed.

The Project:

Completion – June 2015

Activity – The project will upgrade existing services to provide access to high-speed broadband and increased reliability of service through use of fiber optics to hamlets in a
1,700 square mile area of the Adirondack Park, including Long Lake, Indian Lake, Blue Mountain Lake, Raquette Lake, Inlet, Speculator, Wells, Hope, Benson, Piseco and Lake Pleasant, where no broadband service has previously been available.

Results – Expand broadband services to 2,143 households, 540 businesses and 33 community anchor institutions. See Table A, which describes all Key Indicators.

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Grantee Contact – William H. Osborne
Director, Planning, Tourism and Community Development
Hamilton County NY
102 County View Dr.
Lake Pleasant, New York 12108
Phone: (518) 548-3076

Project Team –
Origination Angela Liotta
Project Management Angela Liotta
Contractor & Supplier Diversity Elizabeth Gocs
Finance Jonevan Hornsby
Environmental Soo Kang

Financial Terms and Conditions:

1. Upon execution of the grant disbursement agreement, the Grantee shall reimburse ESD for all out-of-pocket expenses incurred in connection with the project.

2. The Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.

3. The Grantee will be required to contribute at least 10% of the total project cost in the form of equity contributed after the Grantee’s written acceptance of ESD’s offer and contribute at least 10% of total project costs in the form of in-kind. Equity is defined as cash injected into the project by the Grantee or by investors, and should be auditable through Grantee financial statements or Grantee accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.

4. Up to $1,700,000 will be disbursed to the Grantee no more frequently than quarterly
A. Hamilton County Broadband Phase II (Y583)  
June 27, 2014

during the course of design and/or construction and upon completion of project key indicators, and in proportion to ESD’s funding share, assuming that all project approvals have been completed and funds are available. The final 10% of the grant will be disbursed upon completion of the facility and upon meeting all project key indicators, as evidenced by a certificate of occupancy. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require.

ESD will be entitled to recoup all or part of ESD’s grant if the Recipient fails to reach, to a degree acceptable to ESD milestones as agreed upon in Table A, which lists key indicators for infrastructure work, and Table B, which lists the major network build-out phases and quarterly milestones of the entire project.

Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses must be incurred on or after March 5, 2013, to be considered eligible project costs. All disbursements must be requested by April 1, 2016.

5. Grant Funds are to be used for the following:

(i) To fund the construction or improvement of all facilities required to provide broadband service.
(ii) For Installing or upgrading existing broadband facilities on a one-time, capital improvement basis in order to expand broadband access and increase capacity.
(iii) To fund the cost of long-term leases (greater than 1 year) of facilities required to provide broadband service.
(iv) To fund reasonable make-ready expenses incurred as a result of providing broadband service.

6. Eligible Expense Categories

(i) Network & Access Equipment Costs: Include switches, video headends, optical equipment, digital line concentrators, digital subscriber line access multiplexers, middleware, video-on-demand equipment, radio equipment, data routing equipment, etc.
(ii) Outside Plant Costs: Includes cable (aerial, buried, underground, and submarine), fiber, conduit systems, poles, network interface devices and reasonable make-ready costs.
(iii) Tower Costs: Includes the cost of constructing new buildings and renovating existing buildings, as well as any site preparation costs.
(iv) Customer Premises Equipment: Includes wireless subscriber units, modems, set-top boxes, and routers (if CPE will be provided at no cost to subscribers.)
(v) Professional Services: Includes site engineering, project management, and
A. Hamilton County Broadband Phase II (Y583)
June 27, 2014

consultant services costs involved in designing and constructing the proposed project.

(vi) Testing: Includes items such as testing, network and IT systems, user devices, servers, lab furnishing and test generators.

(vii) Other Upfront Costs: Includes any other upfront costs not covered in the other categories, such as site preparation.

7. Compliance with National Electrical Safety Code (NESC): All pole attachments shall comply with the National Electrical Safety Code (NESC) requirements. Connect NY grant recipients shall ensure that the attachment of fiber and equipment is designed, constructed, operated, and maintained in accordance with all applicable provisions of the most current and accepted criteria of the National Electrical Safety Code (NESC) and all applicable and current electrical and safety requirements of any State or local governmental entity.

8. Broadband Mapping Program Compliance: Recipients shall provide to the NYS Broadband Program Office (or designated agent) address-level broadband build-out data that indicates the location of new broadband services within the recipient’s entire service area.

9. ESD may reallocate the project funds to another form of assistance, at an amount no greater than $1,700,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Grantee and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

Non-Discrimination and Contractor and Supplier Diversity:
ESD’s Non-discrimination and Contractor and Supplier Diversity policy will apply to the Project. The Grantee shall be required to use good faith efforts to achieve an overall Minority and Women Business Enterprise (MWBE) Participation goal of 15%, related to the total value of ESD’s funding, and to solicit and utilize MWBEs for any contractual opportunities generated in connection with the Project.

Statutory Basis – Regional Council Capital Fund:
The project was authorized in 2012-2013 New York State budget and reappropriated in the 2013-2014 and 2014-2015 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

Additional Submissions to Directors:
Table A – Key Indicators
Table B – Milestones
Project Finance Memorandum
Table A: Project Description

The following table lists the key indicators for your infrastructure project upon completion of your project. Indicators will be required to be reported cumulatively from award inception to the end of the project on a quarterly basis.

<table>
<thead>
<tr>
<th>Project Description- Access and Subscriber Information</th>
<th>Key Indicator</th>
<th>Total Number Upon Completion of Project</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential/Business – the following information is for the last-mile services to homes and businesses</td>
<td>Number of Households Passed</td>
<td>2,143</td>
</tr>
<tr>
<td></td>
<td>Number of New Residential Subscribers</td>
<td>Current Frontier Subscribers will be upgraded up to 6MG without charge (provisioned at 6 Mbps) and 100 new subscribers</td>
</tr>
<tr>
<td></td>
<td>Number of Business Passed</td>
<td>540</td>
</tr>
<tr>
<td></td>
<td>Number of New Business Subscribers</td>
<td>Current Frontier Subscribers upgraded to 6MG without charge (provisioned at 6 Mbps) and 10 new customers</td>
</tr>
<tr>
<td></td>
<td>Speed Tiers Available / Pricing</td>
<td>3</td>
</tr>
<tr>
<td>Community Anchor Institutions – the following information is for the last-mile service to Community Anchor Institutions</td>
<td>Number of Community Anchor Institutions Passed</td>
<td>33</td>
</tr>
<tr>
<td></td>
<td>• Schools K-12</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>• Colleges, Universities or other Institutions of Higher Education</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>• Libraries</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>• Medical/ Healthcare Providers</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>• Public Safety Entities</td>
<td>11</td>
</tr>
<tr>
<td></td>
<td>• Other</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Speed Tiers Available / Pricing</td>
<td>3</td>
</tr>
<tr>
<td>Infrastructure Key Indicators – the following information provides key indicators as they relate to your infrastructure project</td>
<td>New Network Miles Deployed</td>
<td>81.4</td>
</tr>
<tr>
<td></td>
<td>Existing Network Miles Upgraded</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Number of Miles of New Fiber</td>
<td>81.4</td>
</tr>
<tr>
<td></td>
<td>Number of New Wireless Links</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Number of New Towers</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Number of New Interconnection Points</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Number of Wireless Hotspots Provided</td>
<td>0</td>
</tr>
</tbody>
</table>
### A. Hamilton County Broadband Phase II (Y583)
**June 27, 2014**

#### Impact and Adoption – the following information demonstrates how the project addresses barriers to adoption

<table>
<thead>
<tr>
<th>Subsidies</th>
<th>0</th>
</tr>
</thead>
<tbody>
<tr>
<td>Digital Literacy Programs and Training Programs</td>
<td>0</td>
</tr>
</tbody>
</table>

#### Table B: Project Milestones

The following table lists the major network build-out phases and milestones that can demonstrate the entire project will be substantially complete by the end of June 2015. The table considers project areas such as: a) network design; b) securing all relevant licenses and agreements; c) site preparation; d) inside plant deployment; e) outside plan deployment; f) deployment of business & operational support systems; g) network testing; f) network operational.

<table>
<thead>
<tr>
<th>Time Period</th>
<th>Quarter</th>
<th>Milestones</th>
<th>Narrative Explanation (if any)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year 1</td>
<td>Qtr. 1</td>
<td>• Frontier Communications seeks Minority and Women-Owned businesses qualified to hang cable and install DSLAMS. • Engineering finalized. • Pre-bid conferences with potential M/WB subcontractors</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Qtr. 1</td>
<td>• Sub-contracts executed</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Qtr. 2&amp;3</td>
<td>• DSLAM installations and 430,000 ft. of fiber optic cable hung from existing poles</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Qtr. 4</td>
<td>• System Tests</td>
<td></td>
</tr>
<tr>
<td>Year 2</td>
<td>Qtr. 4</td>
<td>• Marketing and Public Information program</td>
<td></td>
</tr>
</tbody>
</table>
B. Newport Broadband (Y594)
June 27, 2014

General Project Plan

Grantee: Newport Telephone Company, Inc. (“Newport” or the “Company”)

ESD Investment: A grant of up to $572,000 to be used toward construction, machinery and equipment, and long-term lease costs related to infrastructure to provide broadband service in Hamilton and Herkimer Counties.

Project Location: Hamilton and Herkimer Counties
Zip codes: 13324, 13353

Proposed Project: Install 23 miles of fiber-optic cable and required infrastructure to provide broadband service to 220 residents, businesses and community anchor institutions in Hamilton and Herkimer Counties

Project Type: Infrastructure development

Regional Council: The project is consistent with the North Country and Mohawk Valley Regional Plans to expand high-speed Internet, stimulate local business growth and job creation, and enhance the economic well-being of the region.

Background:

Industry – Newport Telephone Company, Inc. provides business and residential customers local and long distance telephone, and Internet services.

Company History – Founded in 1913, Leo C. Foss established Newport by buying a portion of Central New York Telephone. Initially, the Company served 135 telephones, with Mr. Foss acting as the Company’s President and General Manager. In 1987, Newport converted its entire switching network to digital equipment resulting in six digital switches in the Company’s franchise area utilizing fiber-optic cable between the central office and remote locations. Deregulation of the phone industry encouraged the Company to establish NTCNet in 1995. This subsidiary company provides dial-up and high speed Internet access in Oneida and Herkimer Counties, in addition to business telephone service and long distance outside of Newport’s local service area. In early 2000, NTCNet began to offer its business telephone products in Southern Herkimer County, from Little Falls to Frankfort, and has enjoyed considerable success in this market.

Ownership – Privately held
Size – The Company operates one facility in Newport, NY, and serves residents of Southern Herkimer County.

Market – Access to the Internet can be achieved by a number of different technologies. The definition of broadband is determined by the data transmission speeds in both directions. Download speeds refer to data which is received, such as accessing websites, receiving files through email, streaming video, and using cloud-based services. Upload speeds refer to data which is transmitted to another user or to a website or cloud-based service. Average consumers typically use broadband for downloading data, making download speeds the standard measure for broadband access.

Broadband service is facilitated by either wireline or wireless technologies. Wireline services require a physical cable connection to provide connectivity, while wireless services are transmitted using antennas and wireless receivers similar to how radio transmissions are carried. Although there are a number of different wireless technologies, many wireless broadband providers use a hybrid model of providing service, as a wireline (usually fiber) connection is required at some point in the network.

In New York State, broadband service is provided by the following categories of service providers:

- Cable – 16 Providers, (Provides service to 94% of the state)
- DSL – 38 Providers, (Provides service to 92% of the state - Speeds: 768kbps – 25 mbps)
- Fiber – 26 Providers, (12 business only)
- Fixed Wireless- 12 Providers reporting coverage, (Serves 5% of the state – Speeds - 1.5 mbps – 100 mbps)
- Mobile Wireless- 6 providers (Speeds: 768 kbps – 12 mbps)
- Satellite Providers- 4 providers

ESD Involvement – In March 2013, eighteen broadband projects were selected to receive Connect NY Broadband grants totaling $25 million based on the support of the Regional Economic Development Councils. In addition, 4 North Country Broadband Project Sponsors received more than $6 million from Round 2 of the Regional Economic Development Council Grants to expand broadband in the North Country Region.

Past ESD Support – This is the Company’s first project with ESD.
The Project:

Completion – August 2015

Activity – The Hamilton and Herkimer Counties Broadband project will consist of the installation of 23 miles of fiber-optic cable and required electronics to provide broadband service. The project will leverage existing infrastructure to provide broadband service in Hamilton and Herkimer Counties. The project will also bring required redundancy and enhance emergency services for both counties.

Results – Expand broadband services to 220 residents, 10 businesses and 4 community anchor institutions See Table A, which describes all Key Indicators.

<table>
<thead>
<tr>
<th>Financing Uses</th>
<th>Amount</th>
<th>Financing Sources</th>
<th>Amount</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equipment &amp; Materials</td>
<td>$340,000</td>
<td>ESD Grant</td>
<td>$572,000</td>
<td>80%</td>
</tr>
<tr>
<td>Labor &amp; Contractors</td>
<td>363,000</td>
<td>Company Equity</td>
<td>143,000</td>
<td>20%</td>
</tr>
<tr>
<td>Other Project Costs</td>
<td>12,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Project Costs</td>
<td>$715,000</td>
<td>Total Project Financing</td>
<td>$715,000</td>
<td>100%</td>
</tr>
</tbody>
</table>

Grantee Contact – Joseph Tomaino
Vice President of Operations
Newport Telephone Company, Inc.
3077 Bridge St.
Newport, New York 13416
Phone: (315) 845-8112

Project Team – Origination Angela Liotta
Project Management Angela Liotta
Contractor & Supplier Diversity Elizabeth Gocs
Finance Ross Freeman
Environmental Soo Kang

Financial Terms and Conditions:

1. Upon execution of the grant disbursement agreement, the Grantee shall reimburse ESD for all out-of-pocket expenses incurred in connection with the project.

2. The Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
3. The Grantee will be required to contribute at least 10% of the total project cost in the form of equity contributed after the Grantee’s written acceptance of ESD’s offer and contribute at least 10% of total project costs in the form of in-kind. Equity is defined as cash injected into the project by the Grantee or by investors, and should be auditable through Grantee financial statements or Grantee accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.

4. Up to $572,000 will be disbursed to the Grantee no more frequently than quarterly during the course of design and/or construction and upon completion of project key indicators, and in proportion to ESD’s funding share, assuming that all project approvals have been completed and funds are available. The final 10% of the grant will be disbursed upon completion of the facility and upon meeting all project key indicators, as evidenced by a certificate of occupancy. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require.

ESD will be entitled to recoup all or part of ESD’s grant if the Recipient fails to reach, to a degree acceptable to ESD milestones as agreed upon in Table A, which lists key indicators for infrastructure work, and Table B, which lists the major network build-out phases and quarterly milestones of the entire project.

Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses must be incurred on or after March 5, 2013, to be considered eligible project costs. All disbursements must be requested by April 1, 2016.

5. Grant Funds are to be used for the following:

(i) To fund the construction or improvement of all facilities required to provide broadband service.
(ii) For installing or upgrading existing broadband facilities on a one-time, capital improvement basis in order to expand broadband access and increase capacity.
(iii) To fund the cost of long-term leases (greater than 1 year) of facilities required to provide broadband service.
(iv) To fund reasonable make-ready expenses incurred as a result of providing broadband service.

6. Eligible Expense Categories

(i) Network & Access Equipment Costs: Include switches, video headends, optical equipment, digital line concentrators, digital subscriber line access multiplexers,
middleware, video-on-demand equipment, radio equipment, data routing equipment, etc.

(ii) Outside Plant Costs: Includes cable (aerial, buried, underground, and submarine), fiber, conduit systems, poles, network interface devices and reasonable make-ready costs.

(iii) Tower Costs: Includes the cost of constructing new buildings and renovating existing buildings, as well as any site preparation costs.

(iv) Customer Premises Equipment: Includes wireless subscriber units, modems, set-top boxes, and routers (if CPE will be provided at no cost to subscribers.)

(v) Professional Services: Includes site engineering, project management, and consultant services costs involved in designing and constructing the proposed project.

(vi) Testing: Includes items such as testing, network and IT systems, user devices, servers, lab furnishing and test generators.

(vii) Other Upfront Costs: Includes any other upfront costs not covered in the other categories, such as site preparation.

7. Compliance with National Electrical Safety Code (NESC): All pole attachments shall comply with the National Electrical Safety Code (NESC) requirements. Connect NY grant recipients shall ensure that the attachment of fiber and equipment is designed, constructed, operated, and maintained in accordance with all applicable provisions of the most current and accepted criteria of the National Electrical Safety Code (NESC) and all applicable and current electrical and safety requirements of any State or local governmental entity.

8. Broadband Mapping Program Compliance: Recipients shall provide to the NYS Broadband Program Office (or designated agent) address-level broadband build-out data that indicates the location of new broadband services within the recipient’s entire service area.

9. ESD may reallocate the project funds to another form of assistance, at an amount no greater than $572,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Grantee and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

Non-Discrimination and Contractor and Supplier Diversity:
ESD’s Non-discrimination and Contractor and Supplier Diversity policy will apply to the Project. The Grantee shall be required to use good faith efforts to achieve an overall Minority and Women Business Enterprise (MWBE) Participation goal of 15%, related to the total value of ESD’s funding, and to solicit and utilize MWBEs for any contractual opportunities generated in connection with the Project.
Statutory Basis – New York Works:
The project was authorized in 2012-2013 New York State budget and reappropriated in the 2013-2014 and 2014-2015 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

Additional Submissions to Directors:
Table A – Key Indicators
Table B – Milestones
Project Finance Memorandum
Table A: Project Description

The following table lists the key indicators for your infrastructure project upon completion of your project. Indicators will be required to be reported cumulatively from award inception to the end of the project on a quarterly basis.

<table>
<thead>
<tr>
<th>Project Description- Access and Subscriber Information</th>
<th>Key Indicator</th>
<th>Municipality</th>
<th>Total Number Upon Completion of Project</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential/Business – the following information is for the last-mile services to homes and businesses</td>
<td>Number of Households Passed</td>
<td>220</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Number of New Residential Subscribers</td>
<td>127</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Number of Business Passed</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Number of New Business Subscribers</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Speed Tiers Available / Pricing</td>
<td>6Mbps x 1.5Mbps $44.95 plus $5 optional Modem Maintenance Fee.</td>
<td></td>
</tr>
<tr>
<td>Community Anchor Institutions – the following information is for the last-mile service to Community Anchor Institutions</td>
<td>Number of Community Anchor Institutions Passed</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Schools K-12</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Colleges, Universities or other Institutions of Higher Education</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Libraries</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Medical/ Healthcare Providers</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Public Safety Entities</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Other</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Speed Tiers Available / Pricing</td>
<td>6Mbps x 1.5Mbps $44.95 plus $5 optional Modem Maintenance Fee.</td>
<td></td>
</tr>
<tr>
<td>Infrastructure Key Indicators – the following information provides key indicators as they relate to your infrastructure project</td>
<td>New Network Miles Deployed</td>
<td>23</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Existing Network Miles Upgraded</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Number of Miles of New Fiber</td>
<td>23</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Number of New Wireless Links</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Number of New Towers</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Impact and Adoption – the following information demonstrates how the project addresses barriers to adoption</td>
<td>Subsidies</td>
<td></td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Members of the local fire and ambulance receive $10 per month discount.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Pay up front incentives offering a 7% discount and bundling saving options and loyalty discounts</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Company Employment Commitment</td>
<td>Permanent Full-Time Employees</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Contract Full-Time Employees</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of New Interconnection Points</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of Wireless Hotspots Provided</td>
<td>0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Subsidies</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Digital Literacy Programs and Training Programs</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Educational training classes on internet usage</td>
<td>1</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Table B: Project Milestones

The following table lists the major network build-out phases and milestones that can demonstrate the entire project will be substantially complete by the end of August 2015. The table considers project areas such as: a) network design; b) securing all relevant licenses and agreements; c) site preparation; d) inside plant deployment; e) outside plan deployment; f) deployment of business & operational support systems; g) network testing; f) network operational.

<table>
<thead>
<tr>
<th>Time Period</th>
<th>Quarter</th>
<th>Milestones</th>
<th>Narrative Explanation (if any)</th>
</tr>
</thead>
</table>
| Year 1      | Qtr. 3  | • Final Engineering  
• Required Work and Environmental Permits | Begin in month one and complete two months from initial start date. Begin in month one and complete four months from initial start date |
|             | Qtr. 4  | • Required Work and Environmental Permits  
• Make Ready Work | Complete four months from initial start date depending on findings Begin five months from initial start date (depending on permits) |
|             | Qtr. 1  | • Make Ready Work  
• Network Construction | Complete six months from initial start date  
Begin six months from initial start date |
|             | Qtr. 2  | • Electronics Installation, Turn Up and Test | Begin eleven months from initial start date |
|             | Qtr. 3  | • Network Construction  
• Electronics Installation, Turn Up and Test  
• Cut Over-Customers | Complete fourteen months from initial start date  
Complete fourteen months from initial start date  
Complete fourteen months from initial start date |
FOR CONSIDERATION

June 27, 2014

TO: The Directors
FROM: Kenneth Adams
SUBJECT: Regional Council Awards – Connect NY Broadband Program Consent Calendar
REQUEST FOR: Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plans; Authorization to Make Grants and to Take Related Actions

General Project Plan

I. Project Summary

Regional Council Capital Fund

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Proj #</th>
<th>Grantee</th>
<th>Assistance up to</th>
</tr>
</thead>
<tbody>
<tr>
<td>A Hamilton County Broadband</td>
<td>Y583</td>
<td>Hamilton County</td>
<td>$1,700,000</td>
</tr>
<tr>
<td>Phase II</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td></td>
<td>$1,700,000</td>
</tr>
</tbody>
</table>

NY Works

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Proj #</th>
<th>Grantee</th>
<th>Assistance up to</th>
</tr>
</thead>
<tbody>
<tr>
<td>B Newport Broadband</td>
<td>Y594</td>
<td>Newport Telephone Company, Inc.</td>
<td>$572,000</td>
</tr>
<tr>
<td>C Allegany County Broadband</td>
<td>Y600</td>
<td>Allegany County</td>
<td>$800,000</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td></td>
<td>$1,372,000</td>
</tr>
</tbody>
</table>

II. Program Description
A. Background

Accelerating the availability, affordability, and utilization of broadband technologies is a high priority for the State of New York. Access to the numerous benefits of broadband access, such as e-commerce, e-government, telemedicine and distance learning will result in job creation, improved healthcare, greater educational opportunities for our students and teachers, and enhanced economic development.

Recognizing that broadband services are vital to our state’s economic well-being, in September 2012, Governor Cuomo Committed $25 million in funding to expand high-speed Internet access in rural upstate and underserved urban areas of New York through the Connect NY Broadband Grant Program. In March 2013, eighteen broadband projects were selected to receive Connect NY Broadband grants based on the support of the Regional Economic Development Councils that analyzed and ranked projects competing for the $25 million in funding. In addition, 4 North Country Broadband Project Sponsors received more than $6 million from Round 2 of the Regional Economic Development Council Grants to expand broadband in the North Country Region.

Together, these projects will bring broadband service to over 153,000 households, 8,000 businesses and 400 anchor institutions – many without any means to access the Internet, across more than 6,000 square miles of New York State. Most of the funding will be for the “last-mile” of broadband service, which means the projects will provide high speed Internet connections directly to New Yorkers. The last-mile is the most expensive portion of a broadband network, and often prevents many rural residents from receiving broadband service, even when service is available to nearby homes.

The $25 million Connect NY awards, combined with additional funding to advance broadband technologies and services, brings the total amount of funding awarded for broadband projects during Governor Cuomo’s administration to more than $56 million, the largest statewide broadband funding commitment in the nation.

B. The Project

See attached Consent materials.

III. Statutory Basis

The projects were authorized in the 2012-13 New York State budget and reappropriated in the 2013-2014 and 2014-2015 New York State Budgets. No residential relocation is required as there are no families or individuals residing on the site.

IV. Environmental Review
Unless otherwise noted in the consent materials, ESD staff has determined that the project described in Schedule A constitutes a Type II action as defined by the New York State Environmental Quality Review Act ("SEQRA") and the implementing regulations for the New York State Department of Environmental Conservation. No further environmental review is required in connection with the project.

V. Smart Growth Public Infrastructure Review

Pursuant to the requirements of the State Smart Growth Public Infrastructure Policy Act (the “SG Act”), and in connection with the previous approval of funding for the Connect NY Broadband projects approved by the Directors on December 19, 2013, ESD’s Smart Growth Advisory Committee reviewed a Smart Growth Impact Statement ("SGIS"). This review found that the projects are consistent with the State Smart Growth Public Infrastructure Criteria (“Smart Growth Criteria”). The designee of the Chief Executive Officer of the Corporation attested that the projects, to the extent practicable, meet the relevant Smart Growth Criteria set forth in the SG Act. Therefore, no further smart growth public infrastructure review is required in connection with this action.

VI. Non-Discrimination and Contractor & Supplier Diversity

Pursuant to New York State Executive Law Article 15-A, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of certified minority and women-owned businesses in the performance of ESD contracts. Accordingly, ESD’s Non-discrimination and Contractor & Supplier Diversity policies will apply to the project.

VII. ESD Employment Enforcement Policy

ESD’s Employment Enforcement Policy will not apply since the projects will not directly create or retain jobs. The purpose of the grants is to extend broadband service to unserved households. Progress will be measured in terms of households and businesses served.

VIII. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

IX. Additional Submissions to Directors

Resolutions
Project Summaries
RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the NY Works and Regional Council Capital Fund Projects identified below (the “Project”), the Corporation hereby determines pursuant to Section 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plans (the “Plan”) for the Projects submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, are hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s), that no substantive negative testimony or comment has been received at the public hearings held on the Plan, such Plan shall be effective at the conclusion of such hearings, and that upon such written findings being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make a grant to the party and for the amounts listed below from the NY Works and Regional Council Capital Fund funds, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grants, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grants; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals;
Regional Council Capital Fund

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Proj #</th>
<th>Grantee</th>
<th>Assistance up to</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hamilton County Broadband Phase II</td>
<td>Y583</td>
<td>Hamilton County</td>
<td>$1,700,000</td>
</tr>
</tbody>
</table>

TOTAL $1,700,000

NY Works

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Proj #</th>
<th>Grantee</th>
<th>Assistance up to</th>
</tr>
</thead>
<tbody>
<tr>
<td>Newport Broadband</td>
<td>Y594</td>
<td>Newport Telephone Company, Inc.</td>
<td>$572,000</td>
</tr>
<tr>
<td>Allegany County Broadband</td>
<td>Y600</td>
<td>Allegany County</td>
<td>$800,000</td>
</tr>
</tbody>
</table>

TOTAL $1,372,000

and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *
C. Allegany County Broadband (Y600)
June 27, 2014

General Project Plan

Grantee: Allegany County (the “County”)

ESD Investment: A grant of up to $800,000 to be used for a portion of the cost to install and upgrade existing broadband networks in order to expand broadband access and increase capacity.

Project Location: Allegany County - portions of twenty-nine zip codes across the county as design allows.

Proposed Project: A county-wide platform will be created to offer a last-mile provider access to the ION, 96-strand fiber optic network, which will deliver quality broadband to Allegany County operations, municipalities, libraries, residential neighborhoods, businesses, farms, and emergency responders.

Project Type: Infrastructure development

Regional Council: The project is consistent with the Western New York Regional Plan to expand high-speed internet, stimulate local business growth and job creation, and enhance the economic well-being of the region.

Background:

Industry – Allegany is a county made up of twenty-nine towns and ten villages and is located in the southwestern part of New York State along the Pennsylvania border.

History – Founded in 1806, Allegany County was created out of 1,570 square miles from the partitioning of Genesee County. The first County Seat was established at Angelica, New York where it remained for half a century; it was later moved to Belmont, New York on the Genesee River. In 1808, the borders were adjusted so that 230 square miles of Steuben County passed to Allegany County, and 600 miles of Allegany County passed to Gennesee County. This established the current border between Genesee and Steuben Counties, and reduced the size of Allegany to 1,200 square miles. Allegany County is governed by a 15 person legislature. The County is divided into five districts with three legislators from each district.

Ownership – Local government

Size – As of the 2010 census, the County’s population is 48,946.

Market – Access to the Internet can be achieved by a number of different technologies.
The definition of broadband is determined by the data transmission speeds in both directions. Download speeds refer to data which is received, such as accessing websites, receiving files through email, streaming video, and using cloud-based services. Upload speeds refer to data which is transmitted to another user or to a website or cloud-based service. Average consumers typically use broadband for downloading data, making download speeds the standard measure for broadband access.

Broadband service is facilitated by either wireline or wireless technologies. Wireline services require a physical cable connection to provide connectivity, while wireless services are transmitted using antennas and wireless receivers similar to how radio transmissions are carried. Although there are a number of different wireless technologies, many wireless broadband providers use a hybrid model of providing service, as a wireline (usually fiber) connection is required at some point in the network.

In New York State, broadband service is provided by the following categories of service providers:

- **Cable** – 16 Providers, (Provides service to 94% of the state)
- **DSL** – 38 Providers, (Provides service to 92% of the state - Speeds: 768kbps – 25 mbps)
- **Fiber** – 26 Providers, (12 business only)
- **Fixed Wireless** - 12 Providers reporting coverage, (Serves 5% of the state – Speeds - 1.5 mbps – 100 mbps)
- **Mobile Wireless** - 6 providers (Speeds: 768 kbps – 12 mbps)
- **Satellite Providers** - 4 providers

**ESD Involvement** – In March 2013, eighteen broadband projects were selected to receive Connect NY Broadband grants based on the support of the Regional Economic Development Councils and technical scores awarded by a committee who analyzed and ranked projects competing for $25 million in funding. In addition, 4 North Country Broadband Project Sponsors received more than $6 million from Round 2 of the Regional Economic Development Council Grants to expand broadband in the North Country Region.

**Past ESD Support** – This is the County’s first project with ESD.
C. Allegany County Broadband (Y600)  
June 27, 2014

The Project:

Completion – April 2015

Activity – The Allegany County Broadband project will expand broadband services to 28 local communities and 11,600 households that are currently without broadband service. The project will create a county-wide platform to provide access to an existing 96-strand fiber optic network, delivering quality broadband to Allegany County operations, municipalities, libraries, residential neighborhoods, businesses, farms, emergency responders, and last-mile communication providers.

Results – Expand broadband services to 11,600 households, 523 businesses, and 53 community anchor institutions. See Table A, which describes all Key Indicators.

<table>
<thead>
<tr>
<th>Financing Uses</th>
<th>Amount</th>
<th>Financing Sources</th>
<th>Amount</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project and Grant Administration</td>
<td>$25,800</td>
<td>ESD Grant</td>
<td>$800,000</td>
<td>80%</td>
</tr>
<tr>
<td>Engineering</td>
<td>85,000</td>
<td>County Equity</td>
<td>200,000</td>
<td>20%</td>
</tr>
<tr>
<td>Literacy Training and Program Accessibility</td>
<td>55,661</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equipment Costs and Installation</td>
<td>833,539</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Project Costs</td>
<td>$1,000,000</td>
<td>Total Project Financing</td>
<td>$1,000,000</td>
<td>100%</td>
</tr>
</tbody>
</table>

Grantee Contact – Mitch Alger  
County Administrator  
Allegany County Courthouse  
7 Court Street  
Belmont, NY 14813  
Phone: (585) 268-7472

Project Team – Origination – Angela Liotta  
Project Management – Angela Liotta  
Contractor & Supplier Diversity – Elizabeth Gocs  
Finance – John Bozek  
Environmental – Soo Kang

Financial Terms and Conditions:

1. Upon execution of the grant disbursement agreement, the Grantee shall reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.

3. The Grantee will be required to contribute at least 10% of the total project cost in the form of equity contributed after the Grantee’s written acceptance of ESD’s offer and contribute at least 10% of total project costs in the form of in-kind. Equity is defined as cash injected into the project by the Grantee or by investors, and should be auditable through Grantee financial statements or Grantee accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.

4. Up to $800,000 will be disbursed to the Grantee no more frequently than quarterly during the course of design and/or construction and upon completion of project key indicators, and in proportion to ESD’s funding share, assuming that all project approvals have been completed and funds are available. The final 10% of the grant will be disbursed upon completion of the facility and upon meeting all project key indicators, as evidenced by a certificate of occupancy. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require.

ESD will be entitled to recoup all or part of ESD’s grant if the Recipient fails to reach, to a degree acceptable to ESD milestones as agreed upon in Table A, which lists key indicators for infrastructure work, and Table B, which lists the major network build-out phases and quarterly milestones of the entire project.

Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses must be incurred on or after March 5, 2013, to be considered eligible project costs. All disbursements must be requested by April 1, 2016.

5. Grant Funds are to be used for the following:

   (i) To fund the construction or improvement of all facilities required to provide broadband service.
   (ii) For installing or upgrading existing broadband facilities on a one-time, capital improvement basis in order to expand broadband access and increase capacity.
   (iii) To fund the cost of long-term leases (greater than 1 year) of facilities required to provide broadband service.
   (iv) To fund reasonable make-ready expenses incurred as a result of providing broadband service.
6. Eligible Expense Categories

(i) Network & Access Equipment Costs: Include switches, video headends, optical equipment, digital line concentrators, digital subscriber line access multiplexers, middleware, video-on-demand equipment, radio equipment, data routing equipment, etc.

(ii) Outside Plant Costs: Includes cable (aerial, buried, underground, and submarine), fiber, conduit systems, poles, network interface devices and reasonable make-ready costs.

(iii) Tower Costs: Includes the cost of constructing new buildings and renovating existing buildings, as well as any site preparation costs.

(iv) Customer Premises Equipment: Includes wireless subscriber units, modems, set-top boxes, and routers (if CPE will be provided at no cost to subscribers.)

(v) Professional Services: Includes site engineering, project management, and consultant services costs involved in designing and constructing the proposed project.

(vi) Testing: Includes items such as testing, network and IT systems, user devices, servers, lab furnishing and test generators.

(vii) Other Upfront Costs: Includes any other upfront costs not covered in the other categories, such as site preparation.

7. Grant funds will be subject to pro-rata recapture if property is sold within 5 years of disbursement of funds. The Recapture Amount is based on the time that has lapsed between when the Grant funds were disbursed and when the transfer occurred. The Recapture Amount shall be calculated by aggregating the Recapture Amount for each disbursement of the Grant, which in each instance shall be equal to:

(i) 100% of the disbursed amount if the transfer occurred in the calendar year that the disbursement was made, or in the first full calendar year after the disbursement was made;

(ii) 80% of the disbursed amount if the transfer occurred in the second full calendar year after the disbursement was made;

(iii) 60% of the disbursed amount if the transfer occurred in the third full calendar year after the disbursement was made;

(iv) 40% of the disbursed amount if the transfer occurred in the fourth full calendar year after the disbursement was made;

(v) 20% of the disbursed amount if the transfer occurred in the fifth full calendar year after the disbursement was made.

8. Compliance with National Electrical Safety Code (NESC): All pole attachments shall comply with the National Electrical Safety Code (NESC) requirements. Connect NY
grant recipients shall ensure that the attachment of fiber and equipment is designed, constructed, operated, and maintained in accordance with all applicable provisions of the most current and accepted criteria of the National Electrical Safety Code (NESC) and all applicable and current electrical and safety requirements of any State or local governmental entity.

9. Broadband Mapping Program Compliance: Recipients shall provide to the NYS Broadband Program Office (or designated agent) address-level broadband build-out data that indicates the location of new broadband services within the recipient’s entire service area.

10. ESD may reallocate the project funds to another form of assistance, at an amount no greater than $800,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Grantee and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

Non-Discrimination and Contractor and Supplier Diversity:
ESD’s Non-discrimination and Contractor and Supplier Diversity policy will apply to the Project. The Grantee shall be required to use good faith efforts to achieve an overall Minority and Women Business Enterprise (MWBE) Participation goal of 15%, related to the total value of ESD’s funding, and to solicit and utilize MWBEs for any contractual opportunities generated in connection with the Project.

Statutory Basis – New York Works:
The project was authorized in 2012-2013 New York State budget and reappropriated in the 2013-2014 and 2014-2015 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

Additional Submissions to Directors:
Table A – Key Indicators
Table B – Milestones
Project Finance Memorandum
Table A: Project Description

The following table lists the key indicators for your infrastructure project upon completion of your project. Indicators will be required to be reported cumulatively from award inception to the end of the project on a quarterly basis.

<table>
<thead>
<tr>
<th>Project Description- Access and Subscriber Information</th>
<th>Key Indicator</th>
<th>Total Number Upon Completion of Project</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential/Business -- the following information is for the last-mile services to homes and businesses</td>
<td>Number of Residential Units within Coverage Area that the service will be able to be provided to</td>
<td>11,600</td>
</tr>
<tr>
<td></td>
<td>Estimated number of residential Subscribers*</td>
<td>5,500</td>
</tr>
<tr>
<td></td>
<td>Estimated Number of Business within Coverage Area that the service will be able to be provided to</td>
<td>523</td>
</tr>
<tr>
<td></td>
<td>Estimated Number of New Business Subscribers*</td>
<td>20</td>
</tr>
<tr>
<td></td>
<td>Speed Tiers Available / Pricing</td>
<td>To be provided after agreements with last-mile partners are made. Provider will meet minimum speed thresholds of 6 Mbps download and 1.5 Mbps upload.</td>
</tr>
<tr>
<td>Community Anchor Institutions -- the following information is for the last-mile service to Community Anchor Institutions</td>
<td>Total Number of Community Anchor Institutions within the Coverage Area that the service will be able to be provided to</td>
<td>53</td>
</tr>
<tr>
<td></td>
<td>• Schools K-12</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>• Colleges, Universities or other Institutions of Higher Education</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>• Libraries</td>
<td>17</td>
</tr>
<tr>
<td></td>
<td>• Medical/ Healthcare Providers</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>• Public Safety Entities</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>• Other</td>
<td>36</td>
</tr>
<tr>
<td></td>
<td>Speed Tiers Available / Pricing</td>
<td>To be provided after agreements with last-mile partners are made. Provider will meet minimum speed thresholds of 6 Mbps download and 1.5 Mbps upload.</td>
</tr>
<tr>
<td>Infrastructure Key Indicators -- the following information provides key indicators as they relate to your infrastructure project</td>
<td>New Network Miles Deployed</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Existing Network Miles Upgraded</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Number of Miles of New Fiber</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Number of New Wireless Links</td>
<td>14</td>
</tr>
<tr>
<td></td>
<td>Number of New Towers Use of Existing 911 Towers</td>
<td>7</td>
</tr>
<tr>
<td>Impact and Adoption – the following information demonstrates how the project addresses barriers to adoption</td>
<td>Digital Literacy Programs and Training Programs – Deliver High quality broadband access to</td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td></td>
</tr>
<tr>
<td>Number of New Interconnection Points</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Number of Wireless Hotspots Provided</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td>• Libraries</td>
<td>13</td>
<td></td>
</tr>
<tr>
<td>• Municipal Owned Buildings</td>
<td>40</td>
<td></td>
</tr>
<tr>
<td>• Kindle Fire HD Tablets or similar for Trainees</td>
<td>40</td>
<td></td>
</tr>
</tbody>
</table>
Table B: Project Milestones

The following table lists the major network build-out phases and milestones that can demonstrate the entire project will be substantially complete by the end April 2015. The table considers project areas such as: a) network design; b) securing all relevant licenses and agreements; c) site preparation; d) inside plant deployment; e) outside plan deployment; f) deployment of business & operational support systems; g) network testing; f) network operational.

<table>
<thead>
<tr>
<th>Time Period</th>
<th>Quarter</th>
<th>Milestones</th>
<th>Narrative Explanation (if any)</th>
</tr>
</thead>
</table>
| Year 1:     | Qtr. 1  | A.) Project Team Kickoff  
B.) County Legislative Process Accept Award,  
C.) Revise and Finalize Incentive Contract with NYS  
D.) Finalize Contracts with Sub-Contractors Prepare Quarterly Reports | |
|             | Qtr. 2  | A.) Tower Site Surveys,  
B.) MicroWave Path Confirmation  
C.) Develop Final Design & Last Mile Strategy Collaboration with WISPs on Last Mile Approach  
D.) Draft Equipment Procurement Specs  
E.) Finalize Implementation Strategy  
F.) Prepare Quarterly Reports | |
|             | Qtr. 3  | A.) Draft Equipment Procurement Specs and Finalize Implementation Strategy  
B.) Equipment Bid,  
C.) Prepare Quarterly Reports | |
|             | Qtr. 4  | A.) Award & Order  
B.) Installer Mobilization  
C.) Tower Site Preparation,  
D.) Microwave Licensing  
E.) Prepare Quarterly Reports | |
| Year 2:     | Qtr. 1  | A.) Tower Equipment Installations  
B.) Network Installation  
C.) Prepare Quarterly Reports | |
|             | Qtr. 2  | A.) Tower Equipment Installations Continue if needed  
B.) Network Installation Continue if needed  
C.) Configuration, Testing, Implementation  
D.) Training for WISPS, County personnel, etc. | |
|             | Qtr. 3  | A.) Complete Installations and Training Efforts with Literacy West, Libraries, etc.  
Public Access locations will be provided free service. | |
<table>
<thead>
<tr>
<th>Year 2:</th>
<th>Qtr. 4</th>
<th></th>
<th></th>
</tr>
</thead>
</table>
| A.) Contingency & Close Out  
B.) Prepare Final Reports  
C.) Last mile Providers [ISPs] begin installations and connections to new subscribers. |   | Partnering with last mile providers [ISPs] to provide the service to subscribers. ISPs determine the rates. Public Access locations will be provided free service. |
FOR CONSIDERATION  
June 27, 2014

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Non-Discretionary Projects

REQUEST FOR: Authorization to Make Grants and to Take Related Actions

Attached are the summaries of the projects sponsored by the New York State Executive and Legislative branches:

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Proj #</th>
<th>Grantee</th>
<th>Assistance up to</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Local Assistance (Executive)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A The Research Foundation – Hunter James Kelly Research Institute Working Capital</td>
<td>W891, X218, X561</td>
<td>The Research Foundation of State University of New York</td>
<td>$2,940,000</td>
</tr>
<tr>
<td><strong>Local Assistance – Base Retention (Executive &amp; Assembly)</strong></td>
<td>Z042 &amp; Z325</td>
<td>Northeast UAS Airspace Integration Research Alliance, Inc.</td>
<td>1,600,000</td>
</tr>
<tr>
<td>B NUAIR Aerial System Working Capital</td>
<td>Z042 &amp; Z325</td>
<td>Northeast UAS Airspace Integration Research Alliance, Inc.</td>
<td>1,600,000</td>
</tr>
<tr>
<td><strong>Local Assistance (Senate)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>C Watkins Glen Tourism Working Capital</td>
<td>Z277</td>
<td>Watkins Glen International, Inc.</td>
<td>$150,000</td>
</tr>
<tr>
<td><strong>Community Projects Fund (Assembly)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>D Lower East Side BID Working Capital</td>
<td>Y343</td>
<td>Lower East Side District Management Association, Inc.</td>
<td>25,000</td>
</tr>
<tr>
<td>E Harlem Arts Alliance Working Capital</td>
<td>Y949</td>
<td>Harlem Arts Alliance, Inc.</td>
<td>100,000</td>
</tr>
<tr>
<td><strong>TOTAL NON-DISCRETIONARY – 5 PROJECTS</strong></td>
<td></td>
<td></td>
<td>TOTAL $4,815,000</td>
</tr>
</tbody>
</table>
I. Statutory Basis

The projects are sponsored by the Executive, Assembly or Senate, and were authorized or reappropriated in the 2014-2015 New York State budget. No residential relocation is required as there are no families or individuals residing on the site(s).

II. Environmental Review

Unless otherwise noted on a project summary, ESD* staff has determined that the projects constitute Type II actions as defined by the New York State Environmental Quality Review Act and the implementing regulations for the New York State Department of Environmental Conservation. No further environmental review is required in connection with the projects.

* The New York State Urban Development Corporation doing business as the Empire State Development Corporation ("ESD" or the "Corporation")

III. Non-Discrimination and Contractor & Supplier Diversity

Pursuant to New York State Executive Law Article 15-A, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of certified minority and women-owned businesses in the performance of ESD contracts. Accordingly, ESD’s Non-discrimination and Contractor & Supplier Diversity policy will apply to the projects. Unless otherwise specified in the project summary, Grantees shall use their Good Faith Efforts to achieve an overall Minority and Women Business Enterprise (“MWBE”) Participation Goal of 23% related to the total value of ESD's funding. This shall include a Minority Business Enterprise (“MBE”) Participation goal of 13% and a Women Business Enterprise (“WBE”) Participation goal of 10%. Grantees shall use Good Faith Efforts to solicit and utilize MWBEs for any contractual opportunities generated in connection with the project and to include minorities and women in any job opportunities created by the projects.

IV. ESD Employment Enforcement Policy

Unless otherwise noted on a project summary, the ESD Employment Enforcement Policy will not apply since the projects will not directly create or retain jobs.

V. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.
VI. Additional Requirements

Pursuant to direction received from the New York State Office of the Attorney General (“OAG”), individual project summaries may be subject to comment and approval by the OAG.

Due diligence has been exercised by ESD staff in reviewing information and documentation received from grantees/borrowers and other sources, in preparation for bringing projects to the ESD Directors for approval. The due diligence process also involves coordination with a number of external constituents, including the OAG, and grantees/borrowers have provided ESD with the required Disclosure and Accountability Certifications.

Also, pursuant to s.2879-a of the Public Authorities Law, the Office of the State Comptroller (“OSC”) has notified the Corporation that it will review all grant disbursement agreements (“GDAs”) of more than one million dollars ($1 million) that are supported with funds from the Community Projects Fund (“007”). Such GDAs, therefore, will not become valid and enforceable unless approved by the OSC. A clause providing for OSC review will be included in all GDAs that are subject to such approval.

VII. Additional Submissions to Directors

New York State Map
Resolutions
Project Summary
RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Local Assistance Projects (the “Projects”), the Corporation hereby determines pursuant to Section 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area(s); and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make a grant to the party and for the amount listed below from Local Assistance, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

Local Assistance – Executive, Senate and Assembly – Project Summary Table

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Proj #</th>
<th>Grantee</th>
<th>Assistance up to</th>
</tr>
</thead>
<tbody>
<tr>
<td>A The Research Foundation – Krabbe Disease</td>
<td>W891, X218,</td>
<td>The Research Foundation of State University</td>
<td>$2,940,000</td>
</tr>
<tr>
<td>Disease Research Working Capital</td>
<td>X561</td>
<td>of New York</td>
<td></td>
</tr>
<tr>
<td>B NUAIR Aerial System Working Capital</td>
<td>Z042 &amp; Z325</td>
<td>Northeast UAS Airspace Integration Research</td>
<td>1,600,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Alliance, Inc.</td>
<td></td>
</tr>
<tr>
<td>C Watkins Glen Tourism Working Capital</td>
<td>Z277</td>
<td>Watkins Glen International, Inc.</td>
<td>150,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td></td>
<td>$4,690,000</td>
</tr>
</tbody>
</table>

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to
execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *
RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Community Projects Fund Project (the “Project”), the Corporation hereby determines pursuant to Section 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area(s); and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make a grant to the party and for the amount listed below from the Community Projects Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Proj #</th>
<th>Grantee</th>
<th>Assistance up to</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lower East Side BID Working Capital</td>
<td>Y343</td>
<td>Lower East Side District Management Association, Inc.</td>
<td>$25,000</td>
</tr>
<tr>
<td>Harlem Arts Alliance Working Capital</td>
<td>Y949</td>
<td>Harlem Arts Alliance, Inc.</td>
<td>100,000</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td></td>
<td><strong>$125,000</strong></td>
</tr>
</tbody>
</table>

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *
A. The Research Foundation – Hunter James Kelly Research Institute Working Capital (W891, X218, X561)
June 27, 2014

Grantee: The Research Foundation of State University of New York (the “Research Foundation”)

Beneficiary Organization: The Hunter James Kelly Research Institute (the “Institute”)

ESD Investment: Three grants totaling up to $2,940,000 (W891 - $980,000; X218 - $980,000; X561 - $980,000) to be used to expand the Western New York region’s involvement in life sciences and specialized disease research.

Project Location: 701 Ellicott Street, Buffalo, Erie County

Proposed Project: Operating funds to support specialized disease research of the Institute.

Project Type: Working Capital

Regional Council: The Western New York Regional Council has been made aware of this item.

Background:

Grantee Industry – The Research Foundation of State University of New York is a private, educational organization that administers externally funded contracts and grants for and on behalf of the State University of New York. It is a separate not-for-profit corporation, and as such is not supported by state appropriated tax dollars, nor does it receive support services provided to New York State agencies. The Research Foundation provides the administrative flexibility to respond quickly to the special demands of externally funded contracts and grants in a manner that facilitates their scientific or technical execution.

Beneficiary Industry – The Institute was founded to increase public awareness of leukodystrophies, including Krabbe Disease, and to raise funding for earlier detection and treatment. Leukodystrophies are rare, inherited degenerative disorders of the central and peripheral nervous systems.

Grantee History – The Research Foundation was established in 1951.

Beneficiary History – The Institute was founded in 2008.

Grantee Ownership – The Research Foundation is a private, 501(c)(3) not-for-profit educational organization.
Beneficiary Ownership – The Institute is a partnership between the University of Buffalo School of Medicine and the Hunter’s Hope Foundation (the “HHF”), a not-for-profit organization founded in 1997.

ESD Involvement – The project was authorized in the 2009-2010, 2010-2011 and 2011-2012 New York State budgets.

Past ESD Support – ESD has committed over $8 million in funding to the Research Foundation to support Krabbe disease research. All funds are legislative- or executive-sponsored. These funds include:

<table>
<thead>
<tr>
<th>Program</th>
<th>Project #</th>
<th>Amount</th>
<th>Date Start (ESD Directors’ Approval date)</th>
<th>Date End (Project Completion: Contract Expiration)</th>
<th>Purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local Assistance</td>
<td>U446</td>
<td>$6,000,000</td>
<td>December 2006</td>
<td>June 2015</td>
<td>Equipment Acquisition</td>
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<tr>
<td></td>
<td>W753</td>
<td>$940,000</td>
<td>August 2009</td>
<td>September 2011</td>
<td>Working Capital</td>
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<tr>
<td></td>
<td>W889</td>
<td>$1,000,000</td>
<td>November 2012</td>
<td>December 2012</td>
<td>Working Capital</td>
</tr>
<tr>
<td></td>
<td>W890</td>
<td>$980,000</td>
<td>November 2012</td>
<td>December 2013</td>
<td>Working Capital</td>
</tr>
</tbody>
</table>

The Project:

**Completion** – W891 ($980,000) – December 2014
X218 ($980,000) – December 2015
X561 ($980,000) – December 2016

Activity – The project will continue to support the Institute’s mission to perform research on myelin (fatty insulation around the wires of the nervous system) and its related diseases with the goal to better understand the disease mechanisms and develop treatments for leukodystrophies, like Krabbe leukodystrophy. Activities involve operating expenses including: salaries, wages and fringe; office supplies; laboratory supplies; travel and professional conferences; tuition; recruitment; immigration fees, housing and care of research animals; and leasing space and rent for the Transmission Electron Microscope (“TEM”) and scientific reporting; and expenses related to an internal advisor and an external advisory board.

Results – The Institute’s goal is to understand and develop treatments for diseases like Krabbe leukodystrophy. The project will enable the Institute to study myelin in order to understand its repair, study the consequences of myelin damage, provide better cellular and animal models, exploit models to perform preclinical studies of therapies, and to work with the University of Buffalo Department of Neurology and HFF to translate the research of the Institute into prognostic, diagnostic and treatment applications. Additionally, the project is expected to leverage private funding for the continued
support of the Institute, resulting in additional targets for diagnostic and therapeutic products that can be commercialized through the New York State Center of Excellence in Bioinformatics and Life Sciences.

With each disbursement, the Grantee will furnish a report describing the impact and effectiveness of the project.

<table>
<thead>
<tr>
<th>Financing Uses</th>
<th>Amount</th>
<th>Financing Sources</th>
<th>Amount</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries (2014 – 2016)</td>
<td>$1,840,773</td>
<td>ESD Grants (W891, X218, X561)</td>
<td>$2,940,000</td>
<td>100%</td>
</tr>
<tr>
<td>Supplies (Office, lab, other) (2014 – 2016)</td>
<td>611,154</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Travel (Recruitment, training, meetings, etc.) (2014-2016)</td>
<td>74,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other (Tuition; immigration fees; independent contractor; housing &amp; care of research animals; TEM lease &amp; insurance; recruitment; reporting; external and internal advisors) (2014-2016)</td>
<td>414,073</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Project Costs</td>
<td>$2,940,000</td>
<td>Total Project Financing</td>
<td>$2,940,000</td>
<td>100%</td>
</tr>
</tbody>
</table>

Grantee Contact: Mr. Jeffrey Schieder, CRA
Senior Agreement Administrator
Sponsored Projects Services
State University of New York at Buffalo
402 Crofts Hall
Buffalo, New York 14260
Phone: (716) 645-4408

Beneficiary Contact: Lawrence Wrabetz M.D.
University at Buffalo School of Medicine and Biomedical Sciences
NYS Center of Excellence
701 Ellicott Street
Buffalo, NY 14203
Phone: (716) 881-8913

Project Team: Project Management Cheryl Krazmien
Contractor & Supplier Diversity Vikas Gera
Environmental Soo Kang
Financial Terms and Conditions:

1. The Grantee will be obligated to advise ESD of a material adverse change in its financial condition prior to disbursement.

2. The grants shall be disbursed as follows:

   W891 – Up to $980,000 will be disbursed to the Grantee, upon completion of the project substantially as described in these materials and documentation of $980,000 in eligible working capital costs, assuming that all project approvals have been completed and funds are available. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. All project expenditures must have been incurred after April 1, 2009, the date that the New York State budget, in which the project is authorized, was passed.

   X218 – Up to $980,000 will be disbursed to the Grantee, no more frequently than quarterly, for eligible expenses actually incurred by the Grantee as described in these materials, assuming that all project approvals have been completed and funds are available. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. All project expenditures must have been incurred after April 1, 2010, the date that the New York State budget, in which the project is authorized, was passed. The final ten percent (10%) of the Grant shall not be disbursed by ESD until all of the tasks and reports required have been completed to ESD’s satisfaction.

   X561 – Up to $980,000 will be disbursed to the Grantee, no more frequently than quarterly, for eligible expenses actually incurred by the Grantee as described in these materials, assuming that all project approvals have been completed and funds are available. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. All project expenditures must have been incurred after April 1, 2011, the date that the New York State budget, in which the project is authorized, was passed. The final ten percent (10%) of the Grant shall not be disbursed by ESD until all of the tasks and reports required have been completed to ESD’s satisfaction.

3. ESD may reallocate the project funds to another form of assistance, at an amount no greater than $2,940,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Grantee and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.
Non-Discrimination and Contractor & Supplier Diversity:
ESD’s Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Recipient shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women Business Enterprise (MWBEs) for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 40% related to the eligible categories totaling approximately $615,000. As such, the goal MWBE utilization shall be no less than $246,000.

Statutory Basis – Local Assistance:
The project was appropriated in the 2009-2010, 2010-2011, and 2011-2012 New York State budgets and reappropriated in the 2014-2015 New York State budget. No residential relocation is required as there are no families or individuals residing on the site.

Disclosure and Accountability Certifications:
The Grantee and Beneficiary have provided ESD with the required Disclosure and Accountability Certifications, which disclosed the following under Good Standing by the Grantee:

- In the summer of 2009, the Research Foundation received federal grand jury subpoenas seeking documents relating to its PERM/MEQC project with the New York State Department of Health’s (“the DOH”). The investigation appears to relate to the reporting, by DOH and the Research Foundation, of the results of the project to the federal government. The grant dollars involved in this project total less than one percent of the total dollar amount of the Research Foundation’s annual grant awards. While the Research Foundation has decided to discontinue its involvement in the above-referenced programs in 2009; the Research Foundation continues to receive state and federal grants through the DOH. In addition, based upon the facts known at this time, there does not appear to be any corporate material liability for the Research Foundation.

- In September 2009, the Research Foundation received a subpoena from the United States Department of Health and Human Services Office of Inspector General seeking documentation relating to certain federal National Institutes of Health (“NIH”) grants related to the Research Institute on Additions at the University at Buffalo. During the course of this federal inquiry, the former Principal Investigator who made various allegations of fiscal mismanagement and who may have been a government whistleblower was investigated and criminally charged by the New York State Attorney General in relation to his presentation of false testimony and false witnesses during an administrative hearing with the State University of New York in relation to his alleged misconduct in science. On August 26, 2011, the Foundation received notification from the Assistant United States Attorney for the Western District of New York that the United States would not intervene in this whistleblower action and has closed the federal investigation. As a result, the underlying civil action was dismissed.
In June 2011, as a result of allegations related to a former Research Foundation made by the New York State Commission on Public Integrity, the Office of the State Comptroller and the Office of New York State Inspector General began investigating the facts related to these allegations. The Research Foundation has cooperated with these investigations and has no reason to believe that there will be any adverse findings that will affect current or future grants and contracts, and has been notified that it is not a subject or target of any investigation.

On October 22, 2012, the Office of State Comptroller issued its audit titled “Selected Human Resource Controls and Potential Conflicts of Interest”. The audits and the Research Foundation’s management response may be found at http://osc.state.ny.us/audits/allaudits/093013/11s24.pdf. As noted in the report, the Foundation has referred a matter related to a former employee to law enforcement but is currently unaware of any resultant legal investigations.

Also, as an employer of over 17,000 individuals per year, the Research Foundation receives and responds to several complaints made to the New York State Division of Human Rights and charges to U.S Equal Employment Opportunities Commission and may, from time to time, be involved in litigation both as a plaintiff and as a defendant in various civil and administrative venues, inclusive of workers compensation hearings, human resources and intellectual property litigation.

The Disclosure and Accountability Certifications, while disclosing the above, do not indicate that the Grantee or Beneficiary have any current conflicts of interest or other good standing violations, and therefore, staff recommends that the Corporation authorize the grant to the Grantee as described in these materials.
B. NUAIR Aerial System Working Capital (Z042, Z325)  
June 27, 2014

Grantee: Northeast UAS Airspace Integration Research Alliance, Inc. (“NUAIR” or the “Organization”)

ESD Investment: A grant of up to $1,600,000 to be used for the costs associated with start-up operations for NUAIR.

Project Location: Onondaga County

Proposed Project: Start-up costs including research, development, testing, consulting, education, commercialization and business attraction activities.

Project Type: Working Capital

Regional Council: The Central New York Regional Council has been made aware of this item.

Background:

Industry – NUAIR serves the Federal Aviation Administration (“FAA”) with its safe integration of unmanned aerial systems (“UAS”) to the national airspace system. NUAIR will facilitate growth of the UAS sector in the national and global markets.

Organization History – Formed in Syracuse in April 2012, NUAIR is a regional alliance of private industry, academic institutions and military assets and operations, working together to establish an FAA-designated test site (“Test Site”) for UAS in the Northeast. NUAIR consists of a coalition of more than forty private and public entities and academic institutions in New York and Massachusetts, and is teamed with Griffiss International Airport in Rome, New York. Military infrastructure in New York and Massachusetts includes the 174th Air National Guard Attack Wing in Syracuse, Ft. Drum in Watertown, the Air Force Research Lab facility at Stockbridge in Oneida, and the Joint Base Cape Cod in Massachusetts, which all provide NUAIR with airspace and technical expertise. NUAIR, based in New York and Massachusetts, will manage operations of the Test Site at Griffiss International Airport (“Airport”).

Ownership – NUAIR is a not-for-profit organization.

ESD Involvement – $1,600,000 in appropriations were included in the 2014-2015 New York State budget.

NUAIR will also benefit from a $350,000 grant offer to Oneida County to fit out 3,200 square feet of secure office and storage space at the Airport for the UAS program.
NUAIR Aerial System Working Capital (Z042, Z325)
June 27, 2014

Past ESD Support – This is the Organization’s first project with ESD.

The Project:

Completion – June 2015

Activity – Funding will be used for the start-up of the UAS into the national airspace system. NUAIR will be conducting UAS research, development, testing, consulting, education, commercialization and business attraction activities over the next five years to integrate unmanned and remotely piloted vehicles and systems into the national airspace system. The project will support NUAIR’s start-up activities including office set-up for day-to-day operations; staffing of key positions including the Chief Executive Officer, Executive Director, Director of Technical Service, Director of Operations and administrative staff; website development and marketing, public education events and presentations, travel expenses and exhibit space at the Association for Unmanned Vehicle Systems International and other industry meetings; work conducted with the FAA to develop operating procedures for unmanned aerial vehicle (“UAV”) test sites; UAV testing activities including leasing equipment to enable sensor research and testing; consultants for data management and data security in support of research and testing activities; legal work; and discussions with potential industrial partners and customers on business development and attraction and UAV testing activities.

Results – As a result of NUAIR’s activities, it is estimated that 70,000 new jobs will be created nationwide by 2017 and more than 100,000 by 2025. New York is projected to be 9th in the nation in terms of economic impact and job growth from UAS integration. Central New York’s unique regional assets, including industry capability, available airspace, existing infrastructure and climatic diversity will give the region a large share of these economic gains and the project is expected to create approximately 340 jobs and generate $5.5 million in new tax revenue in Central New York. Successful commercialization from both the public and research testing and consulting activities will result in New York being the premier UAS research area of the United States.

Upon completion of the project, the Grantee will furnish a final report describing the impact and effectiveness of the project.

<table>
<thead>
<tr>
<th>Financing Uses</th>
<th>Amount</th>
<th>Financing Sources</th>
<th>Amount</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staffing</td>
<td>$1,170,000</td>
<td>ESD Grants (Z042, Z__)</td>
<td>$1,600,000</td>
<td>100%</td>
</tr>
<tr>
<td>Administrative Costs</td>
<td>335,000</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Consultants/Contractors</td>
<td>95,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Project Costs</td>
<td>$1,600,000</td>
<td>Total Project Financing</td>
<td>$1,600,000</td>
<td>100%</td>
</tr>
</tbody>
</table>
NUAIR Aerial System Working Capital (Z042, Z325)
June 27, 2014

Grantee Contact - Robert M. Simpson, Chief Executive Officer
Northeast UAS Airspace Integration Research Alliance, Inc.
115 West Fayette
Syracuse, NY 13202
Phone: 315-471-1800

Project Team - Project Management Jessica Hughes
Contractor & Supplier Diversity Elizabeth Gocs
Environmental Soo Kang

Financial Terms and Conditions:

1. The Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.

2. Up to $1,600,000 will be disbursed to Grantee, no more frequently than monthly, for eligible expenses actually incurred by the Grantee as described in these materials, assuming that all project approvals have been completed and funds are available. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. All project expenditures must have been incurred after April 1, 2013, the date that the New York State budget, in which the project is authorized, was passed. The final ten percent (10%) of the Grant shall not be disbursed by ESD until all of the tasks and reports required have been completed to ESD’s satisfaction.

3. ESD may reallocate the project funds to another form of assistance, at an amount no greater than $1,600,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Grantee and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

Non-Discrimination and Contractor & Supplier Diversity:
ESD’s Non-Discrimination and Contractor & Supplier Diversity policies will apply to the project. The Grantee, a non-profit organization, shall be required to use good faith efforts to achieve an overall Minority and Women Business Enterprise (“MWBE”) Participation goal of 20% of the $129,000 of eligible expenditures where MWBE utilization potential exists, specifically marketing, legal, and office supplies, and to solicit and utilize MWBEs for any contractual opportunities generated in connection with the Project.

Statutory Basis – Local Assistance – Base Retention:
The project was authorized in the 2013-2014 New York State budget and reappropriated in the
2014-2015 New York State budget. No residential relocation is required as there are no families or individuals residing on the site.

**Disclosure and Accountability Certifications:**
The Grantee has provided ESD with the required Disclosure and Accountability Certifications. Grantee’s certifications indicate that Grantee has no conflict of interest or good standing violations and, therefore, staff recommends that the Corporation authorize the grant to the Grantee as described in these materials.
C. Watkins Glen International Tourism Working Capital (Z277)
June 27, 2014

Grantee: Watkins Glen International, Inc. ("The Glen" or the "Company")

ESD Investment: A grant of up to $150,000 to be used for a portion of the cost of media purchase and advertising for motor sports tourism in the Southern Tier and Finger Lakes regions.

Project Location: 2790 County Route 16, Watkins Glen, Schuyler County

Proposed Project: Design and execution of an advertising campaign to promote motor sports tourism in the Southern Tier and Finger Lakes regions.

Project Type: Working Capital

Regional Council: The Southern Tier Regional Council has been made aware of this item.

Background:

Industry – Watkins Glen International, Inc. operates an historic sports car racing track in the village of Watkins Glen, Schuyler County. The Glen hosts seven major spectator events with the remaining days comprised of facility rentals with driving schools.

Company History – Founded in 1948, the Glen is an automobile race track located near Watkins Glen, New York, at the southern tip of Seneca Lake. In 1956, a 2.3-mile permanent circuit (the “track”) was built and international competition began in 1958 with the running of a Formula Libre race. Expanded in 1971, the track brought a wide variety of competition including the Can-Am, Trans-Am, Six Hours, Formula 5000 and CART Indy Car series. As a result of financial difficulties and bankruptcy, the track was closed in 1981. The track was long known around the world as the home of the United States Grand Prix, which it hosted for twenty consecutive years (1961–1980), but since 1948 the site has been home to road racing of nearly every class, including Formula One, the World Sportscar Championship, Trans-Am, Can-Am, NASCAR Sprint Cup Series, and the Indy Car Series. In early 1983, Corning Enterprises purchased the track and partnered with International Speedway Corporation to form Watkins Glen International, Inc.

Ownership – Watkins Glen International Inc. is a privately-owned company that operates as a subsidiary of International Speedway Corp.

ESD Involvement – A $150,000 appropriation was included in the 2014-2015 New York State budget.

Past ESD Support – Funding for the past five years to the Grantee is summarized in the
following chart:

<table>
<thead>
<tr>
<th>Program</th>
<th>Project #</th>
<th>Amount</th>
<th>Date Start (ESD Directors’ Approval date)</th>
<th>Date End (Project Completion: Contract Expiration)</th>
<th>Purpose</th>
</tr>
</thead>
</table>

The Project:

Completion – August 2014

Activity – The Company will implement a comprehensive advertising campaign for its major spectator events throughout the Southern Tier, and by association the Finger Lakes region of New York. The campaign will include television, radio, print and digital advertising. The Glen will work with CENERGY Marketing & Communications, based in East Aurora, New York to consult on the advertising purchase in Southern Ontario. CENERGY was selected based on its experience purchasing media in the Southern Ontario market. Consultation with the chosen media and marketing agency will begin in June 2014, with the advertising campaign officially kicking off in July 2014 and running through August 2014.

Results – Ontario, Canada is the Glen’s sixth largest market for the NASCAR Sprint Cup Series weekend and an emerging market for the International Motor Sports Association Sportscar weekend. The proposed funds will be used to promote the Glen to international tourists coming from southern Ontario, while bolstering the Glen reputation as the premiere road racing facility in North America.

Upon completion of the project, the Grantee will furnish a final report describing the impact and effectiveness of the project.

<table>
<thead>
<tr>
<th>Financing Uses</th>
<th>Amount</th>
<th>Financing Sources</th>
<th>Amount</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchased Media</td>
<td>$178,500</td>
<td>ESD Grant</td>
<td>$150,000</td>
<td>71%</td>
</tr>
<tr>
<td>Agency Costs (Salaries)</td>
<td>31,500</td>
<td>Company Equity</td>
<td>60,000</td>
<td>29%</td>
</tr>
<tr>
<td>Total Project Costs</td>
<td>$210,000</td>
<td>Total Project Financing</td>
<td>$210,000</td>
<td>100%</td>
</tr>
</tbody>
</table>
Watkins Glen International Tourism Working Capital (Z277)
June 27, 2014

Grantee Contact - Greg Walerski, Director of Accounting
2790 County Route 16
Watkins Glen, NY 14891
Phone: (607) 535-3359

Project Team - Project Management Simone Bethune
Contractor & Supplier Diversity Denise Ross
Environmental Soo Kang

Financial Terms and Conditions:

1. The Company will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.

2. Up to $150,000 will be disbursed to Grantee, no more frequently than monthly, for eligible expenses actually incurred by the Grantee as described in these materials, assuming that all project approvals have been completed and funds are available. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. All project expenditures must have been incurred after April 1, 2014, the date that the New York State budget, in which the project is authorized, was passed. The final ten percent (10%) of the Grant shall not be disbursed by ESD until all of the tasks and reports required have been completed to ESD's satisfaction.

3. ESD may reallocate the project funds to another form of assistance, at an amount no greater than $150,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Company and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

Non-Discrimination and Contractor & Supplier Diversity:
ESD’s Non-Discrimination and Contractor & Supplier Diversity policy will apply to the Project. The Company shall be required to use good faith efforts to achieve an overall Minority and Women Business Enterprise (“MWBE”) Participation goal of 20%, related to the total value of ESD’s funding, and to solicit and utilize MWBEs for any contractual opportunities generated in connection with the Project.

Statutory Basis – Local Assistance:
The project was authorized in the 2014-2015 New York State budget. No residential relocation is required as there are no families or individuals residing on the site.
Disclosure and Accountability Certifications:
The Grantee has provided ESD with the required Disclosure and Accountability Certifications. Grantee’s certifications indicate that Grantee has no conflict of interest or good standing violations and, therefore, staff recommends that the Corporation authorize the grant to the Grantee as described in these materials.
Grantee: Lower East Side District Management Association, Inc. (“LES BID” or the “Organization”)

ESD Investment: A grant of up to $25,000 to be used for a portion of the cost of providing services and assistance to businesses in the community including outreach.

Project Location: 135 – 163 Delancey Street, New York, NY 10002, New York County

Proposed Project: Planning and design of a new commercial destination and public open space.

Project Type: Working Capital

Regional Council: The New York City Regional Council has been made aware of this item.

Background:

Industry – LES BID is an economic development organization that supports the economy of New York City’s Lower East Side through a variety of programs and initiatives.

Organization History – Lower East Side District Management Association, Inc. was established in 1992 in response to the decades-long economic and physical decline of the commercial area and surrounding neighborhoods of Manhattan’s Lower East Side (“LES”). LESBID enables property owners, merchants and residents to work collaboratively to preserve and enhance the unique character of LES. LES BID covers the area between Houston, Allen, Canal, and Norfolk Streets, anchored by its main commercial districts of Orchard and Delancey Streets. Today, LES BID serves over 600 small business and property owners.

Property owners pay a nominal special assessment, which is pooled and used to fund services such as area marketing and publicity, sanitation, small business assistance, economic development, and beautification. LES BID also receives government grants and revenue currently derived from its parking operations.

LES BID’s active programs include hosting a Web site (www.LowerEastSideNY.com); staffing a visitor center; producing marketing materials such as neighborhood and gallery guides; providing technical assistance and advocacy work for businesses and property owners; and organizing special events that promote local businesses.

Ownership – LES BID is a not-for-profit economic development organization.
Lower East Side BID Working Capital (Y343)
June 27, 2014

ESD Involvement – A $25,000 appropriation was included in the FY 2014-2015 New York State budget.

Past ESD Support – Funding for the past five years to the Grantee is summarized in the following chart:

<table>
<thead>
<tr>
<th>Program</th>
<th>Project #</th>
<th>Amount</th>
<th>Date Start (ESD Directors’ Approval date)</th>
<th>Date End (Project Completion: Contract Expiration)</th>
<th>Purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td>COMMUNITY PROJECTS FUND</td>
<td>U853</td>
<td>$82,000</td>
<td>March 15, 2007</td>
<td>September 26, 2007</td>
<td>Working Capital</td>
</tr>
<tr>
<td>COMMUNITY PROJECTS FUND</td>
<td>V610</td>
<td>$80,000</td>
<td>April 17, 2008</td>
<td>November 14, 2008</td>
<td>Working Capital</td>
</tr>
<tr>
<td>COMMUNITY PROJECTS FUND</td>
<td>W250</td>
<td>$80,000</td>
<td>March 4, 2009</td>
<td>July 29, 2009</td>
<td>Working Capital</td>
</tr>
<tr>
<td>COMMUNITY PROJECTS FUND</td>
<td>W677</td>
<td>$80,000</td>
<td>September 14, 2010</td>
<td>February 14, 2011</td>
<td>Working Capital</td>
</tr>
</tbody>
</table>

The Project:

Completion – April 2015

Activity – LES BID is seeking to revitalize space in a key commercial corridor of the Lower East Side on Delancey Street adjacent to a major redevelopment known as Essex Crossing. ESD funds will be used for personnel, planning, marketing and outreach to support a public open space market.

Results – As a result of the project, LES BID will outfit and market the public open space market to vendors that will be sourced from inside and outside of the LES.

<table>
<thead>
<tr>
<th>Financing Uses</th>
<th>Amount</th>
<th>Financing Sources</th>
<th>Amount</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel</td>
<td>$15,000</td>
<td>ESD Grant</td>
<td>$25,000</td>
<td>100%</td>
</tr>
<tr>
<td>Marketing/Planning/Outreach</td>
<td>10,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Project Costs</td>
<td>$25,000</td>
<td>Total Project Financing</td>
<td>$25,000</td>
<td>100%</td>
</tr>
</tbody>
</table>

Grantee Contact – Tim Laughlin, Executive Director
54 Orchard Street
New York, NY 10002
Phone: (212) 226-9010
Financial Terms and Conditions:

1. The Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.

3. Up to $25,000 will be disbursed to Grantee for eligible expenses actually incurred by the Grantee as described in these materials, assuming that all project approvals have been completed and funds are available. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. All project expenditures must have been incurred after April 1, 2012, the date that the New York State budget, in which the project is authorized, was passed.

4. ESD may reallocate the project funds to another form of assistance, at an amount no greater than $25,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Grantee and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

Statutory Basis – Community Projects Fund:
The project is authorized in the 2012-2013 New York State budget and reappropriated in the 2014-2015 New York State budget. No residential relocation is required as there are no families or individuals residing on the site.

Non-Discrimination and Contractor & Supplier Diversity:
Pursuant to New York State Executive Law Article 15-A, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of certified minority and women-owned business in the performance of ESD projects. For purposes of this Project, however, goals will not be established due to the unavailability of minority and women-owned businesses for performance of this Project.

Disclosure and Accountability Certifications:
The Grantee has provided ESD with the required Disclosure and Accountability Certifications. Grantee’s certifications indicate that Grantee has no conflict of interest or good standing violations and, therefore, staff recommends that the Corporation authorize the grant to the Grantee as described in these materials.
E. Harlem Arts Alliance Working Capital (Y949)
June 27, 2014

Grantee: Harlem Arts Alliance, Inc. (“HAA” or the “Organization”)

ESD Investment: A grant of up to $100,000 to be used for the cost of clean-up, security, rental equipment, entertainment and technical support for HARLEM WEEK.

Project Location: 229 West 135th Street, New York, New York County

Proposed Project: HAA planned and organized HARLEM WEEK, which featured three major outdoor concerts, an economic development conference, a black college fair, a black film festival, a tennis tournament, an antique auto show and Senior Citizens Day.

Project Type: Working Capital

Regional Council: The New York City Regional Economic Development Council has been made aware of this item.

Background:

Industry – Arts and Cultural

Organizational History – Harlem Arts Alliance, Inc., was founded in 2001 and promotes the arts in Harlem through partnerships with individual artists and arts organizations. It also represents small grassroots organizations and major cultural institutions in Harlem. Its most popular event has been HARLEM WEEK, which began in 1975, before the HAA was established. In addition to HARLEM WEEK, HAA conducts year-round programs to promote Harlem throughout New York City.

Ownership – HAA is a not-for-profit organization.

ESD Involvement – A $100,000 appropriation was included in the FY 2014-2015 New York State budget.

Past ESD Support – This is the Organization’s first project with ESD.

The Project:

Completion – August 2013
Activity – HAA planned and operated HARLEM WEEK, which is an opportunity to provide information to the residents of Harlem about available services, promote the culture of Harlem, increase business and employment opportunities and attract tourism.

HAA organized three major events during HARLEM WEEK that included:

- A Great Day in Harlem - This three-part event provided family-oriented entertainment from the local community, a fashion extravaganza showcasing local fashion designers and Concert Under the Stars, which featured music entertainers.

- The Children’s Festival - Over a two-day period, approximately 30,000 children and their parents experienced activities, rides, food sampling, musical stage entertainment, poetry reading, fashion shows, healthy eating and living demonstrations, games and face painting.

- Harlem Day - Over 100,000 attendees enjoyed four outdoor stages of live entertainment, an Antique Auto Show and various health screening initiatives.

Upon completion of the project, the Grantee will furnish a final report describing the impact and effectiveness of the project.

Results – HARLEM WEEK attracted over 250,000 people to Harlem and enabled HAA to promote services and opportunities to New York City residents and businesses.

<table>
<thead>
<tr>
<th>Financing Uses</th>
<th>Amount</th>
<th>Financing Sources</th>
<th>Amount</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Event Clean-up</td>
<td>$7,300</td>
<td>ESD Grant</td>
<td>$100,000</td>
<td>100%</td>
</tr>
<tr>
<td>Security</td>
<td>13,325</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Equipment Rental</td>
<td>43,225</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Entertainment</td>
<td>32,200</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Technical Support</td>
<td>3,950</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Project Costs</td>
<td>$100,000</td>
<td>Total Project Financing</td>
<td>$100,000</td>
<td>100%</td>
</tr>
</tbody>
</table>

Grantee Contact – Voza Rivers, Chairman  
229 West 135th Street  
New York, NY 10030  
Phone: (347) 735-4280

Project Team –  
Project Management Jared Walkowitz  
Contractor & Supplier Diversity Denise Ross  
Environmental Soo Kang
Financial Terms and Conditions:

1. The Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.

2. Up to $100,000 will be disbursed to Grantee for eligible expenses actually incurred by the Grantee as described in these materials, assuming that all project approvals have been completed and funds are available. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. All project expenditures must have been incurred after April 1, 2002, the date that the New York State budget, in which the project is authorized, was passed. The final ten percent (10%) of the Grant shall not be disbursed by ESD until all of the tasks and reports required have been completed to ESD's satisfaction.

3. ESD may reallocate the project funds to another form of assistance, at an amount no greater than $100,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Grantee and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

Non-Discrimination and Contractor & Supplier Diversity:
Pursuant to New York State Executive Law Article 15-A, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of certified minority-and women-owned business in the performance of ESD contracts. For purposes of this Contract, however, project performance has already been completed, and therefore, Contract goals cannot be established.

Statutory Basis – Community Projects Fund:
The project was authorized in accordance with Chapter 84 of the Laws of 2002 and reappropriated in the 2014-2015 New York State budget. No residential relocation is required as there are no families or individuals residing on the site.

Disclosure and Accountability Certifications:
The Grantee has provided ESD with the required Disclosure and Accountability Certifications. Grantee’s certifications indicate that Grantee has no conflict of interest or good standing violations and, therefore, staff recommends that the Corporation authorize the grant to the Grantee as described in these materials.
A. Hamilton County - Hurricane Irene - Tropical Storm Lee Flood Mitigation Capital (X905)
June 27, 2014

General Project Plan

Grantee: Hamilton County ("County" or the "Grantee")

Beneficiary Organization: Hamilton County Highway Department

ESD Investment: A grant of up to $324,379 to be used for a portion of the cost of flood mitigation projects within the County.

Project Locations: Towns of Indian Lake, Lake Pleasant and Wells, Hamilton County

Project Type: The project will entail flood mitigation activities to reduce future flood at the Project Locations.

Regional Council: The North Country Regional Economic Development Council has been made aware of this item. The project will help to protect the natural beauty and resources of the region, enabling it to create a vibrant future by promoting and sustaining a diverse, integrated and dynamic economy that capitalizes on technology and innovation to drive collaboration, inclusiveness and efficiency in all endeavors.

Background:

History – Hamilton County was formed from Montgomery County in 1816 as a provisional county and became a county in 1840. The County is New York State’s third largest county with 1,806 square miles, but the least populated. Tourism has always been the main economic development driver in this county, attracting people interested in cross country skiing, snowshoeing, ice fishing, snowmobiling and downhill skiing.

Size - The six proposed projects are known sites where erosion is damaging properties in Hamilton County.

ESD Involvement - A $324,379 appropriation was included in the 2014-2015 New York State budget. The funding award was made in conjunction with the New York State Department of Environmental Conservation.

Past ESD Support - Since 2013, the ESD Directors have approved $473,000 in assistance to the Grantee.

Funding for the past five years to the Grantee is summarized in the following chart:
Hamilton County - Hurricane Irene - Tropical Storm Lee Flood Mitigation Capital (X905)
June 27, 2014

<table>
<thead>
<tr>
<th>Program</th>
<th>Project #</th>
<th>Amount</th>
<th>Date Start (ESD Directors’ Approval date)</th>
<th>Date End (Project Completion: Contract Expiration)</th>
<th>Purpose</th>
</tr>
</thead>
</table>

The Project:

Completion – December 2014

Activity – Hamilton County Highway Department, as the sponsoring organization for Hamilton County, will undertake the following six projects.

Elbow Creek Stream Bank Repair and Stabilization: This project involves stream bank and road stabilization along Elbow Creek. The stream bank will be stabilized and the road will be moved to safeguard road stability and improve driver safety.

Sacandaga River Stream Bank Repair and Stabilization: This project involves the stabilization of a portion of the Sacandaga River by installing root balls and rock structures in the river to redirect the energy of the stream away from the eroding bank back to the middle of the stream channel.

Browns Brook Bridge Repair: This project involves utilizing natural channel designed rock structures to reduce scouring to bridge abutment.

Dugway Creek Culvert: This project involves the replacement of two culvert pipes that were completely washed out. Culverts will be replaced with bottomless arch culverts that will improve hydraulic flow capacity.

Flood Debris Removal from Big Brook: This project involves the removal of flood debris and the stream channel will be returned to its natural, pre-storm condition.

Pole Bridge Stream Culvert Replacement: This project involves the replacement of an undersized culvert pipe on the Pole Bride Stream.
Results – The projects will remediate, mitigate and reduce future flooding in the selected areas affected by Hurricane Irene and Tropical Storm Lee.

<table>
<thead>
<tr>
<th>Financing Uses</th>
<th>Amount</th>
<th>Financing Sources</th>
<th>Amount</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Flood Mitigation Projects</td>
<td>$339,159</td>
<td>ESD Grant</td>
<td>$324,379</td>
<td>96%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Local Assistance</td>
<td>14,780</td>
<td>4%</td>
</tr>
<tr>
<td>Total Project Costs</td>
<td>$339,159</td>
<td>Total Project Financing</td>
<td>$339,159</td>
<td>100%</td>
</tr>
</tbody>
</table>

Grantee Contact - William G. Farber, Chairman of the Board  
P.O. Box 205  
Lake Pleasant, NY 12108  
Phone: (518) 548-6385

Beneficiary Contact - Tracy Eldridge, County Highway Superintendent  
P.O. Box 56  
Lake Pleasant, NY 12108  
(518) 548-7141

Project Team -  
Project Management: Jared Walkowitz  
Contractor & Supplier Diversity: Elizabeth Gocs  
Environmental: Soo Kang

Financial Terms and Conditions:

1. Upon execution of the grant disbursement agreement, the Grantee shall reimburse ESD for all out-of-pocket expenses incurred in connection with the project.

2. The Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.

3. Up to $324,379 will be disbursed to Grantee as follows:

   **Elbow Creek Stream Bank Repair and Stabilization:** Up to $179,170 will be disbursed to Grantee upon completion of the project substantially as described in these materials and receipt of documentation verifying project costs of at least $179,170.

   **Sacandaga River Stream Bank Repair and Stabilization:** Up to $42,725 will be disbursed to Grantee upon completion of the project substantially as described in these materials and receipt of documentation verifying project costs of at least $57,505.
Browns Brook Bridge Repair: Up to $40,284 will be disbursed to Grantee upon completion of the project substantially as described in these materials and receipt of documentation verifying project costs of at least $40,284.

Dugway Creek Culvert: Up to $39,000 will be disbursed to Grantee upon completion of the project substantially as described in these materials and receipt of documentation verifying project costs of at least $39,000.

Flood Debris Removal from Big Brook: Up to $16,200 will be disbursed to Grantee upon completion of the project substantially as described in these materials and receipt of documentation verifying project costs of at least $16,200.

Pole Bridge Stream Culvert Replacement: Up to $7,000 will be disbursed to Grantee upon completion of the project substantially as described in these materials and receipt of documentation verifying project costs of at least $7,000.

Non-Discrimination and Contractor & Supplier Diversity:
ESD’s Non-discrimination and Contractor & Supplier Diversity policy will apply to the Project. The Grantee shall be required to use good faith efforts to achieve an overall Minority and Women Business Enterprise (MWBE) Participation goal of 10%, a Minority Business Enterprise (MBE) Participation goal of 5% and a Women Business Enterprise (WBE) Participation goal of 5%, related to the total value of ESD’s funding, and to solicit and utilize MWBEs for any contractual opportunities generated in connection with the Project.

Statutory Basis – Local Assistance:
The project was authorized in the 2011-2012 New York State budget and reappropriated in the 2014-2015 New York State Budget. No residential relocation is required as there are no families or individuals residing on the site.

Disclosure and Accountability Certification:
The Grantee and Beneficiary have provided ESD with the required Disclosure and Accountability Certifications. Grantee and Beneficiary’s certifications indicate that Grantee and Beneficiary have no conflict of interest or good standing violations and, therefore, staff recommends that the Corporation authorize the grant to the Grantee and Beneficiary as described in these materials.
B. Delaware County - Hurricane Irene - Tropical Storm Lee Flood Mitigation Capital  
(X900 & Y480)  
June 27, 2014

Authorization to Amend the General Project Plan

Grantee: Delaware County (the “County” or “Grantee”)

ESD Investment: A grant of up to $673,430 to be used for a portion of the cost of flood mitigation projects within the County was approved by the ESD Directors on February 20, 2014.

Project Locations: Towns of Colchester, Sidney, Harpersfield, Deposit, Tompkins, Walton, Franklin, Delaware County

Proposed Amendment: Reallocation of $44,200 in grant funds from the Route 17 project to a new project named Route 16 due to increase of local funding to the Route 17 project. Changes were reviewed and approved by the NYS Department of Environmental Conservation. The new project is in the Town of Franklin.

The Activity description has been updated to include Route 16.

The budget and disbursement terms have been updated to reflect the change in funding.

Project Type: The project will entail flood mitigation activities to reduce future flooding at the Project Locations.

Regional Council: The Southern Tier Regional Economic Development Council has been made aware of this item. The project will help to protect the natural beauty and resources of the region, enabling it to create a vibrant future by promoting and sustaining a diverse, integrated and dynamic economy that capitalizes on technology and innovation to drive collaboration, inclusiveness and efficiency in all endeavors.

Background:

History – Delaware County was formed in 1797 when New York State combined portions of Otsego and Ulster counties. The terrain of the County made it difficult to transport goods, which made the County rely on locally produced commodities. In the early 1800’s, acid factories were built in the southern part of the County and sawmills were built across the entire County. The advent of train service in the 1860s and 1870s provided an economic boom to the area by giving dairy farmers an opportunity to
Delaware County - Hurricane Irene - Tropical Storm Lee Flood Mitigation Capital
(X900 & Y480)
June 27, 2014

export their goods to urban areas.

Size – The 13 proposed projects are known sites where erosion is damaging properties in Delaware County.

ESD Involvement – A $673,430 appropriation was included in the 2014-2015 New York State budget. The funding award was made in conjunction with the New York State Department of Environmental Conservation.

Past ESD Support – This is the Grantee’s first project with ESD.

The Project:

Completion – December 2014

Activity – Delaware County will undertake the following 13 projects. The projects commenced in the spring of 2013 and will conclude in the winter of 2014.

County Rt. 35 Survey, Design, Construction and Supervision: This project involves the survey, design, construction and supervision in preparation for the replacement of four culverts along an unnamed stream tributary to Willow Brooke in the hamlet of Sidney Center to reduce future flooding and protect public and private infrastructure.

County Rt. 35 Amphenol: This project involves the replacement of four culverts along an unnamed stream tributary to Willow Brook in the hamlet of Sidney Center to reduce future flooding and protect public and private infrastructure.

Johnson Road: This project involves the stabilization of approximately 550 feet of an unnamed stream that runs along Johnson Road. The streambed and bank will be stabilized with a slope rock wall and a portion of stream channel and point bar will be excavated to create a floodplain bench.

Secrest Road: This project involves the stabilization of 75 feet of stream bed and bank along Secrest Road by installing a stacked and pinned rock wall along with vegetative reinforced slope stabilization.

Readburn Road Site #1: This project involves the stabilization of 30 feet of stream bed and bank along Readburn Road using a stacked and pinned rock wall.

Readburn Road Site #2: This project involves the stabilization of 130 feet of stream bed and bank along Readburn Road using 100 feet of stacked and pinned rock wall and 30
feet of rock rip rap.

Rock Rift Mountain Road: This project involves the stabilization of 75 feet of stream bed and bank along Rock Rift Mountain Road using a stacked and pinned rock wall.

Baxter Brook: This project involves the stabilization of approximately 45 feet of streambank and failing culvert headwall along Baxter Brook to prevent further damage. The project will consist of replacing failing culvert headwall with stacked stone wall and the rock lined plunge pool with construction of six step pools.

Gosper Road: This project involves the stabilization of culvert headwall on Third Brook stream that has been undermined to prevent further damage. The project will consist of rock lining the plunge pool.

Anderson Avenue: This project involves the stabilization of approximately 150 feet of streambank along an unnamed tributary to Carrs Creek. The project will consist of rock rip rap placed along the toe of the streambank.

Route 17: This project involves the stabilization of approximately 580 feet of streambank along the Beaver Kill River. The project will consist of pinned-stacked stone wall and 190 feet of vegetated reinforced slope stabilization.

New Project - Route 16: This project involves the replacement of a culvert of County Route 16. The culvert will be a three sided box culvert and the abutments will be constructed of steel sheet piling and the superstructure will be precast concrete slabs. The span will be 17.88 feet.

Route 37: This project involves the replacement of a culvert of County Route 37 on an unnamed tributary to Vly Creek.

Results - The projects will remediate, mitigate and reduce future flooding in the selected areas affected by Hurricane Irene and Tropical Storm Lee.

The revised budget is as follows:

<table>
<thead>
<tr>
<th>Financing Uses</th>
<th>Amount</th>
<th>Financing Sources</th>
<th>Amount</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Flood Mitigation Projects</td>
<td>$2,405,223</td>
<td>ESD Grant</td>
<td>$673,430</td>
<td>28%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Local Funding</td>
<td>1,731,793</td>
<td>72%</td>
</tr>
<tr>
<td>Total Project Costs</td>
<td>$2,405,223</td>
<td>Total Project Financing</td>
<td>$2,405,223</td>
<td>100%</td>
</tr>
</tbody>
</table>
Delaware County - Hurricane Irene - Tropical Storm Lee Flood Mitigation Capital
(X900 & Y480)
June 27, 2014

Grantee Contact - Kelly Blakeslee, Grants Manager
1 Courthouse Square, Suite 3
Delhi, NY 13753
Phone: (607) 746-8914

Project Team - Project Management Jared Walkowitz
Contractor & Supplier Diversity Vikas Gera
Environmental Soo Kang

Financial Terms and Conditions:

1. Upon execution of the grant disbursement agreement, the Grantee shall reimburse ESD for all out-of-pocket expenses incurred in connection with the project.

2. The Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.

3. Up to $673,430 will be disbursed to Grantee as follows:

   County Rt. 35 Survey, Design, Construction and Supervision: Up to $45,000 will be disbursed to Grantee upon completion of the project substantially as described in these materials and receipt of documentation verifying project costs of at least $45,000.

   County Rt. 35 Amphenol: Up to $356,272 will be disbursed to Grantee upon completion of the project substantially as described in these materials and receipt of documentation verifying project costs of at least $1,188,890.

   Johnson Road: Up to $19,743 will be disbursed to Grantee upon completion of the project substantially as described in these materials and receipt of documentation verifying project costs of at least $78,971.

   Secrest Road: Up to $14,875 will be disbursed to Grantee upon completion of the project substantially as described in these materials and receipt of documentation verifying project costs of at least $59,500.

   Readburn Road Site #1: Up to $11,601 will be disbursed to Grantee upon completion of the project substantially as described in these materials and receipt of documentation verifying project costs of at least $46,405.
Delaware County - Hurricane Irene - Tropical Storm Lee Flood Mitigation Capital  
(X900 & Y480)  
June 27, 2014

**Readburn Road Site #2:** Up to $8,619 will be disbursed to Grantee upon completion of the project substantially as described in these materials and receipt of documentation verifying project costs of at least $34,475.

**Rock Rift Mountain Road:** Up to $1,725 will be disbursed to Grantee upon completion of the project substantially as described in these materials and receipt of documentation verifying project costs of at least $6,900.

**Baxter Brook:** Up to $12,125 will be disbursed to Grantee upon completion of the project substantially as described in these materials and receipt of documentation verifying project costs of at least $48,500.

**Gosper Road:** Up to $4,625 will be disbursed to Grantee upon completion of the project substantially as described in these materials and receipt of documentation verifying project costs of at least $18,500.

**Anderson Avenue:** Up to $5,625 will be disbursed to Grantee upon completion of the project substantially as described in these materials and receipt of documentation verifying project costs of at least $22,500.

**Route 17:** Up to $80,520 will be disbursed to Grantee upon completion of the project substantially as described in these materials and receipt of documentation verifying project costs of at least $322,082.

**Route 16:** Up to $44,200 will be disbursed to Grantee upon completion of the project substantially as described in these materials and receipt of documentation verifying project costs of at least $350,000.

**Route 37:** Up to $55,000 will be disbursed to Grantee upon completion of the project substantially as described in these materials and receipt of documentation verifying project costs of at least $170,000.

**Administrative Expenses:** Up to $13,500 will be disbursed to Grantee upon receipt of expenses for work completed outside of the watershed for staff and administrative support.
Non-Discrimination and Contractor & Supplier Diversity:
ESD’s Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Recipient shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women Business Enterprise ("MWBEs") for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 20%. The overall goal shall include a Minority Business Enterprise ("MBE") Participation Goal of 5% and a Women Business Enterprise ("WBE") Participation Goal of 15% related to the total value of ESD’s funding.

Statutory Basis – Local Assistance:
The project was authorized via two appropriations. The Hurricane Irene-Tropical Storm Lee Flood Recovery Grant Program was authorized in the 2011-2012 New York State budget and reappropriated in the 2014-2015 New York State Budget. The Division of Homeland Security and Emergency Services Disaster Assistance Program was authorized in the 2013-2014 New York State budget and reappropriated in the 2014-2015 New York State Budget. No residential relocation is required as there are no families or individuals being displaced by the project.

Disclosure and Accountability Certifications:
The Grantee has provided ESD with the required Disclosure and Accountability Certification. Grantee’s certification indicate that Grantee has no conflict of interest or good standing violations and, therefore, staff recommends that the Corporation authorize the grant to the Grantee as described in these materials.
FOR CONSIDERATION
June 27, 2014

TO: The Directors
FROM: Kenneth Adams
SUBJECT: Local Assistance – Hurricane Irene - Tropical Storm Lee Flood Mitigation (Capital Grants)
REQUEST FOR: Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the General Project Plans; Authorization to Make Grants and to Take Related Actions

I. Project Summary

<table>
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* This grant was approved by the ESD Directors on February 20, 2014. The subject request is to revise the project scope and reallocate a portion of the grant. This does not involve new funding.

TOTAL HURRICANE IRENE- TROPICAL STORM LEE FLOOD MITIGATION – 2 PROJECTS

TOTAL $324,379
II. Program Description

A. Background

Hurricane Irene made landfall in New York on August 28, 2011. Shortly thereafter, Tropical Storm Lee struck New York on September 7, 2011. Both storms caused extensive flooding and substantial damage across New York. Following the aftermath of Hurricane Irene and Tropical Storm Lee, President Obama issued a state of emergency declaration for New York State, which allowed affected New Yorkers access to federal disaster relief funds. In an effort to provide additional flood disaster related relief aid, Governor Cuomo and the legislature created the Hurricane Irene - Tropical Storm Lee Flood Recovery Grant Program and appropriated $50 million for assistance to businesses and communities that suffered losses as a result of these disasters. The enabling legislation designated $9 million of the appropriation to be used for the Hurricane Irene – Tropical Storm Lee Flood Mitigation Grant Program (the “Program”), for grants to counties for flood mitigation or flood control projects in creeks, streams and brooks, and authorizes and empowers ESD, in consultation with the Department of Environmental Conservation (“NYSDEC”), to establish guidelines and such additional eligibility criteria as it deems necessary to effectuate the administration of this allocation for the benefit of counties included in the federal disaster declaration. An additional $7 million from a New York State Department of Homeland Security and Emergency Services (“Homeland Security”) appropriation has been allocated for flood mitigation or flood control projects in creeks, streams and brooks.

Eligible Areas: Counties subject to the federal disaster declaration include Albany, Bronx, Broome, Chemung, Chenango, Clinton, Columbia, Delaware, Dutchess, Essex, Franklin, Greene, Hamilton, Herkimer, Kings, Montgomery, Nassau, New York, Oneida, Orange, Otsego, Putnam, Queens, Rensselaer, Richmond, Rockland, Saratoga, Schenectady, Schoharie, Sullivan, Suffolk, Tioga, Tompkins, Ulster, Warren, Washington, and Westchester Counties.

Eligible counties will receive grants between $300,000 and $500,000 for flood mitigation or flood control projects in those creeks, streams and brooks impacted by Hurricane Irene and/or Tropical Storm Lee. ESD shall give preference to applicants that demonstrate the greatest need, based on available flood damage data provided by applicable federal agencies. Priority also may be given to remediation which, if not undertaken, may result in additional flooding. Counties may jointly apply for assistance and the amount for such joint grants may equal the sum of the amounts that would have been separately available to the individual counties making the joint application.

Projects that are eligible for grants under this Program shall include the following:

(1) Removal of flood debris located in stream channels and/or floodways within Eligible Areas;

(2) Removal of gravel in or directly around bridges, culverts and other infrastructure that threatens public and private infrastructure integrity or that significantly constrains the
conveyance of water flows and by not removing such material(s) would likely exacerbate flooding from future high flow events;

(3) Installation or repair of stream bank stabilization measures;

(4) Stream channel restoration to pre-flood depth, width, gradient, and where appropriate channel characteristics, and stream channel stabilization involving natural stream design techniques;

(5) Stream bank restoration involving the removal of side cast bed load material, reconnecting a stream with its flood plain, and re-grading to pre-flood elevations combined with vegetative planting and stabilization;

(6) Culvert repair or replacement with preference given to replacement of culverts with bridging infrastructure, or by upgrading the size of culverts to ensure adequate future flows; and

(7) Those projects eligible and approved by the United States Department of Agriculture Natural Resource Conservation Service’s (“NRCS”) Emergency Watershed Protection (“EWP”) Program. Projects eligible under NRCS’s EWP program include, stream debris removal, stream bank stabilization and restoration, establishing cover on critically eroding lands, and repairing conservation practices necessary to relieve the immediate hazards to life and property created by Hurricane Irene and Tropical Storm Lee.

Eligible Costs: These funds may be used for the planning, design and implementation of eligible projects. Only planning costs which are a component of a specific project, which will receive funding under this Program, will be considered eligible costs. Local or regional flood planning initiatives are not eligible under this Program. In order for a project cost to be eligible, such cost must be reasonable and necessary as determined by ESD and NYSDEC. All work must be done in compliance with all applicable federal, state and local regulations.

Staff prepared guidelines for the implementation and administration of the Program, and were approved by the Directors at its January 20, 2012 meeting. The guidelines set forth the various Program requirements, including submission requirements, necessary documentation and appeal and audit processes.

B. The Projects

Twenty-three counties accepted grant awards for Flood Mitigation projects. Seventeen counties, 15 of whom received Flood Mitigation Grant awards, accepted grant awards that are funded by the Homeland Security funding. In total, ESD is administering grants for fund mitigation activities for 25 counties.

Each county’s grant award(s) will be presented to the ESD Directors’ for approval as each
county nears first disbursement requirements. ESD will enter into an agreement with each Grantee that will stipulate the manner in which funds will be disbursed. One project is being presented for approval today; other project(s) will be presented at a later date.

The attached project schedule provides a more detailed description of the recommended project.

III. Statutory Basis

The projects are sponsored by the Executive, and were reappropriated in the 2012-2013 New York State budget. No residential relocation is required as there are no families or individuals residing on the site(s).

IV. Environmental Review

Unless otherwise noted on a project summary, ESD* staff has determined that the projects constitute Type II actions as defined by the New York State Environmental Quality Review Act and the implementing regulations for the New York State Department of Environmental Conservation. No further environmental review is required in connection with the projects.

*: The New York State Urban Development Corporation doing business as the Empire State Development Corporation ("ESD" or the "Corporation")

V. Non-Discrimination and Contractor & Supplier Diversity

Pursuant to New York State Executive Law Article 15-A, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of certified minority and women-owned businesses in the performance of ESD contracts. Accordingly, ESD’s Non-discrimination and Contractor & Supplier Diversity policy will apply to the projects. Unless otherwise specified in the project summary, Grantees shall use their Good Faith Efforts to achieve an overall Minority and Women Business Enterprise ("MWBE") Participation Goal of 20% related to the total value of ESD’s funding. This shall include a Minority Business Enterprise ("MBE") Participation goal of 10% and a Women Business Enterprise ("WBE") Participation goal of 10%. Grantees shall use Good Faith Efforts to solicit and utilize MWBEs for any contractual opportunities generated in connection with the projects and to include minorities and women in any job opportunities created by the projects.

VI. ESD Employment Enforcement Policy

Unless otherwise noted on a project summary, the ESD Employment Enforcement Policy will not apply since the projects will not directly create or retain jobs.
VII. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

VIII. Additional Submissions to Directors

New York State Map
Resolutions
Project Summaries
June 27, 2014

Local Assistance – Hurricane Irene - Tropical Storm Lee Flood Mitigation Capital - Findings and Determinations Pursuant to Section 10 (g) of the Act; Authorization to Adopt the General Project Plans; Authorization to Make Grants and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Local Assistance – Hurricane Irene - Tropical Storm Lee Flood Mitigation Capital Project (the “Project”), the Corporation hereby determines pursuant to Section 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area(s); and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plans (the “Plans”) for the Projects submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plans, together with such changes, are hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment have been received at the public hearings held on the Plans, such Plans shall be effective at the conclusion of such hearings, and that upon such written findings being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make grants to the parties and for the amounts listed below from Local Assistance – Hurricane Irene - Tropical Storm Lee Flood Mitigation and/or the New York State Division of Homeland Security and Emergency Services, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grants, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grants as he or she may deem necessary or appropriate in the administration of the grants; and be it further
RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

Local Assistance – Hurricane Irene - Tropical Storm Lee Flood Mitigation - Executive – Project Summary Table

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* This grant was approved by the ESD Directors on February 20, 2014. The subject request is to revise the project scope and reallocate a portion of the grant. This does not involve new funding.

| TOTAL | $324,379 |

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *
FOR CONSIDERATION
June 27, 2014

TO: The Directors
FROM: Kenneth Adams

I. Background

In accordance with the requirements of the Public Authorities Law (the “PAL”), the New York State Urban Development Corporation, doing business as Empire State Development (“ESD”), adopted the following Mission Statement and related performance measurements to assist ESD in determining how well it is carrying out its mission. Furthermore, pursuant to the PAL, ESD must reexamine its Mission Statement and related performance measurements annually to ensure that its mission has not changed and that the performance measurements continue to support ESD’s mission. To assist you in your review, the Mission Statement and related performance measurements are set forth below.

Mission Statement

The New York State Urban Development Corporation, now doing business as Empire State Development (“ESD”), was formed by legislative act in 1968 to address conditions of unemployment, underemployment and blight which impede the economic and physical development of municipalities, increase the burdens on the State and adversely affect the welfare and prosperity of the State’s citizens. ESD seeks to promote a vigorous and growing economy, prevent economic stagnation, encourage the creation of new job opportunities, increase revenues to the State and its municipalities and achieve stable and diversified local economies. In furtherance of these goals, ESD leverages private investment with loans, grants, tax credits and other forms of financial assistance; assists with site assemblage; and provides targeted relief from legal and regulatory requirements through its participation in projects, programs and other initiatives. ESD’s performance of its economic development services is
driven by core values that include efficiency, accountability, transparency and collaboration with other public and private sector partners. Its success is measured by the number of jobs created and retained for New Yorkers, the degree to which its public resources leverage new private investment in the State and the number of businesses served, including minority, women-owned and other small businesses. Empire State Development works to promote business investment and growth that leads to job creation and prosperous communities across New York State.

**Performance Measurements**

- Customers served: number and types (private, public, not-for-profit); size of entity by number of employees; MWB status
- Financing provided and leveraged: amounts of ESD support, other public support, private investment
- Jobs projected to be retained and created
- Regional and industry breakdowns of assistance, jobs retained and created, and leveraged investment
- Capital investment made in New York State (both total and private leveraged with public assistance)

Upon these measurements, the Corporation may evaluate its performance and the achievement of its goals.

**II. FY 2013-2014 Performance Measurement Report**

Attached is a report on the assistance approved by the ESD Directors during FY 2013-2014, using the performance measurements set forth above. In summary, ESD accomplished the following:

- a total of 238 companies and organizations were assisted;
- a total of $4.49 billion total investment was made in NYS (including ESD investment of $468 million, other public investment of $237.6 million, and private investment of $3.79 million);
- this assistance will result in the creation of 5,253 jobs and the retention of 16,972 jobs; and
- $3.74 billion in private capital funds were leveraged with public assistance (ESD and non-ESD).

The attached report provides additional detail on the assistance provided by the Corporation, broken down by major program categories, regions, and industry.
V.  **Requested Action**

The Directors are requested to confirm their reexamination of the Mission Statement and related performance measurements, and to accept the FY 2013-2014 Performance Measurement Report in accordance with the Public Authorities Law.

VI.  **Recommendation**

Based upon the foregoing, I recommend approval of the requested action.

VII.  **Attachments**

FY 2013-2014 Performance Measurement Report
WHEREAS, New York State Public Authorities Law § 2824-a requires each authority to reexamine its mission statement and performance measurements annually, therefore

BE IT RESOLVED, that the Directors hereby confirm that they have reexamined the mission statement and related performance measurements as previously adopted and recommend no further amendments; and be it further

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is order filed with the records of the Corporation (the “Materials”), the FY 2013-2014 Performance Measurement Report is hereby accepted.
FOR CONSIDERATION
June 27, 2014

TO: The Directors
FROM: Kenneth Adams
SUBJECT: Town of Islip (Suffolk County) - Proposed Disposition of the Downstate Distribution Facility

I. Background

The Downstate Distribution Center (the “Center”) is a 137,000 square foot building currently owned by the State of New York acting through the Commissioner of the Office of General Services (“OGS”). The Center is an industrial building that is vacant and most recently used for baking and cold storage of food. The Center is located on 13 acres in the Town of Islip and was formerly known as the NYC Asylum for the Insane and then became known as the Central Islip Psychiatric Center.

Since 2008 OGS conducted three auctions to sell the Center. No purchasers attended the first two auctions. The winning bidder at the third auction in 2010 did not close due to a dispute with the local municipality over trucking traffic in off hours. OGS obtained two appraisals both updated last year, one in the amount of $6,650,000 with a quick sale price of $4,700,000, and the other in the amount of $5,700,000. A subsequent appraisal review by OGS determined the final value at $5,700,000 with a quick sale value of $3,850,000.

II. Proposed Transaction

After the three failed auctions an independent broker brought in a purchaser. The new purchaser is April Holdings LLC (the “Purchaser”) who is willing to abide by the trucking restrictions. The bid of $5,000,000 exceeds the set minimum bid at the third auction.
OGS does not have the authority to sell facilities, except through an auction process, and does not have the authority to pay a commission to a broker in these circumstances. Accordingly, OGS has requested ESD to acquire the Center, convey the Center to the Purchaser and pay the broker a commission in the amount of $100,000 out of sale proceeds.

Pursuant to the Public Lands Law and Section 6253 of the UDC Act, OGS is authorized to convey title to the unappropriated state lands that ESD certifies as being necessary or convenient for its corporate purposes.

Prior to conveying the Center, ESD will obtain PACB approval of the acquisition of the Center, obtain a certificate from the President of ESD that the Center is necessary and convenient for ESD’s corporate purposes, in accordance with these materials and request OGS to transfer the Center to ESD.

III. Compliance with the Public Authorities Law

Pursuant to the provisions of the Public Authorities Law ("PAL"), ESD is required to dispose of property through a competitive bid process unless a specific statutory exception applies. For certain negotiated transactions, and disposals for less than fair market value the relevant exceptions include the circumstance when the purpose of the transfer is within the purpose, mission or governing statute of the public authority.

ESD’s mission includes:

(i) promote a vigorous and growing economy, to prevent economic stagnation and to encourage the creation of new job opportunities in order to protect against the hazards of unemployment, reduce the level of public assistance to now indigent individuals and families, increase revenues to the state and its municipalities and to achieve stable and diversified local economies.

(ii) encourage maximum participation by the private sector of the economy, including the sale or lease of the corporation’s interest in projects at the earliest time deemed feasible.

(iii) provide or obtain the capital resources necessary to acquire, construct, reconstruct, rehabilitate or improve such industrial, manufacturing, commercial, educational, recreational and cultural facilities, and housing accommodations for persons and families of low income, and facilities incidental or appurtenant thereto.

The transfer of the Center will reenergize this vacant facility to create a warehouse and importing facility for electronic accessories to create jobs, spur private investment and increase the state/local tax base; therefore this transfer is within the purpose, mission and governing statute of ESD to promote a vigorous and growing economy and encourage maximum participation by the private sector.
Additional information required by the PAL to support the transfer without bids is as follows:

(i) A full description of the asset: The Center was formerly known as the New York City Asylum for the Insane, which then became known as the Central Islip Psychiatric Center, is located on 12.94 acres and contains a 137,000 square foot building currently vacant and previously used for food storage and distribution.

(ii) An appraisal of the fair market value of the asset: Pursuant to independent appraisals obtained by OGS, and the Appraisal Review by OGS the appraised value of the Facility is between $3,850,000 and $6,650,000.

(iii) A description of the purpose of the transfer, and a reasonable statement of the kind and amount of the benefit to the public resulting from the transfer, including but not limited to the kind, number, location, wages or salaries of jobs created or preserved a required by the transfer, the benefits, if any to the communities in which the asset is situated as are required by the transfer: As more fully described in these materials, the public benefit expected includes the reuse of a currently vacant facility, the creation of a distribution facility and offices related to importing electronic accessories which will create private sector jobs, increase tax revenues and save the State carrying costs associated with ownership of the Center.

(iv) A statement of the value to be received compared to the fair market value: OGS has advised that it sets the minimum bid price at the quick sale price which in this case would be $3,850,000. The sale price will be $5,000,000. In addition to the payment of fair market value to the State, the transfer will result in economic development benefits to the State and local communities as described in these materials. The State will also eliminate the obligation to pay carrying costs associated with owning the Center.

(v) The names of the private parties participating in the transfer: The broker is Newmark Grubb Knight Frank PLLC and the Purchaser is April Holdings LLC. No other private parties are participating in the transaction.

(vi) The names of the private parties who have made an offer for such asset, the value offered, and the purpose for which the asset was sought to be used: In September of 2011, a sealed bid offer was received for the Center from Inter-County Baker Holding Inc and Inter-County Realty LLC as Tenants in Common. The proposal included a proposed purchase price of $5,724,525 for a baking facility. However, the proposal did not fit in with existing zoning, was not supported by the Town, and the bidder withdrew the offer. No other offers have been received.
The goal of the transfer of the Center is to reutilize the vacant space as offices and a distribution facility for electronic accessories in order to further the economic development interests of the State and local communities, including and eliminating the carrying costs for the State. As described in these materials, including the three failed auctions, there is no reasonable alternative to the negotiated transfer that would achieve the same purpose of such transfer.

IV. Environmental Review

The New York State Office of General Services, as lead agency, has completed an environmental review of the proposed disposition of the Downstate Distribution Center pursuant to the requirements of the State Environmental Quality Review Act (“SEQRA”) and the implementing regulations of the New York State Department of Environmental Conservation. This review found the project to be an Unlisted Action, which would not have a significant effect on the environment. OGS issued a Negative Declaration on July 13, 2010. ESD staff reviewed the Negative Declaration and supporting materials and concurs. It is recommended that the Directors make a Determination of No Significant Effect on the Environment.

V. Requested Action

The Directors are requested to (1) authorize the acquisition by ESD of the Center; (2) authorize the disposition and conveyance of title of the Center to the Purchaser in accordance with the Public Authorities Law and these materials; (3) make a determination of no significant effect on the environment; and (4) authorize the corporation to take all related actions including paying a broker’s commission.

VI. Recommendation

Based on the foregoing, I recommend approval of the attached resolution.

Attachment

Resolution
Town of Islip (Suffolk County)- Proposed Disposition of the Downstate Distribution Center- Authorization to Acquire and Dispose of Real Property in accordance with the Applicable Provisions of the Public Authorities Law, Determination of No Significant Effect on the Environment and Take Relate Actions.

RESOLVED, that based on the materials presented to this meeting and ordered filed with the records of the New York State Urban Development Corporation d/b/a Empire State Development (the “Corporation”) relating to the former Downstate Distribution Center, the Corporation be and hereby is authorized to: (i) acquire real property from the State of New York consisting of the Downstate Distribution Center in the Town of Islip in Suffolk County; (ii) dispose and convey title of the Downstate Distribution Center to April Holdings LLC in accordance with, and make all findings required by, the Applicable Provisions of the Public Authorities Law; (iii) pay a broker’s commission; and (iv) take all related actions; and be it further

RESOLVED, that on the basis of the materials submitted to the Directors, the Directors hereby find that there is no reasonable alternative to the proposed below market transfer that would achieve the same purpose of such transfer, and be it further

RESOLVED, that on the basis of the materials submitted to the Directors, the Corporation hereby determines that the proposed action will not have a significant effect on the environment, and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designees are, and each of them hereby is, authorized to take such action and execute such documents as may be necessary or appropriate to carry out the foregoing resolutions.

* * *
FOR CONSIDERATION
June 27, 2014

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Town of Sennett (Cayuga County) Proposed Transfer to, and Disposition by, the Office of General Services of the State of New York of the Harriet Tubman Residential Center

REQUEST FOR: Authorization for Transfer to, and Disposition by, the Office of General Services in Accordance with Applicable Provisions of the Public Authorities Law, Determination of No Significant Effect on the Environment and Take Related Actions

Introduction

The Directors are being asked to (i) authorize the Corporation to enter into an agreement with the Office of General Services ("OGS") of the State of New York (the "State") for the transfer to and disposition by OGS of the Harriet Tubman Residential Center (the "TRC"), (ii) authorize the transfer of the TRC to OGS in accordance with said agreement, (iii) approve and agree to the terms of OGS’ sale of the TRC and authorize the Corporation to take such actions as are necessary to accomplish the same and (iv) take related action.

Background

The Harriet Tubman Residential Center is a former New York State Office of Children and Family Services-managed rehabilitation home for young women, located outside of Auburn, New York in Cayuga County. Auburn is a small city of approximately 27,000 citizens on the northern end of Owasco Lake in the heart of New York State’s Finger Lakes region. The Property is named for Auburn’s most famous resident, Harriet Tubman, whose home there has been designated a National Historic Landmark. The Harriet Tubman Residential Center is situated on nearly 110 acres improved with 23,865 square feet of buildings. The land consists of varying terrain, including open fields and lawns, wooded areas, and hills.

The Corporation acquired legal title to the TRC and other youth facilities from OGS for a nominal price in order to provide security for the issuance of youth facilities revenue bonds ("Bonds") issued by the Corporation to finance the construction of
improvements to the TRC and other youth facilities owned by the Corporation or the State. Rental payments paid the debt service on the Bonds. The Corporation leased the TRC and the other youth facilities it owned to OGS (the “Lease”), which subleased these facilities to the New York State Division of Youth (now the Office of Children and Family Services)(the “Sublease”). Since the Lease was simply a financing lease, OGS retained an option to purchase the TRC and the other youth facilities owned by the Corporation for ten dollars ($10) upon payment of all the Youth Facilities Revenue Bonds.

All of the original Bonds have been paid and the Lease and Sublease have expired by their terms. OGS did not exercise its bargain purchase option and that option has also expired. Therefore, the Corporation holds unencumbered legal title to the TRC and the other youth facilities. However, refunding bonds, not secured by leases, have been issued and remain outstanding. The sale of a facility financed by outstanding refunding bonds, still requires a tax analysis and proper disposition of any sales proceeds. An opinion by tax counsel will be necessary to ensure that any such refunding bonds remain in compliance with Federal tax law.

Transfer of Harriet Tubman Residential Center to OGS for Disposition in Accordance with the Public Authorities Law

The Public Authorities Law imposes certain conditions and restrictions on the disposition of property by the Corporation and provides that, when it shall be deemed advantageous to the State, the Corporation may enter into an agreement with OGS for OGS to dispose of property of the Corporation under terms and conditions agreed to by the Corporation and OGS.

In accordance with this provision OGS has requested that the Corporation enter into a Memorandum of Agreement between OGS and the Corporation (the “Agreement”). The Agreement requires that (i) the Corporation prepare a deed for conveyance of the TRC to OGS, (ii) OGS, upon receipt of the deed, shall reconvey the TRC in order to close on OGS’ sale of the TRC to CNY Realty Development Company LLC pursuant to the terms of a sale contract agreed upon by the Corporation and OGS and (iii) that the Corporation execute any forms necessary for recording the deed.

The transaction is advantageous to the State because it is in furtherance of the State’s effort to dispose of underutilized State facilities for their reuse in the private sector and the sale will eliminate maintenance costs for the State. The Agreement recites facts demonstrating compliance with the requirements of the Public Authorities Law for obtaining an independent appraisal prior to the disposition of real property and for the disposition of property by publicly advertised bid. CNY Realty Development Company LLC, an orthopedic professional group that intends to use the TRC to rehabilitate sports related injuries, will acquire the TRC for a cash purchase price of $900,000, the highest bid which is an amount in excess of the $250,000 value assigned by OGS after its review of two independent appraisals.
Environmental Review

The New York State Office of General Services, as lead agency, has completed an environmental review of the proposed project, pursuant to the requirements of the State Environmental Quality Review Act ("SEQRA") and the implementing regulations of the New York State Department of Environmental Conservation. This review found the project would not have a significant effect on the environment. ESD staff reviewed the supporting materials and concurs. It is recommended that the Directors make a Determination of No Significant Effect on the Environment.

Requested Actions

In accordance with the attached resolution, you are hereby requested to 1) find and determine that the Agreement for the transfer to, and disposition by, OGS of the TRC is advantageous to the State; 2) authorize the Corporation to enter into the Agreement with OGS and to transfer the TRC to OGS by quitclaim deed for the purchase price of $1.00; 3) approve and agree to the terms and conditions of OGS’ sale of the TRC to CNY Realty Development Company LLC; 4) authorize the officers of the Corporation to take all actions deemed necessary to accomplish the foregoing, including the execution of any forms necessary for the recording of the deed in connection with the disposition by OGS of the TRC; (5) authorize the Corporation to take all related actions, including retaining tax counsel and such other actions, if any, as are necessary to preserve the tax-exempt status of the Refunding Bonds; and (6) make a Determination of No Significant Effect on the Environment.

Attachment:
Resolution
Memorandum of Agreement
HARRIET TUBMAN RESIDENTIAL CENTER – Authorization for Transfer to, and Disposition by, the Office of General Services in accordance with Applicable Provisions of the Public Authorities Law, Determination of No Significant Effect on the Environment and Take Related Actions

WHEREAS, in compliance with the Public Authorities Law, OGS has obtained independent appraisals of the Harriet Tubman Residential Center and the terms and conditions for OGS’ disposition of such facility include a publicly advertised competitive bidding process and an award to CNY Realty Development Company LLC (the “Purchaser”), as highest bidder, for a cash purchase price in excess of the value assigned by OGS to the Harriet Tubman Residential Center after its review of the independent appraisals; and

WHEREAS, the transfer to, and disposition by, OGS of the Harriet Tubman Residential Center pursuant to the Agreement is consistent with of the State’s plan to dispose of underutilized State facilities for reuse by the private sector;

NOW THEREFORE, IT IS HEREBY RESOLVED that based on the materials so presented to the Corporation, attached hereto and incorporated herein by reference, the Directors hereby find that it is advantageous to the State for the Corporation to enter into the Agreement with OGS;

RESOLVED, that the Corporation be and hereby is authorized to (i) enter into the Agreement with OGS and to transfer the Harriet Tubman Residential Center and convey title to the same by quitclaim deed to OGS for the price of one dollar ($1.00);

RESOLVED, that the Corporation hereby (i) approves and agrees to the terms and conditions of the sale by OGS of the Harriet Tubman Residential Center to the Purchaser (ii) authorizes the Corporation to take all actions deemed necessary to accomplish such sale, including the execution of all forms necessary for the recording of the deed to the Harriet Tubman Residential Center and (iii) authorizes utilizing bond tax counsel to confirm compliance with applicable federal tax law; and be it further

RESOLVED, that based on the materials submitted to the Directors with respect to the proposed transfer to, and disposition by, the Office of General Services of the State of New York of the Harriet Tubman Residential Center, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.
RESOLVED, that the Officers of the Corporation, be and each of them hereby is, authorized and directed to take any and all action necessary (i) to carry out the foregoing resolutions and to carry out any authority or delegation granted to the Corporation in conjunction with such authorizations and (ii) in connection with the disposition of the Harriet Tubman Residential Center, to preserve the exclusion from gross income for federal income tax purposes of interest on any bonds of the Corporation that refunded the Youth Facilities Revenue Bonds, including, but not limited to, the preparation and execution of any agreements, deeds, instrumentation and/or documents as such authorized officers may deem reasonably necessary or appropriate.

***
MEMORANDUM OF AGREEMENT
BETWEEN
STATE OF NEW YORK
OFFICE OF GENERAL SERVICES
AND
EMPIRE STATE DEVELOPMENT CORPORATION

THIS MEMORANDUM OF AGREEMENT, dated as of this _____ day of May, 2014, by and between the NEW YORK STATE OFFICE OF GENERAL SERVICES (hereinafter “OGS”) and the New York State Urban Development Corporation d/b/a Empire State Development (hereinafter “ESD”), sets forth the general conditions for disposition of certain real property of ESD.

W I T N E S S E T H:

WHEREAS, pursuant to Article 9 Section 2897 of the Public Authorities Law, when it shall be deemed advantageous to the State, ESD may enter into an agreement with OGS authorizing OGS to dispose of property of ESDC upon terms and conditions agreed to by ESD and OGS; and

WHEREAS, ESD and OGS have determined that it is advantageous to the State to dispose of certain improved real property located in the Town of Sennett, County of Cayuga, known as the Harriet Tubman Residential Center.

WHEREAS, OGS solicited two independent appraisals of said property to determine the fair market value; and

WHEREAS, OGS has received a high bid at a competitive public auction conducted pursuant to Section 33 of the Public lands law and Section 2897 of the Public Authorities Law, after advertisement for bids, for four weeks prior to the date of sale; and

WHEREAS, OGS and ESD have agreed upon the terms and conditions of the sale, including the sale contract with the high bidder (collectively the “Terms of Sale”), and wish to memorialize their agreement in order to allow the sale to the high bidder to close.
NOW, THEREFORE, IN CONSIDERATION OF THE PROMISES, THE MUTUAL
REPRESENTATIONS AND AGREEMENTS HEREINAFTER CONTAINED, IT IS AGREED AND
UNDERSTOOD BETWEEN THE PARTIES:

1. ESD and OGS agree to all the Terms of Sale.

2. ESD will prepare a Deed conveying to the State of New York the premises described in
   Schedule A, attached hereto for reconveyance to the purchaser and execute any forms
   necessary for recording the same.

3. ESDC will secure the necessary approvals of the Board of Directors of ESD prior to the
   conveyance of the premises to OGS.

4. OGS, upon receipt of the Deed from ESD, will proceed to close the aforementioned
   transaction pursuant to the terms of the sale contract.

5. This Agreement constitutes the entire Agreement between the parties and this Agreement
   shall not be changed, modified or altered in any manner except by instrument in writing
   executed by all parties hereto.

   IN WITNESS WHEREOF, the parties hereto have executed this AGREEMENT as of the day,
   month and year first written above.

EMPIRE STATE DEVELOPMENT

By: ________________________
   Kevin Younis
   Vice President, Intergovernmental
   and Legislative Affairs

NEW YORK STATE OFFICE
OF GENERAL SERVICES

By: ________________________
   RoAnn M. Destito
   Commissioner

Date: ________________________

Date: ________________________
FOR CONSIDERATION
June 27, 2014

TO: The Directors
FROM: Kenneth Adams
SUBJECT: Procurement of: Legal Services
REQUEST FOR: Authorization to Enter Into an Amended Contract with McKenna Long & Aldridge LLP to Provide Legal Services as Bond Counsel in Connection with Correctional and Youth Facilities Bonds, and Other State Facilities Financed by Tax Exempt Bonds and to Take Related actions

I. CONTRACT AMENDMENT SUMMARY

Contractor: McKenna Long and Aldridge LLP ("McKenna")
Scope of Services: Counsel will advise Corporation in transferring properties securing Correctional and Youth Facilities Bonds, other bond encumbered state properties and related issues.
Contract Term: Three (3) years
Original Contract Amount: $45,000
New Proposal Total Contract Amount: $345,000
Funding Source: Corporate Funds
II. BACKGROUND

In the Spring of 2011, the Division of the Budget and the Legislature agreed to close several correctional and juvenile facilities around the State operated by the Department of Corrections and Community Supervision and the Office of Children and Family Services.

At the request of the Governor's Office, an ad hoc committee of agency heads, together with staff from the NYS Office of General Services, the Division of Budget and Empire State Development (“ESD”) have engaged in periodic discussions focused on disposition of these large institutional properties. These deliberations verified that virtually all of the facilities require creative approaches in order to transfer them from State ownership and to avoid the continued carrying costs and potential liabilities associated with depreciating properties. Most of the facilities were constructed or renovated with the proceeds of bonds (“Bonds”) issued by ESD and some may still owned by ESD as part of a bond financing lease structure.

As the need for prison facilities diminishes and as Bonds are paid or refunded, prison properties are no longer required to be owned by New York State Urban Development Corporation and can be sold or leased. As prisons are disposed of, an analysis of Federal tax exempt bond regulations is required prior to sale to or reuse of such facilities by private entities.

Accordingly, there are both state and federal restrictions on a change in use or ownership of correctional projects previously financed by state bonds. The state restrictions emanate from the bonds and lease structure and the federal restrictions emanate from federal tax law generally applicable to tax exempt financing.

A. Lease Structure.

The lease revenue structure, utilized by three bond correctional facilities bond resolutions and a youth facilities bond resolution for bonds issued between the mid 80’s and mid 90’s, impose requirements and restrictions on the disposition of facilities that were funded with such bonds. Two bond resolutions were for prison facilities; one was for Attica and one was for youth detention facilities.

The State leasing structure did not provide for prepayment of the correctional facilities bonds or any other event that could result in the pro rata reduction of prison facilities subject to outstanding leases. Accordingly, termination or amendment of their leases, amendments to the resolutions, analysis of the parameters of the lease (scope, value, relationship to entire issuance), bond counsel opinion and other related documents will be necessary if there are any original bonds outstanding.
B. **Federal Rules Applicable to Tax Exempt Financing**

In addition to the restrictions and requirements of the lease financing structure, the federal tax law imposes restrictions on the disposition of prison facilities and youth facilities that must be satisfied in order to preserve the tax-exempt status of the bonds outstanding (whether new money bonds or refunding bonds) with respect to such facilities. Federal tax law restrictions involve detailed rules applicable to dispositions that change the ownership or use of the facilities to private ownership or use, where private payments are made for such ownership or use. The tax restrictions apply to both correctional facilities and youth facilities with outstanding new money or refunding bonds, regardless of whether the related bonds were secured by leases with the State or by service contracts with the State or whether the original bonds which financed the facility are no longer outstanding, if refunding bonds are outstanding.

C. **ESD Goals and McKenna Methodologies**

In the past, ESD was tasked by the Governor’s office to sell prison facilities no longer needed by the State; ESD was also advised by outside counsel that leasing facilities financed by tax exempt bonds proceeds was disfavored by the IRS. Recently, ESD consulted outside counsel to develop leasing and other strategies to increase revenues. Several law firms advised that leasing such facilities was problematic given current IRS regulations.

By contrast, McKenna provided alternative methodologies to minimize the amount of outstanding bonds allocable to a specific facility, create a valid lease structure and determine which bonds were required to be redeemed when records of the original allocation of bond proceeds were unavailable, all in accordance with applicable tax law. The firm was requested to apply these methodologies to the Arthur Kill Correctional Facility. McKenna also provided support and documentation necessary to inform DOB, its counsel, and OGS that these methodologies would not negatively impact the tax exemption on the State’s outstanding bonds.

III. **CONTRACTOR SELECTION PROCESS**

On April 23, 2012, staff placed an advertisement in the *New York State Contract Reporter* requesting proposals from law firms in the following areas of law: real estate and land use, environmental; construction; condemnation, bankruptcy; labor; taxation; bond financing; foreclosure and, in each case, related litigation. Proposals were due by May 17, 2012.

Sixty-six (66) firms responded to the solicitation; Mintz Levin was one of the respondents and on September 20, 2012 was selected when the Directors approved the establishment of a Pre-qualified counsel List. Mintz Levin was selected in substantial part on the skills, innovations and services provided by Jonathan Ballan, at several firms, over the prior 15 years. In May 2013, Ballan and a significant portion of his team moved to the McKenna firm which is not on the pre-qualified list.
Based on these methodologies, McKenna was retained under a contract in the amount of $45,000 as a single source provider. As noted above only McKenna proposed the alternative methodologies and offered to provide an unqualified tax opinion supporting their conclusions. McKenna has expended a considerable amount of time solely on applying the methodologies to Arthur Kill and the existing retainer is insufficient. Accordingly, ESD is seeking to amend the contract as described herein and continue to use McKenna as a single source provider.

IV. SCOPE OF WORK

McKenna will advise the Corporation in bond, tax and related areas necessary to transfer correctional and youth facilities financed or secured by ESD Bonds as well as bond tax issues that arise on other State facilities financed by tax exempt bonds.

McKenna will complete necessary opinions and other documentation and analysis on Arthur Kill. The authorization for a new contract will be used to complete that ongoing analysis and provide opinions on Arthur Kill, as well as to apply these methodologies and provide necessary legal support and opinions with respect to disposition of other state facilities financed by tax exempt bonds including new prison disposals contemplated by the State initiative to transfer or sell closed correctional facilities.

V. AMENDED CONTRACT TERM, PRICE AND FUNDING

The term of the contract will be three years. McKenna will work at an hourly rate. The source of funding is Corporate funds. In certain circumstances where the facilities are sold or leased with an initial payment at closing, fees will be paid from the proceeds of the sale or lease.

VI. ENVIRONMENTAL REVIEW

ESD staff has determined that the proposed authorization to enter into a contract for legal services constitutes a Type II action as defined by the New York State Environmental Quality Review Act (“SEQRA”) and the implementing regulations of the New York State Department of Environmental Conservation. No further environmental review is required in connection with the authorization.

VII. REQUESTED ACTION

The Directors are being asked to authorize the retention of McKenna Long & Aldridge LLP as counsel to corporation in an amount not to exceed $345,000, with contract to expire in three years. Compensation will be at rates not to exceed ESD limits.
VIII. **RECOMMENDATION**

Based on the foregoing, I recommend approval of the requested actions.

IX. **ATTACHMENT**

Resolution
NEW YORK STATE URBAN DEVELOPMENT CORPORATION D/B/A EMPIRE STATE DEVELOPMENT - Authorization to Enter into an Amended Contract with McKenna Long & Aldridge LLP to Provide Legal Services as Bond Counsel in Connection with Correctional, Youth Facilities Bonds and other State Facilities Financed by Tax Exempt Bonds

RESOLVED, that the Corporation is hereby authorized to enter into an amended contract with McKenna Long & Aldridge LLP, in an amount not to exceed $345,000, for the purposes and services, and substantially on the terms and conditions set forth in the Materials; and to take relation actions.

RESOLVED, that any actions taken prior to this resolution that are consistent with these terms are hereby ratified and approved.

* * *
FOR CONSIDERATION
June 27, 2014

TO: The Directors
FROM: Kenneth Adams
SUBJECT: New York City (New York County) – Procurement of Broker for the Possible Disposition of Excess Development Rights associated with the James A. Farley Post Office Building and Annex

REQUEST FOR: Authorization to Enter into Contract for Commercial Brokerage Services; and to Take Related Actions

CONTRACT NEED AND JUSTIFICATION

I. Contract Summary
Contractor: Massey Knakal Realty Services (“Broker”)
Scope of Services: Broker would value, market and facilitate the possible disposition of approximately 1.5 million square feet of excess development rights above the James A. Farley Post Office Building and Annex (the “Site”). Potential dispositions, if any, would require further authorization from the Directors. During the term, the broker would have the exclusive right to facilitate a transaction for ESD.
Contract Term: One two-year (2) term with three (3) one (1) year extensions to be exercised at the Corporation’s sole discretion.
Contract Amount: Payment is performance based equal to thirty three basis points (0.33%) of the transaction value.
Funding Source(s): Proceeds from sale of the development rights

II. Background
The Site, located at 421 8th Avenue New York, NY 10001 is a landmarked building, built in 1912 by the firm McKim, Mead and White. The Site occupies an entire super block between Eighth and Ninth Avenues and 31st and 33rd Streets, immediately adjacent to Madison Square Garden and Pennsylvania Station. New York State Urban Development Corporation d/b/a Empire State Development (“ESD” or the “Corporation”) owns the Site, and Moynihan Station Development Corporation (“MSDC”) is responsible for the redevelopment of portions of the Site as a new intercity railroad station, the Moynihan Station. ESD is the mortgagor on a mortgage securing the acquisition loan financing of the Site.
The zoning lot that holds the Site allows for up to an additional 2.5 million square feet of development above and beyond the existing structure. Because of the historic nature of the Site, the preference of ESD and MSDC is to transfer these development rights off-site, rather than to effectuate an over-build above the Site. One million of the 2.5 million square feet of development rights are subject to a 2005 Memorandum of Understanding (“MOU”) with a commercial joint venture.

ESD issued an RFP to hire a commercial real estate brokerage firm (“Broker”) to value, market and facilitate the possible disposition of approximately 1.5 million square feet of excess development rights above the Site. Potential dispositions, if any, would require further authorization from the Directors. Net proceeds from any disposition would be used to pay down the outstanding mortgage loan and then to fund a portion of the Moynihan Station development cost.

III. Contractor Selection Process

On February 6, 2014 ESD and MSDC issued a Request for Proposals (the “RFP”) seeking proposals from Brokers to assist in valuing, marketing and disposing of the 1.5 million square feet of excess development rights associated with the Site (herein referred to as “Moynihan Development Rights” or “MDRs”). The RFP asked respondents to address in their fee proposal the following services:

- Client coordination
- Market data
- Pro-forma modeling
- Sales plan that addresses potential receiving sites and buyers
- Drafting of offering memorandum
- Assistance in coordinating a closing

The RFP asked for a comprehensive fee proposal that was based on a percentage of the cumulative gross sales proceeds that would be paid upon closing. The RFP was posted in the contract reporter on February 6, 2014. In addition, the Real Estate Board of New York (REBNY) sent a notice to its membership about the opportunity and an article on the RFP was featured in the Wall Street Journal on March 2, 2014.

On March 20, 2014, nine (9) proposals were received in response to the RFP. A review team consisting of two members of ESD’s Real Estate Development Department, one member of MSDC and two members of the Port Authority of New York and New Jersey (a body corporate and politic created by Compact between the States of New York and New Jersey with the consent of the Congress of the United States that is assisting ESD and MSDC in the redevelopment of the Site) reviewed the nine proposals and scored the proposals in accordance with the following scoring criteria outlined in the RFP:

- 25% on qualifications and experience of firm
- 25% on a proposed marketing approach
- 50% on fees and expenses

As a result of the process five (5) teams were invited for in-person presentations along with a question and answer session. After the interviews the selection committee unanimously agreed that Massey Knakal Realty Services will provide an excellent superior level of expertise for a competitive fee to accomplish the work described above.
IV. Scope of Work
Brokerage firm is expected to value, market and facilitate the disposition of approximately 1.5 million square feet of excess development rights above the Site.

V. Contract Term, Price and Funding
Subject to requisite approvals, ESD would like to enter into a contract with Massey Knakal Realty Services with the following terms:

- Broker fee is equal to a fixed fee of thirty three basis points (0.33%) paid at the closing of each transaction.
- Broker agrees to co-broke with a 50/50 commission split with a receiver site that is represented by an outside broker.
- Broker will absorb marketing costs associated with the marketing of the MDR’s at their own expense.
- Term of the contract would be for up to two (2) years with three (3), one (1) year extensions to be exercised at ESD’s sole discretion.

VI. NON-DISCRIMINATION AND CONTRACTOR & SUPPLIER DIVERSITY
ESD’s Non-Discrimination and Contractor & Supplier Diversity policies will apply. Massey Knakal Realty Services shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women Business Enterprises ("MWBEs") for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 20%. The overall goal shall include a Minority Business Enterprise ("MBE") Participation Goal of 15% and a Women Business Enterprise ("WBE") Participation Goal of 5% related to the total value of ESD’s funding.

VII. ENVIRONMENTAL REVIEW
ESD staff has determined that the requested authorization constitutes a Type II action as defined by the New York State Environmental Quality Review Act (“SEQRA”) and the implementing regulations of the New York State Department of Environmental Conservation. No further environmental review is required in connection with the authorization.

VIII. REQUESTED ACTION
The Directors are requested to authorize the Corporation to enter into a contract for the services and substantially in accordance with the terms and conditions as set forth in these materials and to authorize related actions.

IX. RECOMMENDATION
Based on the foregoing, I recommend approval of the requested action.

X. ATTACHMENTS
Resolutions
June 27, 2014

NEW YORK CITY (NEW YORK COUNTY) – Authorization to Enter into Contracts for Commercial Brokerage Services; and Authorization to Take Related Actions

BE IT RESOLVED, that based on the materials presented at this meeting (the “Materials”), a copy of which is hereby ordered filed with the records of the Corporation, the Corporation hereby finds Massey Knakal Realty Services to be responsible; and be it further

RESOLVED, that the Corporation is hereby authorized to enter into a contract with Massey Knakal Realty Services as set forth below for the purposes and services, and substantially on the further terms and conditions, set forth in the Materials; and be it further

RESOLVED, that the President, or other Officer of the Corporation, or his or her designee(s) be, and each of them hereby is, authorized to take such action and execute such documents as may be necessary or appropriate to carry out the foregoing Resolutions.

* * *

* * *
FOR CONSIDERATION
June 27, 2014

TO: The Directors
FROM: Kenneth Adams
SUBJECT: Procurement for Event Planning & Management Consulting Services – 2014 Statewide MWBE Forum

REQUEST FOR: Authorization to enter into a Contract with Sacks Communications, Inc. for consulting services relating to the 2014 Statewide MWBE Forum and authorization to take related actions

CONTRACT NEEDS AND JUSTIFICATION

I. Contract Summary

Contractor: Sacks Communications, Inc.

Scope of Services: Consultant will provide full-service project management services including but not limited to event management, event marketing, pre-event and on-site registration and management. The consultant will also be responsible for hiring vendors and service providers as necessary to execute the event.

Contract Term: 9 months

Contract Amount: Consultant fee of $124,500.00 plus reimbursable expenses estimated at $168,500.00 for a total not to exceed $293,000.00.

Funding Source(s): To be funded through revenue earned from the 2014 Statewide MWBE Forum event. Costs are paid by registration fees, exhibitor fees and sponsorship from other agencies.
II. Background

The Statewide MWBE Forum event is an opportunity for MWBEs to learn of contracting opportunities with state agencies and authorities. The consultant will provide all or a combination of services including but not limited to event management, event marketing and registration.

III. Contractor Selection Process

On July 4, 2013 Empire State Development (ESD) issued a Request for Proposal (RFP) in the New York State Contract Reporter seeking an event planning & management consultant for the 2013 Statewide MWBE Forum scheduled for October 3, 2013 through October 4, 2013 at the Empire State Plaza Convention Center in downtown Albany, NY. A total of two (2) submissions were received from SouVez, Inc. and Sacks Communications, Inc. by the deadline submission date of July 25, 2013.

Based upon a review of the proposals and the interviews conducted by the review committee, Sacks Communications, Inc. received the highest score and was selected.

As a result of Sacks’ past performance, and that there were only two responses from last year’s RFP, we are seeking Single Source exemption from the Request for Proposal process for this year’s event.

Pursuant to State Finance Law Section 139-j and 139-k and the Corporation’s policy related thereto, staff has: a) considered proposed contractor’s ability to perform the services provided for in the proposed contract, and b) consulted the list of offerers determined to be non-responsible bidders and debarred offerers maintained by the New York State Office of General Services. Based on the foregoing, the staff considers the proposed contractor to be responsible.

IV. Scope of Work

1. Event Management

The consultant has a proven track record of successfully managing professional business events involving more than 2,000 attendees. They will manage the outreach to prospective exhibitors and attendees and will handle all aspects of coordination, including pre-event and on-site. ESD anticipates more than 150 exhibitors for the purpose of maximizing value to MWBE firms. The consultant will work with the Governor’s Executive Chamber to produce an impactful, purposeful, content-rich conference to ensure that all programmatic elements meet the needs of the MWBE community. The consultant will also make recommendations and coordinate outreaches to prospective speakers of the utmost quality and relevance to determine availability and secure attendance. Other tasks may include, but are not limited to, the coordination of space planning with site staff for workshops, seminars and plenary sessions, the
securing of audio/visual and other equipment needs, and research recommendations regarding Forum catering, room set-up, workshop development, assistance with transportation arrangements and all other logistics.

2. Event Marketing

The consultant will provide advice regarding industry best practices for targeting a statewide MWBE audience. The consultant will create a Statewide MWBE Forum website to drive registration and increase participation across the State. Marketing materials to promote the event will include pre-event outreach information about the program, venue and registration. Additionally, marketing materials will be developed for the event including signage, program book, detailed e-book of contract opportunities of state agencies and public authorities, and a speaker package. Post-event services, which will be posted on the Forum website, will include a post-conference e-newsletter, conference highlights, photo galleries and any additional materials needed to guide and further assist MWBEs.

3. Registration

The consultant will facilitate all components of pre-event registration and on-site registration and management. The consultant will coordinate an internet-based registration system, which can accommodate customized functionality, and general attendee online registration. The consultant will ensure the on-site conference registration area is properly set-up and equipped to management participant volume efficiently during the registration process.

V. Contract Term, Price and Funding

The contract term is expected to be nine (9) months with the consultant fee of $124,500.00, plus reimbursable expenses (including sub-consultants) estimated to $168,500.00, for a total not to exceed $293,000.00. The source of funding for the contract will be through revenue earned from the 2014 Statewide MWBE Forum event. Costs are paid by registration fees, exhibitor fees and sponsorship from other agencies. The Executive Chamber directs the entire event and projected gross income for the 2014 MWBE Forum is expected to be $400,000.00 with a net income of at least $100,000.00.

VI. Non-Discrimination and Contractor & Supplier Diversity

The Corporation’s non-discrimination and affirmative action policy will apply to this contract. ESD’s Non-discrimination and Contractor Diversity policy will apply to the Project. The Company shall be required to use good faith efforts to achieve an overall Minority and Women Business Enterprise ("MWBE") Participation goal of 20%, Minority Business Enterprise ("MBE") related to the total value of ESD’s funding and to solicit and utilize MWBEs for any contractual opportunities generated in connection with the Project.
VII. Environmental Review

ESD staff has determined that the proposed authorization to enter into a contract for consulting services constitutes a Type II action as defined by the New York State Environmental Quality Review Act (“SEQRA”) and the implementing regulations of the New York State Department of Environmental Conservation. No further environmental review is required in connection with the authorization.

VIII. Requested Action

The Directors are requested to: (1) make a determination of responsibility with respect to the proposed contractor, (2) authorize the Corporation to enter into a contract with Sacks Communications, Inc. with a consultant fee in the amount of $124,500.00 plus reimbursable expenses for a total estimated at $168,500.00, for a total not to exceed $293,000.00, and (3) that the President of the Corporation or his designee be, and each of them hereby is, authorized to take such action and execute such documents as may be necessary or appropriate to carry out the foregoing resolution.

IX. Recommendation

Based on the foregoing, I recommend approval of the requested actions.

XI. Attachments

Resolution
June 27, 2014

New York State Urban Development Corporation d/b/a Empire State Development (the “Corporation”) – Authorization to Enter Into a Contract with Sacks Communications, Inc. to provide Event Planning & Management Consulting Services and to Take Related Actions.

BE IT RESOLVED, that upon the basis of the materials presented to this meeting (the “Materials”), a copy of which is hereby ordered filed with the records of the Corporation, the Corporation hereby finds Sacks Communications, Inc. to be responsible; and be it further

RESOLVED, that the Corporation is hereby authorized to enter into a contract with Sacks Communications, Inc. with a fee amount of one hundred twenty-four thousand five hundred dollars ($124,500.00), plus reimbursable expenses as estimated in the Materials, for a total not to exceed two hundred ninety-three thousand dollars ($293,000.00), for the purposes and services, and substantially on the terms and conditions, set forth in the Materials; and be it further

RESOLVED, that the President of the Corporation or his designee be, and each of them hereby is, authorized to take such action and execute such documents as may be necessary or appropriate to carry out the foregoing resolution.

* * *