

**May 24, 2007**

**Sam Yoon, City Councilor At-Large**

Budget season is the time when the City of Boston puts its money where its mouth is. You can tell a lot about a city by looking at its funding decisions. Is it filling potholes? Building schools? Putting police officers on the street? Or is it leaving money on the table and squandering taxpayers' trust?

With property taxes straining family budgets and violent crime a pressing concern, Boston's needs are clear. That's why we can't afford to waste any money, and why I am very concerned about a proposed project that could represent a potential loss of revenue for our city. The Winthrop Square garage (located in the Financial District) is owned by the city and has been targeted for the development of a signature skyscraper. The current operator of the garage will end its 55 year lease agreement on June 30<sup>th</sup>, after which the city could potentially earn a lot of money before selling the site to an interested developer.

In fact, according to the Boston Finance Commission, the City of Boston could gain \$2.5 million per year from this garage in the short term, and \$60 million for sale of the property.

At first glance, the Winthrop Square project seems ordinary. But the kicker is that the Boston Redevelopment Authority (BRA) plans to take the garage by eminent domain, meaning that this large potential revenue stream wouldn't go to the city and its taxpayers--it would go to the BRA or the developer. Mayor Menino has formally allowed the BRA to take a legal interest in the garage and direct any "excess revenues" to be placed into an escrow account. The purpose of the escrow account was not revealed in his letter.

I've seen this scenario before. My experience in Chinatown with the Hayward Place parking lot makes me fear that the city may be making a very costly mistake. The BRA took the Hayward Place parcel by eminent domain in April 2001 and issued an RFP (Request for Proposal) for development. There were two key requirements in the Hayward Place sale: 1) A financial commitment that \$13 million of the proceeds would go to the building of the new Josiah Quincy Upper School in Chinatown upon commencement of construction; and 2) that the city would receive the income from the operation of the parking lot until the beginning of construction by the developer.

The BRA has since changed the requirement allowing the Hayward Place developer to collect the revenue from the operation of the parking lot. And because construction may not begin until 2013, it will be many years before a new school in Chinatown opens.

I support development in the city and recognize its benefits, including jobs, community revitalization, and a stronger tax base. But for the sake of building a high-rise, the city is about to give up a significant source of revenue at a time when resources are desperately needed. Since my election, I have been consistently approached by members of the community, young and old, who want to know why the city is so "tightfisted." Residents can see (and feel) what's missing in their neighborhoods; they want answers to

why resources are so scarce. This is no time to watch idly as the city loses a revenue producing asset.

Losing the potential benefits of Winthrop Square would be fiscally irresponsible, as our city deals with its own problems. Looking closely at the Winthrop Square project will help us ensure that this city asset benefits the city, not the BRA or a developer.

I have met with the BRA and the mayor's administration to discuss my concerns with the Winthrop Square development, and have informed my Council colleagues of our discussions. Since my election, I have made open, accountable and transparent government a cornerstone of my commitment to service. I believe my job as City Councilor is to build bridges, forge relationships, and find solutions to the problems our City faces. Since our meeting, the mayor has proposed to use proceeds from the Winthrop Square garage to fund police and badly-needed capital improvements for Boston Housing Authority properties. The public hearing I have ordered will be the starting point for an open public process to discuss this proposal.

But this is only a short-term solution to a long-term problem. Boston taxpayers deserve increased scrutiny of the BRA. The City must demand that the BRA act in the public interest--not just the BRA's self-interest. I will continue working on the City Council to scrutinize the City's finances and ensure government does right by our taxpayers.