

**SOUTH BROOKLYN**  
**LEGAL SERVICES**

**Testimony of South Brooklyn Legal Services  
In Opposition to the Approval of the Lease Between  
the City of New York and Albee Development, L.L.C.  
May 25, 2007**

Brooklyn Legal Services Corp. B  
John C. Gray, Project Director

Good morning. My name is Carrie Johnson, I work at South Brooklyn Legal Services, and I am here to testify in opposition to the lease that is proposed for the development of Albee Square. By entering into this agreement the City is conferring an enormous financial benefit on a private developer without obtaining adequate compensation for the low-income people of the City of New York and the Borough of Brooklyn.

Though the City, through its Department of Housing Preservation and Development, is charged with the development of affordable housing for low and moderate income people, they are sanctioning a project that guarantees a mere 20% of affordable housing in return for the option to purchase a prime piece of City-Owned land for a mere \$20 million. This is an abuse of the public's trust and a waste of the public's money and assets.

In its attempt to push this deal through, the City has flouted its own procedures and ignored its legislative mandates. The City's Rules require that all contracts be open to competitive bid. This requirement can only be ignored if there are specific reasons for doing so, such as there is only one developer who would be willing to develop a parcel, or there is a particularly qualified developer who should be selected despite lower bids. And, even if the City determines that competitive bidding should not be used, they are bound to use the most competitive process available that would address any concerns about an open bid.

There is no indication that special circumstances warranting disregard for the bidding process were present here. Firstly, if the City's goal were to be seen as developing affordable housing, they have not selected a developer with expertise in that field. Secondly, given the incentives involved in this project, most particularly, the ridiculously low asking potential purchase price, the developer would surely not be short of competition.

In summary, the bidding rules were developed to ensure that the City does not squander the public's money to favor particular developers to the detriment of its citizens. They are ignoring those rules without justification. The development of Albee Square and the gift that is the option to purchase this valuable real estate should come only with the requirement that the City get something of value in return. A requirement that a mere 20% of residential units be affordable is simply not good enough. This office should not approve this lease and the City should open the lease up to a competitive bid with meaningful restrictions.

Respectfully Submitted,  
Jennifer Levy, Esq.  
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