

EXHIBIT K

PROJECT DOCUMENTATION TERMS

Site Acquisition	Prior to, or simultaneously with, ESDC acquiring title to any portion of the Project Site by condemnation, Developer or its Affiliates shall (i) provide a financing plan, subject to the reasonable approval of ESDC, for the financing of the Arena, and (ii) cause the closing to occur under the acquisition contract for the LIRR Vanderbilt Yard. The cost of condemnation and the conveyance of the MTA rail yard shall be borne by Developer or its Affiliates.
Subway Station Access	Developer shall be required to provide reasonable assurances, on terms acceptable to ESDC, Developer and MTA, that the new subway station access that will adjoin the Arena will be completed and operational at the time the Arena is opened for operation. It is expected that the MTA would provide reasonable approvals, access and track outages as necessary to meet this goal.
Guaranty of Completion	Prior to the commencement of construction of the Arena or any of the sixteen other buildings to be constructed, the Forest City Enterprises or another entity reasonably satisfactory to ESDC shall provide ESDC a guaranty of completion for the respective building, in a form acceptable to ESDC, with respect to the applicable building.
Bonds	Developer or its Affiliates shall be required to obtain any and all bonds required to comply with the Lien Law.
Affordable Home Ownership	Developer shall provide 600-1,000 units of affordable home ownership units as close to the Atlantic Yards project site as possible, including but not limited to the following neighborhoods: Prospect Heights, Fort Greene, Bedford Stuyvesant, Crown Heights, Clinton Hill and Park Slope. Developer shall seek to build 200 of these affordable home ownership units directly on the Atlantic Yards project site (assuming the appropriate subsidy required to fund these affordable home ownership units is available and the density levels approved in the ESDC GPP are maintained). Developer shall seek to make the affordable home ownership units affordable to families with income up to 150% of AMI and to make homeownership opportunities available to families with incomes below 100% AMI.
Affordable Rental Housing	Affordable Housing shall comprise 2,250 rental units in the entire project affordable to low-, moderate-, and middle-income families. Affordable Housing shall comprise at least thirty percent (30%) of the residential units on the Arena Block. "Affordable Housing" shall mean, with respect to Phase I, residential units subject to income and rent restrictions contained in either an HDC, HFA or

HPD Regulatory Agreement providing that (x) such units will be affordable to persons or families earning no more than 160% of Area Median Income or, if higher, the highest percentage of Area Median Income used at the applicable time under any New York City Department of Housing Preservation and Development (or its successor in function) ("HPD"), New York City Housing Development Corporation (or its successor in function) ("HDC") or other City housing initiative intended to provide housing opportunities for low, moderate or middle income persons, as approved by the City and (y) rents for units shall be no more than 30% of 160% of Area Median Income or, if higher, 30% of the highest percentage of Area Median Income used at the applicable time under any HPD, HDC or other City housing initiative intended to provide housing opportunities for low, moderate or middle income, as approved by the City.

It is the expectation of the parties that Developer or its Affiliates will apply for financing and other incentive programs then generally available to developers of Affordable Housing (as defined herein) and that, if such application is deemed by the applicable administering agency after good faith review to be consistent with then-applicable program rules and standards, then Developer or its Affiliates will receive incentives under such programs consistent with what developers of such Affordable Housing are receiving at that time.

Notwithstanding the above, if the Developer applies for tax abatements under the 421a program, Developer will be required to abide by the definitions of affordable housing under the 421a program, the current proposed legislation for which requires that for each 1,500 residential units, 20% of those units must be affordable to persons or families whose incomes at the time of initial occupancy do not exceed 120% of Area Median Income adjusted for family size, and do not exceed an average of 90% of Area Median Income adjusted for family size.

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| Open Space and Park Improvements | In addition to its obligations with respect to the dedicated 8 acres of open space within the Project Site, Developer or its Affiliates shall invest \$3 million dedicated solely for the improvement of local existing parks near and around the Atlantic Yards development. |
| Community Affairs Office | Unless otherwise agreed to by Developer and ESDC, Developer shall be required to maintain a community affairs office on the Project Site that will be operated and staffed by Developer during the construction phases of the Project, for the purpose of allowing community residents to expeditiously raise and communicate any construction related concerns (traffic, noise, environmental, etc.) to an appropriate official and to obtain remedies and answers to questions. The community affairs office shall be managed by a knowledgeable and accessible Developer representative. |
| Building | Developer agrees that each building, including Building 1, constructed in |

Heights connection with the Atlantic Yards Project shall be less than 512 feet tall or the height of the Williamsburg Savings Bank.

Brooklyn Tech High School Developer shall agree to work with the City, State and the United Federation of Teachers on the creation of a brand new 21st Century Brooklyn Tech High School, to the extent the City and the Department of Education elect to build such a school.

Arena Commitment & Remedies Developer or its Affiliates shall commence construction on the Arena within one year after the Effective Date Subject to up to four years of delay resulting from Force Majeure events or material adverse changes affecting the financing of the Arena. If Developer or its Affiliates fail to commence construction of the Arena within this time period, Developer will repay to ESDC State Funding Payments previously paid to Developer by ESDC with Interest. In addition, the Arena shall be either the first or second building on which construction begins, and once begun, Developer or its Affiliates will diligently pursue completion of the Arena.

Developer or its Affiliates shall complete construction of the Arena within six years of the Effective Date, subject to Force Majeure.

If Developer or its Affiliates fails to complete construction of the Arena within six years of the Effective Date, subject to Force Majeure, Developer shall be obligated to (i) repay each year a portion, to be established in the Project Documentation, of State Funding Payments previously paid to Developer by ESDC with Interest and (ii) pay Liquidated Damages as set forth in the City Funding Agreement, until the Arena is complete for beneficial use. The State Funding repayment amount for each year shall be a portion of the 75% of State Funds assumed, for the purpose of remedies, to be allocated to the Arena. Payment of the Liquidated Damages will be effected through an additional rent to be paid to ESDC under the Arena lease and remitted by ESDC to the City.

Phase 1 Commitment & Remedies Developer or its Affiliates shall complete the construction of Buildings 1-4 and Site 5, and related affordable housing and infrastructure, (collectively, "Phase 1") within twelve years of the Effective Date, subject to Force Majeure.

If Developer or its Affiliates fails to complete the balance of Phase 1 as described above, subject to Force Majeure, Developer shall be obligated to (i) repay each year until the balance of Phase I is complete for beneficial use a portion, to be established in the Project Documentation, of State Funding Payments previously paid to Developer by ESDC with Interest and (ii) pay Liquidated Damages as set forth in the City Funding Agreement, until the balance of Phase 1 is complete for beneficial use. The State Funding repayment amount for each year shall be a portion of the 25% of State Funds

assumed, for the purpose of remedies, to be allocated to Phase 1, excluding the Arena. Payment to EDC shall be made through additional rent under an ESDC lease and remitted by ESDC to EDC and shall be guaranteed by Guarantor.

Phase 2
Commitment
& Remedies

Developer or its Affiliates shall complete the construction of Buildings 5-15 on the blocks east of 6th Avenue, and related affordable housing and infrastructure, (collectively, "Phase 2"), subject to Force Majeure, by a date to be established in the Project Documentation, which date will take into account the need for satisfaction of Governmental Authorities' obligations to the Project, (the "Final Deadline").

If Developer or its Affiliates fails to complete the balance of Phase 2 by the Final Deadline, subject to Force Majeure and subject to Governmental Authorities making available to the Project affordable housing subsidies then customarily available to developers of such housing, ESDC shall have an option to purchase Developer's or its Affiliates' interest in the parcels not yet developed pursuant to the GPP, as it may be amended. Such option to purchase shall be pursuant to terms negotiated in the Project Documentation and shall provide for a purchase price equal to the Developer's or its Affiliates' cost and land carrying cost, adjusted for inflation.

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EXHIBIT L

ENVIRONMENTAL COMMITMENT MEMO

(see attached)

**MEMORANDUM OF ENVIRONMENTAL COMMITMENTS
FOR THE ATLANTIC YARDS PROJECT**

A. PURPOSE OF MEMORANDUM

This memorandum dated as of December 8, 2006 documents the commitments made by Forest City Ratner Companies and its affiliates including Atlantic Yards Development Company, LLC and Brooklyn Arena, LLC (collectively, "FCRC") to: (i) incorporate measures into the Atlantic Yards Project (the "Project") to avoid adverse environmental impacts, as described in the Final Environmental Impact Statement issued by the Empire State Development Corporation ("ESDC") on November 27, 2006 (the "FEIS"); and (ii) implement measures to mitigate, to the maximum extent practicable, the significant adverse impacts identified in the FEIS. ESDC and FCRC anticipate that the measures set forth in this memorandum will be included in appropriate Project documentation, with measures associated with, or the responsibility of, individual buildings or building parcels included in the applicable ground leases, and measures associated with the Project site as a whole or not specific to any one building parcel included in other Project documentation (any such lease or other Project documentation, a "Project Document" and such documentation collectively, the "Project Documentation"). Modifications to the obligations herein described may be granted by ESDC (not to be unreasonably withheld) or as otherwise provided for in this memorandum, and in the event of any such modification, the Project Document imposing the affected obligation shall be deemed to be revised to incorporate such modification. The Project Documentation shall provide that the commitments set forth herein shall run with the land and be binding upon FCRC's successors and assigns for the period of time any such party holds a property interest in the relevant portion of the Project or the Project site or until such earlier time as the relevant obligation is satisfied or fully discharged, with respect to those obligations that do not exist in perpetuity.

B. SOCIOECONOMICS

The Project (including Phase I and Phase II) shall generate at least 2,250 units of affordable housing on site for low-, moderate-, and middle-income persons and families. At least 30% of the units built on the Arena block in Phase I shall be affordable to such households. The remainder of the affordable units shall be built in Phase II or on Site 5; however, not more than 50% of the Phase II units shall be built without completion of at least 50% of the Phase II affordable units. The affordable units are anticipated 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 of New York ("City") and State of New York ("State") housing programs such as the City's 50-30-20 program. Based on currently available information, the parties anticipate that the affordable housing units will be made available to households with incomes falling within the income bands set forth in the FEIS. However, the income bands may be adjusted to accommodate the requirements of any City, State or federal housing program utilized for the construction of the affordable housing, subject to City approval.

C. COMMUNITY FACILITIES

1. FCRC shall provide parking spaces for police vehicles assigned to the 78th Precinct House in a number equal to the spaces lost as a result of the elimination of angled parking for police vehicles on 6th Avenue, but in any event not to

exceed 24 parking spaces. Such parking shall be provided without charge prior to the elimination of such parking and shall be provided at a location that is proximate and convenient to the Precinct House. FCRC shall have the right to modify the location of such spaces from time to time in order to address construction logistics and operational matters, provided that the location remains proximate and convenient to the Precinct House.

2. As mitigation for the projected significant adverse impact to the supply of elementary and intermediate school seats within ½ mile of the Project, FCRC shall, if requested by the New York City Department of Education (“DOE”) prior to January 1, 2010 (or such other date agreed to in writing by FCRC and DOE), 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 shall be located on the ground floor of the building (the “School”). FCRC shall also 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. It is likely that the School will be located in the lower floors of Building 5. In the event that an alternative location is selected, the School site shall be one of the other residential parcels located east of 6th Avenue as determined by FCRC and DOE. If leased to DOE, such lease shall be on a triple net basis and with a rent of \$1.00, and if conveyed, shall be conveyed for consideration of \$1.00. DOE shall be responsible for all costs of constructing, fitting out, and operating the School (excluding the cost of land, infrastructure, site remediation and the platform over the rail yard), and FCRC shall undertake the construction of the School on DOE’s behalf and at DOE’s expense. The space provided for the School shall be in addition to the Atlantic Yards program described in Table S-1 of the FEIS and shall not replace or result in a reduction of any part thereof. Unless otherwise agreed between DOE and FCRC, the school shall be built at the beginning of Phase II. In the event that DOE elects to locate the School on the Project site, DOE and FCRC shall enter into appropriate arrangements providing for the construction and operation of the School, which agreements shall among other things provide FCRC 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 FCRC’s construction of the remainder of the building in which the School is to be located. The School shall be constructed 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 L₁₀.
3. In order to avoid a significant adverse impact to day care services as a result of the Project, FCRC shall construct on the Project site and arrange for the long-term operation of a duly licensed day care center that shall accommodate at least 100 children with publicly funded vouchers available to income-eligible households (or with some alternate form of publicly funded day care for income-eligible households). The day care center shall be placed into operation prior to the expected completion of occupancy for 1,800 affordable housing units at the Project.

D. OPEN SPACE AND RECREATIONAL FACILITIES

1. FCRC shall design and construct the Open Space as described in the FEIS and in accordance with the Design Guidelines. Such Open Space shall be placed into operation pursuant to a phased schedule (which schedule shall call for the construction of a portion of such Open Space as each building in Phase II is constructed) as specified in the Design Guidelines.
2. The Open Space shall be owned by a Conservancy or other not-for-profit entity established by FCRC, which shall be responsible for the maintenance, operation, and security of this public amenity. The Conservancy or other not-for-profit entity shall be funded in the first instance by FCRC, 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 Conservancy or other not-for-profit entity shall be governed by a board, which shall include representatives of FCRC, civic group(s) active in park matters, representatives of surrounding properties on the project site, and, on an *ex officio* basis, Brooklyn Community Boards 2, 6 and 8, and the New York City Department of Parks and Recreation (the "Parks Department"). The initial program and plans for the Open Space and any material modifications shall be subject to the reasonable approval of the Parks Department. The Open Space shall be, at a minimum, accessible to the public as specified in the Design Guidelines.

E. CULTURAL RESOURCES

1. FCRC shall comply with the requirements of the Letter of Resolution ("LOR") dated November 9, 2006 among Atlantic Yards Development Company, LLC, ESDC and the Office of Parks, Recreation and Historic Preservation. The LOR is included in Appendix B to the FEIS and requires certain mitigation or other measures to be taken with respect to architectural and archeological resources.
2. If the LOR is duly amended, FCRC shall comply with the terms of such amended LOR.

F. SHADOWS

1. As set forth in the FEIS and LOR, prior to the time when the Project casts shadows on the stained glass windows of the Church of the Redeemer (the "Church"), FCRC shall develop and implement measures to offset the impacts of the shadows comprised of: (i) removing the existing protective coverings from all of the stained glass windows, including any patching and repair associated with the removal; (ii) cleaning both the interior and exterior of the windows; and (iii) installation of new transparent protective coverings of similar or greater durability, or other measures agreed to by FCRC and the Church pursuant to the letter between FCRC and the Bishop of Long Island dated October 31, 2006 included in Appendix I to the FEIS.
2. Prior to the time when the Project casts shadows on the Atlantic Terminal Houses open space, FCRC, in consultation with the New York City Housing Authority ("NYCHA"), shall develop and implement measures to ameliorate the significant

adverse shadow impacts, comprised of one or more amenities from the following list: (i) new landscaping and shade resistant plantings within the Atlantic Avenue open space; (ii) additional play equipment within the Atlantic Avenue or Carlton Avenue open spaces; (iii) upgrade of the Carlton Avenue children's play area, including possible spray shower; and (iv) replacement of benches and other fixtures in the Atlantic Avenue or Carlton Avenue open spaces, subject to and in accordance with a letter dated October 23, 2006 from FCRC to Douglas Apple of NYCHA, and accepted on November 3, 2006 by NYCHA included in Appendix I of the FEIS.

G. HAZARDOUS MATERIALS

1. FCRC shall design and construct the Project so as to prevent volatile organic compounds ("VOCs") from infiltrating the interior of the Project buildings. To address this concern, residential and community facility uses shall be located either above ventilated underground parking or other facilities or above the platform over the ventilated rail yard. FCRC shall submit engineering plans demonstrating compliance with the requirements of this paragraph to ESDC with respect to each of the Project buildings prior to the commencement of construction thereof.
2. FCRC shall implement the investigation and remediation measures specified in the FEIS to protect workers and the general public from adverse impacts associated with environmental conditions at the Project site during the period of construction. In particular:
 - (a) FCRC shall develop and implement procedures for pre-demolition removal of asbestos in accordance with applicable federal, State and City regulations which shall be monitored by an independent contractor as required by such regulations.
 - (b) FCRC shall develop and implement procedures for pre-demolition removal of PCB-containing equipment in accordance with applicable federal, State and City laws and regulations.
 - (c) FCRC shall implement dust suppression techniques reflecting best construction practices during the demolition of Project buildings and any excavation, grading or earth-moving activities at the Project site in connection with the construction of the Project or any related excavation or remediation.
 - (d) FCRC shall conduct additional subsurface investigations as needed to refine and supplement data presented in the Phase 1 and Phase 2 reports heretofore prepared by Roux Associates, and shall provide the results of such investigations to ESDC; upon review of such Phase 2 reports, ESDC may require additional sampling as necessary to determine whether remediation is appropriate. Remediation Plans, which shall include protocols for any remedial activities (and associated additional sampling and investigation), and Health and Safety Plans, shall be prepared with respect to any remedial activities to be undertaken by