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BUSINESS

Giuliani Blasted Over Pathmark

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An angry group of Hispanic City Council members has sent a blistering letter to Mayor Rudolph Giuliani, demanding that the city rethink its involvement in the proposed construction of a huge Pathmark supermarket along 125th Street in East Harlem.

The March 21 letter arrives as the Manhattan Borough Board is considering whether to support the controversial supermarket which, at 53,000 square feet, would dwarf existing grocery stores in the area. A vote by the board, a group of elected officials and community leaders whose approval is required, is tentatively scheduled for next month.

Echoing complaints from some East Harlem merchants, the council mem-

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— Councilman Antonio Pagan

bers charge the project would unfairly hurt Hispanic-owned supermarkets, excludes Hispanics from the development team and favors Pathmark by providing tax breaks.

"We've been raising these issues, but we've been ignored," said Councilman Antonio Pagan (D-Manhattan), one of nine officials who signed the letter.

Giuliani's office did not respond to

requests for comment.

The project, estimated to cost about \$12 million, would be developed by the Abyssinian Development Corp., a nonprofit arm of the Abyssinian Baptist Church, and the Community Association of East Harlem Triangle.

The financing would include \$1.1 million in federal and state subsidies; \$1.2 million provided by Local Initia-

tives Support Corp., a nonprofit; and bank loans. The city is proposing to offer several million dollars in tax abatements. As a tenant, Pathmark wouldn't contribute to construction costs.

"The building of this Pathmark in East Harlem sends the wrong message to all Latinos, but particularly to Latino businesses . . . In essence, Pathmark gets the benefits of a perverse affirmative action, favoritism that government has often exhibited to large corporations in numerous kinds of corporate welfare schemes," the council members wrote.

Pagan said City Hall ought to eliminate the tax breaks, convince the developers to include local Hispanics as partners and reduce the size of the proposed store.