Donovan Statement to Port Authority Board | 4/23/14

The latest infomercials in the press on why the public should give Silverstein another massive loan are very clever – and persuasive, if one suffers from amnesia. But, we have been listening to the cheerleaders' rosy forecasts and dire predictions for a decade now and can see them for what they are – efforts to justify past mistakes with new ones. We should all know by now that those voices can't be trusted.

The World Trade Center has been undermined by wishful thinking, headstrong conceit, and the nasty belief that the ends justify the means. You did not need a panel of experts to tell you what we have been stating for three-and-a-half years: The governors wield too much *sub rosa* power over the Port Authority and you need to come clean.

If you approve this loan we will know that you really have not learned anything and will keep paying hush money to try to avoid embarrassment. Meanwhile a second- or third-tier developer in 2001 has leveraged his WTC credentials into a global empire with $50 billion in development in the pipeline, but keeps whining about how much the WTC is costing him!

If you had given us a straight answer two-and-a-half years ago, when the Twin Towers Alliance asked for the records that might explain why Larry Silverstein is still in control at Ground Zero, when he appears to be little more than a squatter, the public would know what it needs to know now. But, the fact that you stonewalled our Freedom of Information request and forced us to bring suit earlier this month should tell honest-minded people all they need to know.

The public can't trust the Port Authority and we cannot trust Silverstein. I hope you all received the letter we sent to Silverstein last night inviting him to provide straight answers to straight questions. Among them:

- What have you received through all public sources and what you have disbursed?
- How was the insurance money spent and what remains?
- Why did public officials allow you to take back your down payment from the insurance money that was provided to rebuild the towers?
- What entitled you those proceeds once you had taken back the money you paid for the property and failed to perform on your contractual duties?
- Why did officials saddle the public with billions of dollars that were your responsibility?
- Why were all the negotiations done in secret?
- If, as has been reported you have made direct payments of $3 billion to the Port Authority out of the $4.55 billion in insurance money you received, how do you account for the remaining $1.55 billion?
- Why would your rent be paid with funds that were meant for rebuilding a public asset?
- Exactly how much equity has Silverstein Properties invested in Park Place, Warsaw, China, Israel, and Disney World at the same time that it is lobbying for increased <u>public assistance</u> at Ground Zero?

Until someone can tell us exactly how he has spent what he has already received, you have no business giving him anymore. Mr. Silverstein loves to compare the World Trade Center to Rockefeller Center, oblivious to the fact that John D. Rockefeller, Jr. risked his and his family's money to build the complex – not the public's.

Since contracts are now up for renegotiation, this is a good time to revisit the terms of the 2006 Master Development Agreement. After all, wouldn't the most obvious solution for the WTC's two half-empty towers be for the Port Authority to move into the Freedom Tower, the City offices to stay where they are, and GroupM to anchor 4 WTC?

If you vote to keep draining the public to prop up this master manipulator I have a prediction of my own: You will be sorry.