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**In This Series:**

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[Netting the Nets](#) by Marty Markowitz

[Cheerleaders for Real Estate?](#) by Tom Angotti

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Recently New York developer Bruce Ratner announced plans to build a 20,000 seat basketball stadium and 17 skyscrapers in Brooklyn's Prospect Heights. This project depends on Ratner placing the winning bid for the New Jersey Nets. However, it also depends on the condemnation of over 1,000 homes and businesses in Prospect Heights and a risky financing system that is full of false hope.

## **A Field of Schemes**

by Letitia James

Monday, January 19, 2004 12:00 AM - Last Updated Thursday, March 15, 2012 11:02 AM

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While bringing the Nets to Brooklyn may sound like an intriguing idea, it has troubling fiscal, social, and economic implications for New York City as a whole.

### **THE MYTH OF JOBS, RECREATION, AND HOUSING**

Typically, backers of a new stadium promise it will bring jobs, jobs and more, jobs.

Supporters of this stadium project have been hypnotized by similar claims. The reality is that Yankee stadium at 57,000 seats, which is double the size of the proposed stadium in Brooklyn, only offers 65 full-time positions. Any claim that this proposed stadium would provide for significant and permanent employment is a pipe dream.

Other supporters argue that local schools and other not-for-profit organizations will use the proposed stadium for their recreational events. I respond that there are a number of proposed capital projects to renovate armories and other buildings in Brooklyn into recreational facilities. These facilities, however, do not involve the condemnation of homes and or divert public dollars for private purposes.

The developer also claims that the 17 skyscrapers in his second phase will create 4,500 to 5,500 new apartments. That claim is the biggest joke of all.

Organizations involved with affordable housing do not build high-rise apartment buildings anymore. They realize that people want housing on a human scale where children can play in a yard and neighbors can look out for each other. Furthermore, the total cost for the purchase and construction of this project will in all likelihood make housing so costly, that most working families will not be in a position to afford to live there.

### **DISPLACING PEOPLE, CREATING TRAFFIC**

The developer also plans to use [eminent domain](#) - the power to take private property for public use - to evict entire families and businesses for his project.

Approximately 1,000 men, women and children would be displaced if the stadium plans go

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through (we know the number because we counted - door to door). In addition to families being removed, blocks may be closed to accommodate the stadium separating Fort Greene and Clinton Hill from the Prospect Heights community.

The junction of Flatbush and Atlantic avenues is currently congested with traffic, and adding a stadium and 17 skyscrapers would only serve to worsen traffic conditions in a dense residential community. The massive influx of automobile traffic would tie up a main artery and create the biggest parking lot in the heart of downtown Brooklyn.

Imagine 23,000 more cars - that's nearly 1,000 more an hour - and many more children with asthma.

### **FINANCING THE FUTURE AWAY**

The biggest gamble in all of this is the method of financing the stadium.

Recently, Ratner claimed that all he wanted in exchange for this project is for New York City to kick back some of the sales and income taxes to pay off loans that he had to borrow for the project. It was reported that the total bill for the stadium and surrounding commercial, office and residential development is being estimated at \$2.5 billion (not including the \$300 million that he would pay for the Nets).

This project will rely upon the use of Tax Increment Financing (TIF). Tax Increment Financing is one of the fastest growing development subsidies in the country, and it diverts future property, sales and income taxes in a designated district until a developer can pay off the costs of the project. It is just another name for corporate welfare.

Bruce Ratner's past is prologue to his future. His Atlantic Center Mall, which is directly across the street from the proposed stadium, is shrouded in a cloud of controversy. It has not resulted in any appreciable benefits to the community and has a 23-year property tax abatement with a disastrous private commercial rental history.

Not only will this be bad for Brooklyn, but for all of New York.

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An Independent Budget Office report on the public financing of professional stadiums concluded that dedicating taxes for huge construction projects like this ties up a significant portion of the city's revenues, and often competes with funding for other city needs like schools, police, housing, playgrounds, and sanitation.

I was elected to protect and preserve working families, to create more affordable housing and employment opportunities, and to devise economic plans that involve and respect the character of local communities. I support development of this site, but development that make sense. We need projects that will generate revenue for the area and leave the Prospect Heights community intact.

We do not need to look like an imitation of Manhattan. We stand uniquely and proudly as Brooklynites.

*Letitia James represents the district 35 neighborhoods of Prospect Heights, Fort Greene, Clinton Hill and North Crown Heights in the New York City Council.*

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