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May 10, 2012

Kenneth Adams President, CEO Empire State Development 633 Third Avenue New York, NY 10017

Dear Mr. Adams:

I write to request that Empire State Development (ESD) provide our communities information regarding the agency's proposed subsidies for Fresh Direct to move from Long Island City, Queens to the Harlem River Yards in the Hunts Point neighborhood of The Bronx.

In a February 7, 2012 press release, the ESD reported that it proposed giving a \$9 million grant and a \$1 million loan to Fresh Direct. But as we understand it, no additional information has been made public, a public hearing has not been held and the ESD board has yet to vote on the project. We are unclear if a General Project Plan for the project has been drafted or when it will be made available to the community.

As this proposal is expected to have a serious impact on two New York City neighborhoods we urge you to provide detailed information regarding the Fresh Direct proposal and any associated public hearing process immediately. As we understand it, the ESD policy is to provide ten days notice of a hearing on a project on its website but only after the project has been presented to and voted on by the board of directors.

A better example for public hearings has existed for several years at the New York City Industrial Development Agency (IDA). This process has not harmed the Bloomberg Administration's proposals while creating a venue for New Yorkers to know more about how subsidies are allocated. The IDA process includes:

- Thirty days notice on the agency's website of a hearing on a proposed project with name and address of project and type of subsidy the firm applied for. Twelve calendar days before the hearing, project materials including a summary of the cost and benefits and a copy of a firm's application are made available on the agency's website. An example is here: http://www.nycedc.com/nycida/board-meetings-public-hearings
- A public hearing is held four business days before the IDA board is presented with the project. Copies of testimony are provided to the board after the hearing.

We believe that a transparent and participatory process of how your agency intends to allocate economic development subsidies to Fresh Direct is necessary for an equitable use of these resources. We look forward to your timely response.

Thank you,

José M. Serrano

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