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# Rail yard land sale OKd

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The Metropolitan Transportation Authority will go forward with its controversial plan to sell the eight-acre piece of land above the Long Island Rail Road's downtown Brooklyn rail yards despite criticism that the agency is squandering an asset for well below its value.

The MTA board voted 10-2 yesterday to approve the revised terms of the offer made by Brooklyn developer Forest City Ratner Cos. to sell property as part of its Atlantic Yards project, which will include the new home of the New Jersey Nets.

The board originally approved a plan in 2005 to sell the property to Forest City Ratner for \$100 million upon closing of the deal. The developer also promised at the time to build the LIRR a state-of-the-art new rail yard that would include nine tracks that would accommodate 76 train cars.

But citing financial hardship, Forest City Ratner last week changed the terms of the offer. The amended deal included just \$20 million up front, with the remaining \$80 million deferred over the next 22 years. The rail yard was also scaled back to include seven tracks that could handle 56 cars.

MTA board member Mitchell Pally said that, while he supports the Atlantic Yards project, he could not get behind the offer.

"The only issue facing me as a board member is whether ... the MTA is getting fair market value for this property," said Pally, of Stony Brook, who was joined by Allen Cappelli in voting against the deal.

But board member Jeffrey Kay, of Manhattan, said there "is no downside" to the deal, which still provides substantial improvements to existing transit infrastructure and would let the MTA get back the parcel if the developer defaulted.

In a statement, Forest City Ratner chief executive Bruce Ratner said he was "extraordinarily appreciative of the professionalism and vision" of the MTA in approving the deal.

The plan cleared another major hurdle with the approval of the Empire State Development Corporation on Tuesday.

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