

As the attached letter clearly highlights, the City has absolutely no inclination to negotiate an equitable settlement of the controversy surrounding the Bronx Terminal Market. The letter, written by Terri Feinstein Sasanow of Corporation Counsel, makes it clear that EDC's original insulting take it or leave it offer that was the impetus behind the lawsuit brought by market merchants, is the only offer the City will ever put forward. As Feinstein-Sasanow indicates, "The City has ... no obligation to provide the merchants with any form of relocation."

The City's callous disregard, ignoring months of public controversy over the merchant's fate, underscores the fact that the merchants never had a negotiating partner and any allegation that "the merchants wouldn't come to the table" is, through this communication, demonstrated to be patently false.

Given the position of the City that these merchants are of no account, it is now up to the Bronx elected officials to step up. We call on all of them to use the influence they have to force EDC to negotiate in good faith.

Finally, it should be emphasized that the City, in an act of unprecedented generosity (or perhaps malfeasance), has turned over the Bronx Terminal Site to Related for a fraction of its real value and, in the process, "negotiated" a lease that boldly shortchanges the tax payers of this city. After all, what other developer who is not building a football stadium could possibly be given 1,000,000 sq. ft. of waterfront property for prime retail use for, at a maximum, \$2 a square foot?

The City's largesse vis-à-vis the Gateway development extends beyond incredibly low rents. EDC, without any prior appraisal of the land, transferred the City-owned Bronx House of Detention to Related in exchange for the developer's promise to

construct an Olympic Velodrome next to site. Even though New York did not secure the Olympics, the City is still planning to sole-source this piece of public property to the Related Companies. Making matters worse, Related is currently receiving approximately \$4.2 million in yearly rent from the Terminal Market merchants while only paying \$250,000 to the City. So not only does Related cash in down the road but it is currently making four million dollars annually on the very market it and EDC want to destroy.

In this context, the arrogance of the Feinstein-Sasanow letter is truly remarkable. It upbraids the merchants who simply want to be treated fairly. Certainly, considering the deal that the City has given Related, that shouldn't be too much to ask. This whole situation reminds us of the old aphorism: "The law in all its majesty punishes the thief for stealing the goose from off of the Commons, but lets the greater felon loose who steals the Commons from the goose."

We urgently look forward to discussing these matters with you. Clearly, with ULURP moving ahead, time is very short.

Sincerely,
Richard Lipsky