

Atlantic Yards Developer Releases New Arena Plan

By CHARLES V. BAGLI

Let the marketing begin.

The developer Bruce C. Ratner's six-year effort to build a basketball arena for the Nets near Downtown Brooklyn is moving into high gear, even as he awaits a court decision that could scuttle the \$800 million project. The arena, known as Barclays Center, is the linchpin for Atlantic Yards, a 22-acre residential and commercial development at Atlantic and Flatbush Avenues.

Mr. Ratner, chief executive of Forest City Ratner, released a newly revised design of the 18,000-seat arena on Wednesday depicting a weathered steel structure with a dramatic canopy and bands of glass that would allow pedestrians to see into the building, while sports fans view the skyline from their seats.

The state is expected to give the arena final approval on Sept. 17. Three weeks later, Forest City plans to begin marketing and selling about \$700 million in tax-exempt bonds for the project. At the same time, the company will be marketing 100 luxury suites and premium seats. It hopes to get control of the land and begin construction in November. If all goes as planned, Mr. Ratner says, the Nets, now playing in East Rutherford, N.J., will play part of the 2011-12 season in Brooklyn.

Mr. Ratner described the new designs, by Ellerbe Becket and SHoP Architects, as "both beautiful and cool," guaranteed to become a Brooklyn landmark.

In June, images of a brick structure resembling an airplane hangar were universally panned. The original design, by the architect Frank Gehry, was scrapped in a cost-cutting measure.

Still, Mr. Ratner must contend with a legal challenge by opponents and a weak real estate market that could undercut plans to build as many as 6,400 apartments at Atlantic Yards. The developer is also working against the clock; as a result of changing regulations, he must start construction by Dec. 31 to qualify for tax-exempt bond status.

On Oct. 14, the Court of Appeals will hear oral arguments challenging the state's use of eminent domain to take private property within the project site on behalf of the developer. A decision is expected within two months.

If necessary, the developer

PROMISING COMPROMISE

Nicolai Ouroussoff reviews SHoP Architects' design of the Atlantic Yards arena. The Arts, Page C1.

would place the bond proceeds into escrow until the decision.

Also on Wednesday, the Council of Brooklyn Neighborhoods, an opponent of the project, released a 47-page risk analysis by a real estate consultant, Kahr Real Estate Group, suggesting that it would take 20 years to finish Atlantic Yards because of a glut of new, higher-end apartments in Brooklyn and the lack of financing for real estate projects.

Mr. Ratner's renegotiated purchase agreement with the Metropolitan Transportation Authority, which owns an eight-acre rail yard on the site, also allows the developer to drop the second phase of the development, which involves the bulk of the residential construction, with few penalties, said Joshua Kahr, the owner of Kahr Real Estate.

"The New York City real estate market is remarkably weak," Mr. Kahr said. "It's a substantial challenge for Ratner to finish this project within the time frame he's proposing. I don't see how he can get the funding. It's hard enough to get the funding for a little project, let alone one of this scale."

Mr. Ratner dismissed the criticisms, saying that his company already had "hundreds of millions of dollars" invested in land purchases, designs and letters of credit. The only way to make a profit, he said, is by building. He said he planned to begin the first residential tower six to nine months after starting the arena.

The characteristically ebullient Brooklyn borough president, Marty Markowitz, declared that the new design was "a luminous, iconic structure that celebrates Brooklyn's industrial heritage" and in harmony with the surrounding neighborhood.

Opponents, however, complained that Mr. Ratner had left the community with little opportunity for comment by releasing the design at the very end of the public approval process. Daniel Goldstein, a spokesman for Develop Don't Destroy Brooklyn, characterized the images as "lipstick on a corrupt pig, window-dressing for a boondoggle."