

NEW YORK STATE BLACK, PUERTO RICAN, HISPANIC, AND ASIAN LEGISLATIVE CAUCUS

ROOM 442-A • LEGISLATIVE OFFICE BUILDING ALBANY, NY 12248 • OFFICE: 518-455-5347 • FAX: 518-455-4490

Email: bphacaucus@assembly.state.ny.us

The State University of New York Board of Trustees 33 West 42nd Street New York, New York 10036

June 19, 2014

Dear Board of Trustees:

We, the members of the New York State Black, Puerto Rican, Hispanic & Asian Legislative Caucus, are greatly concerned about the process the State University of New York (SUNY) used that resulted in a rushed termination of the top two bidders in the sale of the Long Island College Hospital (LICH) campus.

It is unclear why there was a failure to exhaust every opportunity to negotiate for the full 30-days with the first and second bidders, both who happen to be minority owned; and by SUNY's own scoring process were the most qualified. We ask, what were the flaws that led to their rejection? In addition to winning the RFP on the merits of their application, it was also a great opportunity to fulfill this Administration's expressed intent and policies to include minority owned-and-managed businesses on major projects of this scale.

Governor Cuomo has strongly proclaimed that expanding minority business participation is an important cornerstone of the State's economic revitalization platform. We wholeheartedly agree. In 2010, the State began a new statewide economic renaissance inclusive of minority business owners. We knew then, as we know now, that minority businesses are more inclined to partner with other minority businesses and employ from within minority communities. Measures to build capacity, access capital and create market opportunities for minorities are all primary mechanisms to drive reform of urban economic stagnation, improve disproportionate unemployment rates for Black and Hispanic males and ultimately help to improve life outcomes within our districts. In a land deal whose assets are valued anywhere between \$500 million to \$1 billion, and encompass over one million square-feet of prime Brooklyn real estate with a population over 60% minority (Black, Hispanic and Asian); it is egregious that SUNY slammed its doors shut to the State's first major land development deal with businesses whose controlling interest is minority owned. Equally important, SUNY slammed its doors to the prospect of bringing about real economic stability for many African American and Hispanic households.

The sale of the LICH campus was the perfect template for the State to showcase its commitment to the principles and spirit of its MWBE program. By SUNY's own scoring process, a major minority developer was fairly positioned and qualified to take the helm as a prime contractor in the sale of LICH.

We question why SUNY did not create greater business opportunities and potentially drive a higher profit for the sale of the one million square-foot property by selling the campus assets in smaller parcels. It is important, and appropriate, as the steward of prime state-owned real estate that SUNY bear the obligation to improve competitive opportunities with respect to larger contracts for minority owned-and-managed businesses.

We ask for a full investigation as to why these negotiations were conducted in a manner that is both not consistent with the RFP process and also contravenes the state's diversity objectives. Furthermore, we demand a full explanation of SUNY's decision-making process as it applied to minority participation in the sale of the LICH Campus. Until such time, we request an immediate suspension in the sale of the property until all of our questions and concerns are addressed.

Respectfully,

Assemblyman Karim Camara, Chairman

43rd Assembly District

Andrew Cuomo, NYS Governor cc:

Eric Schneiderman, NYS Attorney General Thomas DiNapoli, NYS Comptroller

Bill DeBlasio, NYC Mayor

LeTitia James, NYC Public Advocate

Carl H. McCall, Chairman, SUNY Board of Trustees

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