



CITY OF NEW YORK

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**New York State Urban Development Corp. d/b/a Empire State Development Corp.
Jacob K. Javits Convention Center
December 16, 2004**

**Manhattan Community Board No. 4
Statement on the
New York Sports and Convention Center
Land Use Improvement Project & Civic Project
General Project Plan
Delivered by Anna Hayes Levin**

THE CASE AGAINST THE STADIUM

Manhattan Community Board No. 4's strong opposition to the proposed Jets stadium has long been a matter of public record:

- it would be too big and boxy – a 3-block wide, 30-story tall mega structure;
- it would be too much of an eyesore and an obstacle to waterfront access and open space as well as to residential and commercial development;
- it would create traffic nightmares;
- it would require \$600 million in direct public funds plus additional subsidies that could be far better spent on other citywide priorities;
- experts agree that the economic boom promised by the Jets and the City is likely not to materialize based on the experience of other cities around the country (and the economic benefits that do materialize are more likely to come from convention events)¹;
- it would rob the MTA of a significant capital asset;
- it would not serve the needs of the Javits Center;
- it would cost the City its Olympic bid; and
- it is deeply controversial and increasingly unpopular.²

¹ "Estimating the Economic and Fiscal Impacts of the New York Sports and Convention Center," an IBO Background Paper issued July 2004.

"Commentary on the Suitability of the Proposed Jets Stadium as an Exhibition Facility," a report by HVS International Convention, Sports & Entertainment Facilities Consulting delivered in connection with the hearing before the Committee on Economic Development of the New York City Council on June 3, 2004.

REQUIRED COMMUNITY CONSULTATION HAS NOT OCCURRED

Section 16 of the Urban Development Corporation Act requires the ESDC to “work closely, consult and cooperate with local elected officials and community leaders at the earliest practicable time. The corporation shall give primary consideration to local needs and desires and shall foster local initiative and participation in connection with the planning and development of its projects.” This Community Board has never been contacted by the ESDC concerning the stadium project, and our local needs and desires – for development that respects the varying scales of the existing neighborhood character and promotes community identity, for substantially increasing the residential population while assuring a range of affordability, for the creation of a mixed-use neighborhood that protects existing homes, jobs and businesses, for public open space, waterfront access and community services, and the mitigation of the environmental, social and economic consequences of traffic congestion – have been entirely ignored by the stadium’s promoters.

REQUIRED FINDINGS CAN’T BE MADE

Despite the assertions in the General Project Plan, several of the findings required by Section 10 of the UDC Act cannot be met:

Land Use Improvement Project Findings

“1. That the area in which the project is to be located . . .tends to impair or arrest the sound growth and development of the municipality.”

This Board and many others believe that the stadium itself will impair sound growth. The MTA rail yards should be developed, but only after an open process to solicit the best possible proposals for alternate development. The plans put forward by the Hell’s Kitchen Neighborhood Association, the Newman Real Estate Institute and, most recently, the Regional Plan Association demonstrate that there are far better ways to encourage sound growth and development of the area.

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

To support this finding, the ESDC cites the Jets’ commitment to “arrange for or otherwise make payments sufficient to repay a minimum of \$800 million of financing for the construction of the Project.”

The General Project Plan confirms that the Jets are not, in fact, contributing \$800 million in private funding for the stadium. \$400-450 million of that \$800 million will come from tax-exempt bonds issued by a City-State not-for-profit Local Development Corporation. Debt service on those bonds will be paid with lease payments by the Jets in lieu of real estate taxes that would otherwise be payable but for public ownership of the stadium. In other words, New York City taxpayers will be subsidizing the Jets’ debt service.

² Many of our criticisms of the proposed stadium are shared by the Regional Plan Association, and discussed in greater detail in its Position Paper “Fulfilling the Promise of Manhattan’s Far West Side” issued July 2004.

For a project whose total cost could top \$2 billion for taxpayers, arranging for \$800 million of financing (half of which will be ESDC bonds repaid by payments in lieu of real estate taxes), the Jets' participation in this project is hardly "maximized."

This is a bad deal for all New Yorkers.

Civic Project Findings

"1. 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 or other civic facility to be included in the project."

There is simply no need, in one of the most congested areas of the most densely populated borough of the City, for a "suitable venue to host major sporting events." The economic benefits cited in the General Project Plan would be more likely to be realized with an expanded convention center, built to serve the real needs of the convention and trade show business.

"3. That . . .adequate provision has been made, or will be, for the payment of the cost of acquisition, construction, operation, maintenance and upkeep of the project."

The General Project Plan omits critical facts about the economics of the project, and about who will build elements of the project that have been shown repeatedly to the public as an integral part of the stadium project. It is impossible to figure out how much the total public subsidy to the project will be, what the MTA will be paid for the site and even who the owner of the stadium will be³. The General Project Plan contains no discussion of the costs of operation, maintenance and upkeep of the project, or who will be responsible for those activities. Without that information, it will be impossible to conduct a legitimate, serious and full evaluation of the project.

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

The Final Generic Environmental Impact Statement makes it clear that the stadium will place significant burdens on lights and air in the surrounding area, and on the City's fire protection services.

In response to this required finding, the General Project Plan says that "the NYSCC will be designed and built in accordance with the New York City Building Code with such variance as may be approved by the New York City Department of Buildings." [emphasis added] We request further information as to the variances that are contemplated.

In sum, the stadium should be eliminated from Hudson Yards redevelopment plans, and development on the rail yards should be subjected to a public process to select the best possible mixed-use development proposal to best serve the City's planning needs, the MTA's capital needs and the needs of all New Yorkers.

Thank you.

³ "The Project Site will be owned by the MTA and the NYSCC will be leased to and from the ESDC . . ."