NEW YORK CITY LAW DEPARTMENT OFFICE OF THE CORPORATION COUNSEL

Press Release

Michael A. Cardozo, Corporation Counsel

nyc.gov/law

For Immediate Release

FEDERAL DISTRICT COURT DISMISSES LAWSUIT CHALLENGING THE LACK OF DEVELOPMENT IN WILLETS POINT

Contact: Kate O'Brien Ahlers / Connie Pankratz (212) 788-0400 media@law.nyc.gov

New York, November 25, 2009 – Today, a federal judge dismissed a lawsuit against the City brought by several Willets Point businesses which claimed that the lack of development in the area violated their constitutional rights. Eastern District Judge Edward R. Korman found that the plaintiffs had failed to raise any viable legal claims and dismissed the suit in its entirety. The decision also acknowledges the difficulty with redeveloping the area in a piecemeal fashion and recognizes that the City's sweeping plan to rebuild Willets Point was overwhelmingly approved by the City Council.

The Court stated that the plaintiffs failed to establish that there was no rational basis for the historical lack of redevelopment in the area. The Court also noted that the plaintiffs had opposed earlier development plans and were more interested in substituting their own plan for the area in the place of one that the "City has already expended resources in preparing and has received the requisite public approvals." Judge Korman also questioned plaintiffs' motives for bringing this action, stating "[t]he timing of this lawsuit as well as plaintiffs' own admissions at oral argument suggests that its [sic] real purpose of their lawsuit is to obstruct and forestall the implementation of the approved plan."

"We are very pleased with the Court's decision. The well-considered opinion not only discusses the enormous difficulties inherent with redeveloping the Willets Point area, but acknowledges that the City and City Council have taken the steps that are necessary to improve the area for future generations," said New York City Corporation Counsel Michael A. Cardozo.

In dismissing the suit, the Court recognized the City's inherent authority in allocating important resources – like investing in costly infrastructure improvements. The court found that "the City's conduct was the product of an entirely rational cost-benefit analysis based on conditions that are unique to Willets Point," which include historical loose fill and an existing street system that makes it difficult to redevelop the area such that "any development plan would likely involve large-scale changes to the zoning, use, and organization of the neighborhood." It further noted that the "City could rationally conclude that the investment of enormous sums of money in infrastructure and other services before a redevelopment plan was finalized would be imprudent."

The Willets Point Industry & Realty Association, as well as several local businesses, brought the lawsuit in 2008 and alleged that the City had "systematically deprived" Willets Point of vital infrastructure for several decades in order to drive down property values. Today, the court granted the City's motion to dismiss the complaint. The case was handled by Chris Reo, Daniel Greene, and Amanda Goad of the New York City Law Department. The action challenging the project's environmental review, which was brought by a similar group of plaintiffs in New York State Supreme Court, is still pending.

The Willets Point Development Plan calls for the remediation of what is today a heavily polluted 62-acre site in the heart of Queens that sits on the Flushing River between the thriving neighborhoods of Flushing and Corona and adjacent to Flushing Meadows Corona Park and the new home of the Mets, Citi Field.

The plan creates 5,500 housing units, 35 percent of which will be dedicated to low-, moderate- and middle-income families, eight acres of open space, parks and playgrounds, 500,000 square feet of office space, 1.7 million square feet of retail space, a new school and a hotel and convention center. In addition to creating 5,300 permanent jobs and 18,000 construction jobs, the plan is expected to generate \$1.3 billion in direct tax revenue and at least \$25 billion in economic activity over 30 years. The plan, which will produce the City's first LEED-certified neighborhood, also includes a comprehensive Willets Point Workforce Assistance Plan that is being administered by LaGuardia Community College and is available to all 1,700 workers at Willets Point. Design and off-site construction work began earlier this year. It is expected that ground will be broken in early 2010.

The New York City Law Department is one of the oldest, largest and most dynamic law offices in the world, ranking among the top three largest law offices in New York City and one of the largest public law offices in the country. Tracing its roots back to the 1600's, the Department has an active caseload of 90,000 matters and transactions in 17 legal divisions. The Corporation Counsel heads the Law Department and acts as legal counsel for the Mayor, elected officials, the City and all its agencies. The Department's 650 attorneys represent the City on a vast array of civil litigation, legislative and legal issues and in the criminal prosecution of juveniles. For more information, please visit nyc.gov/law.