

The New York Times and Forest City Ratner's Atlantic Yards: High-Rises and Low Standards

A Pattern of Inadequate, Misleading, Mostly Uncritical Coverage

EXECUTIVE SUMMARY

By Norman Oder

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Introduction

The New York Times & Atlantic Yards

Developer Forest City Ratner's proposed \$3.5 billion Atlantic Yards development at an at least 22-acre site in Brooklyn—recently revised with taller versions of at least 17 high-rise towers and an arena for the Nets NBA basketball team—"may be the most important urban development plan proposed in New York City in decades," according to New York Times architecture critic Nicolai Ouroussoff (Seeking First to Reinvent the Sports Arena, and Then Brooklyn; 7/5/05). According to the developer, Atlantic Yards would be the largest project in Brooklyn's history and the third-largest ever in New York City. Those are reasons enough for the project to merit exacting scrutiny from the newspaper of record.

There's another reason: Forest City Ratner (FCR) is The New York Times Company's development partner for the new Times Tower on Eighth Avenue between 40th and 41st streets, scheduled for occupancy in 2007. For that project, the Times Company agreed to guarantee a \$100 million loan to FCR for its portion of the structure. FCR President Bruce Ratner and Vice President Jim Stuckey helped choose architect Renzo Piano for the Times Tower. Given the parent company's connection to FCR, it might be expected that the *Times*—the company's flagship newspaper—would offer thorough coverage, taking care to dispel any hint of conflict of interest. Indeed, Public Editor Byron Calame has noted that the *Times* must avoid both bias and any perception of tilt toward Ratner (see item 10.2).

Unfortunately, since FCR's announcement of the Atlantic Yards project in December 2003, the *Times*'s coverage has been inadequate, misleading, and mostly uncritical of FCR. An assessment of the *Times*'s coverage of Atlantic Yards unearths numerous stories missed, legitimate critics ignored, issues downplayed, and mistakes uncorrected. The *Times* seems to have abandoned its responsibility to look carefully at Bruce Ratner, Brooklyn's largest developer, while several political leaders unquestioningly support his latest project.

This report concludes that the *Times's* cumulative coverage of FCR's Atlantic Yards project does not meet the paper's own standards. As the newspaper's Guidelines on Integrity state, "Our greatest strength is the authority and reputation of *The Times*."

Evidence of the newspaper's failure to follow the Atlantic Yards story is overwhelming. Other media outlets (including the New York Daily News, the New York Post, The New York Sun, Newsday, The New York Observer, The Brooklyn Papers, Brooklyn Downtown Star, Brooklyn Daily Eagle, The Brooklyn Rail, and WNYC radio) have reported crucial information that the Times has omitted. The Times has even ignored the recommendations of its own Public Editor, the ombudsman



View of Prospect Heights neighborhood along south side of potential site (much of the block with the tallest building is sectioned out of the plan)

The coverage does not meet the paper's own standards

position established in 2003 to independently critique newsroom operations after the fabrications of reporter Jayson Blair suggested widespread institutional failures.

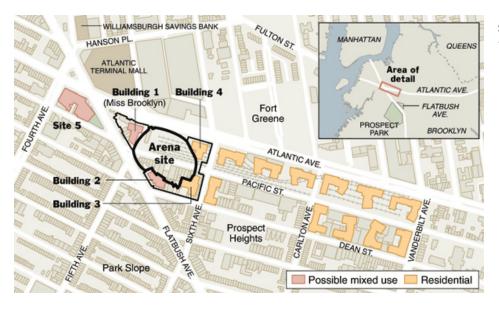
The flaws in the *Times's* coverage of the Atlantic Yards development plan don't prove that there's any directive to go easy on Forest City Ratner. However, given the two companies' corporate relationship, the *Times* newspaper should report on FCR exactingly. That has not been the case. That institutional failure shapes public policy and public opinion.

As the newspaper's own "credibility committee" said in a report issued earlier this year, "when numerous articles use the same assumption as a point of departure, that monotone can leave the false impression that the paper has chosen sides." Although that sentence was written in regard to "emotional topics" like abortion, it also applies to the coverage of FCR's Atlantic Yards proposal.

This report raises numerous questions about how the *Times* has handled this major story and identifies dozens of errors that require correction (see Chapter 11). It also identifies multiple articles for which disclosure of the relationship with FCR was warranted, but never made (see Chapter 10). Those disclosures should be added to the archived versions of those articles. In an interview with Public Editor Byron Calame (A Conversation With the Standards Editor, 8/28/05), Standards Editor Allan Siegal said: "I also believe... that we can save ourselves a lot of pain if we don't do anything that we would be embarrassed to have readers know about, that everything we do ought to be something we're willing to describe to readers and tell them about." Public Editor Calame, as well as editors at the *Times*, owe the public a thorough examination of the newspaper's coverage of Forest City Ratner and its Atlantic Yards project.

Pages following the Executive Summary elaborate on each item in greater detail, with sources.

That institutional failure shapes public policy and public opinion



Site plan as it appeared in *The New York Times* 7/5/05

About This Report

Norman Oder

Norman Oder, the volunteer author of the report, has been a journalist for more than 20 years. As a freelancer, he has contributed to a wide range of publications, including Columbia Journalism Review, American Journalism Review, New York Newsday, the New York Daily News, The Village Voice, The New York Press, and Gotham Gazette. He earned a Master of Studies in Law as a journalism fellow at Yale Law School. A licensed New York City tour guide, he has also operated a part-time tour business in Brooklyn since 2000.

Author's Note and Acknowledgements

This project began July 5, 2005. Outraged by the inadequacies of the *Times* article published that day (Instant Skyline Added to Brooklyn Plan), I decided not to send another letter to the Times—three previous ones criticizing coverage of Forest City Ratner had generated no response—but instead e-mailed a critique of the article to Develop Don't Destroy Brooklyn, an organization with which I had had no previous relationship. Shortly afterward, I suggested writing an analysis of Times coverage, and immersed myself in articles and reports about the Atlantic Yards plan. After I completed a draft, several people volunteered significant help. Patti Hagan did most of the factchecking, applying her 15 years of factchecking experience at The New Yorker; in the process, she served as a sounding board and debating partner. Michael Decker designed the report, making a text-heavy document far more readable, under severe time pressure. Abby Tannenbaum copyedited most of the report, also under severe time constraints. Danila Oder offered crucial editing and organizational advice. Schellie Hagan also performed vital editorial and factchecking work. I and especially Stuart Sachs contributed most of the photos. (Rights to Tom Callan's photos were purchased.) Others who volunteered help include: Pamela Ford, Steve Soblick, and Summer Starling, as well as several other readers. Some of the volunteers are opponents of the Atlantic Yards project; I welcomed their comments on news coverage, though I didn't agree with all of them. The final responsibility for the report remains mine.

Executive Summary

year over 10 years.

The Times Fails to Adequately Cover Forest City Ratner's Atlantic Yards

1. The *Times* has overlooked basic facts behind the deal proposed

by FCR. The idea of the Nets arena and basketball team at the Atlantic Yards site is a lure to reel in politicians, businesses, and residents behind a massive real estate development of at least 17 skyscrapers covering at least 22 acres. Forest City Ratner titles its web site for the project "Bring Basketball to Brooklyn."

The most recent major *Times* story (7/5/05) on the expanded design, as a \$2.5 billion project became a \$3.5 billion one, reads as if the reporter never noticed that the initial announcement included the tallest building in Brooklyn. Nor did the *Times* explain why the project had to grow from 4,500 housing units to 6,000 or 7,300 units, with towers taller and bulkier than previously projected. The answer points to the need for more market-rate housing to ensure sufficient profits for the entire project. The *Times* has not explained that "affordable" relies on an average income well above the average in Brooklyn, that "affordable" consists mainly of "middle income" housing, and that the "affordable housing" will last only 30 years.

2. The *Times*—as well as most other media outlets covering the project—hasn't questioned FCR's projections about jobs. However, FCR has lowered its own estimate for permanent jobs from 10,000 to 6,000—and there might be even fewer jobs. Also, a significant percentage of those jobs would likely be "retained" rather than new to the city. Also, FCR and government officials promise "15,000 construction jobs," but that standard industry term actually means 1,500 jobs a

3. The *Times* has failed to examine the true public cost of the project.

FCR and supporters say it will require \$200 million in direct state and city subsidies. However, the company acknowledges that the total public cost over 30 years would be well over \$1 billion. Independent studies suggest the cost of public support would be higher. The *Times* has failed to fully analyze these reports. It has failed to analyze FCR's rosy projections of new revenue, even though they're contradicted by the New York City Economic Development Corporation. The *Times* has not explained that the project would be financed via methods that bypass the City Council. In addition, the *Times* has barely considered the effect on local traffic, including the economic impact, much less other increased demands for public services.

The answer points to the need for more market-rate housing to ensure profits

- **4.** The *Times* has neglected to analyze the Community Benefits Agreement (CBA), which experts consider to be of dubious legitimacy compared to CBAs elsewhere. Nor has it reported that an FCR ally with a questionable ethical record, State Assemblyman Roger Green, helped conceive the CBA as well as the job-development group Brooklyn United for Innovative Local Development (BUILD), which sprang up solely to negotiate the agreement. The newspaper has done no analysis of BUILD. Nor has the *Times* analyzed the manipulation of racial politics in the debate.
- **5.** The *Times* has mischaracterized and minimized opposition to the **project.** It has reported that the opposition is "local residents" while ignoring the elected officials who oppose the project. The newspaper conducted a poll that showed most city respondents—not just local ones—oppose a taxpayer-supported arena, but it reported those results only on its web site, not in the print edition. Unlike other daily newspapers in New York City, the *Times* ignored results from a 2004 Quinnipiac University poll that revealed majority opposition to a taxpayer-supported arena. The *Times* has not reported that, in public debates, Norman Siegel, a candidate for Public Advocate, has challenged incumbent Betsy Gotbaum regarding her position on eminent domain at Atlantic Yards.
- 6. The project has been plagued by a lack of transparency and a subversion of local government control, with little reporting on this from the *Times*. Unlike other media outlets, the *Times* did not cover the only City Council hearing on the project in 2005. It missed the testimony of watchdog groups who called the process of approving this plan deeply flawed. It even missed new information from FCR. The *Times* has ignored criticisms of FCR's influence by members of Brooklyn community boards.
- 7. The *Times* has missed many chances to delve into FCR's tactics for winning project approval. In May 2004, FCR sent a questionable mass mailing to Brooklynites, offering a souvenir if respondents endorsed Atlantic Yards. The mailing misleadingly quoted the *Times* and inappropriately used the *Times*'s own logo. FCR requires its partner in its housing agreement to speak positively of the plan. The *Times* has not reported these stories. In addition, when FCR buys property

The Times ignored results from a 2004 Quinnipiac University poll



Model view of latest version of Frank Gehry's plan for Atlantic Yards, as published in *The New York Times*, 7/5/05 (proposal shaded for emphasis)

within the footprint of its plan, sellers are contractually required to speak positively of the company and give up their right to criticize the development. The *Times* has mentioned this once, in passing, and in a Real Estate section story rather than a Metro section story. FCR published and distributed a newspaper-like promotional sheet, The Brooklyn Standard, which contains misleading information about the project. The *Times* reported on The Brooklyn Standard 10 weeks after its appearance.

- **8.** The *Times* has soft-pedaled FCR's track record of gaining subsidies for its projects and failing to fulfill the visions promised. All of FCR's major Brooklyn projects—the MetroTech office development and the Atlantic Center and Atlantic Terminal malls—have relied significantly on subsidies and/or government tenants. However, the *Times* has portrayed those projects positively, ignoring many of their critics. The *Times* has not, since the announcement of the Atlantic Yards project, printed a profile of the company, the largest real estate developer in Brooklyn, and only the sketchiest profile of its billionaire president.
- **9.** The *Times* has downplayed the threat of eminent domain in the Atlantic Yards project, although it has covered the issue outside Brooklyn in greater detail. It has not run a substantial analysis of the use of eminent domain in the Atlantic Yards plan, and it has printed self-serving and unsubstantiated statements issued by FCR. It has not reported that the eminent domain threat has already forced some tenants out of the projected site footprint. Its editorials have soft-pedaled the impact of eminent domain in Brooklyn. It covered a nationally-important eminent domain case before the U.S. Supreme Court, in which the city of New York and both FCR supporters and opponents filed briefs, without mentioning the potential effect of the case on the Atlantic Yards project.
- 10. The *Times* has been inconsistent in disclosing its ties to FCR, though both of its Public Editors, Daniel Okrent and Byron Calame, have **recommended more disclosure.** FCR is a development partner with The New York Times Company to build the new Times Tower, in Midtown. As a company, the Times has an interest in FCR's reputation and overall success, especially since FCR must find tenants for half of the tower. A New York Times Magazine interview with FCR President Bruce Ratner did not mention his ties to the newspaper's parent company. Public Editor Calame chastised the paper in his Web Journal, but the *Times* did not publish a correction or letter. In addition, the Times has not disclosed its ties to FCR in at least 13 other substantial articles about the developer, including a tribute to the initial Atlantic Yards design by former architecture critic Herbert Muschamp (who served with FCR officials on the selection committee for the architect for the Times Tower), as well as articles about two FCR malls adjacent to the Atlantic Yards site. The Times for nearly five years has not mentioned that FCR's Bruce Ratner and Jim Stuckey helped choose the Times Tower architect. The *Times* should immediately add disclosure of the parent company's relationship with FCR to relevant articles in its archive.

11. The *Times* has not published corrections of obvious misinformation.

The newspaper has twice portrayed the project footprint as an open railyard, both in a photo caption and in an article by former architecture critic Herbert Muschamp. This error suggests the area is uninhabited and furthers the notion that FCR would work on a blank canvas. However, only 8.3 acres of the project—which would cover at least 22 acres—constitute the railyard, while the rest consists of city streets, private homes, and private businesses. The *Times* has regularly, and incorrectly, described the project as being located in "Downtown Brooklyn." This report documents more than 50 errors.



A building on Dean Street, a block slated for the skyscraper plan

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- **12.** The *Times* has failed to fulfill its role as a forum for readers' **opinions.** Since the Atlantic Yards project was proposed at the end of 2003, the *Times* has ignored critical letters and it has printed one that contains dubious assumptions. It has shunted critical letters to the City Weekly section, which does not circulate nationally. Thus, *Times* readers outside the five boroughs are less able to learn about public opinion regarding this Robert Moses–scale reshaping of Brooklyn.
- 13. *Times* editorials about the project have been inconsistent. This raises a question of whether the parent company's interests influence the newspaper's editorial page. A recent editorial suggested that the main opposition to the plan concerned its size. However, critics have long raised questions about eminent domain, the public costs of the plan, the subversion of an open process, and FCR's dubious tactics. Also, editorialists seem to have abandoned their previous call for an independent examination of the costs and benefits of the project, as well as their stand against using public subsidies for the Atlantic Yards project.
- **14.** *Times* architecture critics have been cheerleaders for the project. Former critic Herbert Muschamp failed to disclose his own ties to FCR in his rapturous assessment of the Atlantic Yards proposal and failed to disclose the Times's ties to FCR. Current critic Nicolai Ouroussoff has praised the project without considering its effect on the surrounding neighborhoods. Neither has tried to assess FCR's much-criticized architectural record in Brooklyn.

The Times architecture critics have not tried to assess FCR's much-criticized architectural record in Brooklyn

Afterword

A Questionable Track Record

A. The Times has trouble covering Times Square redevelopment

The *Times*'s coverage of the Atlantic Yards controversy must be seen against the backdrop of the newspaper's own coverage of The New York Times Company as a presence in Times Square. As Columbia University professor Lynne Sagalyn's thorough analysis of the Times Square redevelopment coverage shows (*Times Square Roulette: Remaking the City Icon*, MIT Press, 2001), the newspaper has trouble analyzing important cost-benefit questions about such complex projects.

B. The *Times* has trouble covering its own real estate deal with Forest City Ratner. The New York Times's parent company, which owns several other newspapers, TV stations, and media properties in addition to the flagship newspaper, has an interest in FCR's success, as the two companies are partners in building the Times Tower, a project announced in 2001. The *Times*'s awkwardness in covering FCR began well before the Atlantic Yards project. The newspaper has not attempted to quantify the Times Tower subsidies beyond vague terms. It hasn't explained that FCR has had trouble finding tenants, in part because of its high rent rates. It hasn't explained that FCR refused to use Liberty Bonds because the company was unwilling to return some profits to the city. Nor has it reported that the Times Company's profit from selling its old building may have made public subsidies for the new Times Tower less plausible.