



THE TWIN TOWERS ALLIANCE

April 22, 2014

Mr. Larry Silverstein
Chairman
Silverstein Properties, Inc.
250 Greenwich Street
New York, NY 10007

Mr. Silverstein:

You are asking for a \$1.2 billion loan from the public (the Port Authority of New York and New Jersey) to build 3 WTC.

As an organization which has sought to protect the public's interests at Ground Zero, we at the Twin Towers Alliance believe you should answer the following questions before the public provides you with any further loans, bonds, guarantees, etc.

- What have you received through all public sources, including development fees, fines, and abatements, and what you have disbursed?
- How was the insurance money spent and what remains?
- What have you spent of your own money?
- Why did public officials allow you to take back your down payment and that of your backers 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?
- How much did you pay to clear the debris at the site?
- Why did officials saddle the public with billions of dollars that were your responsibility? The contracts assigned the insurance proceeds to the Port Authority, if you failed to perform. And there was no shortage of other developers who could have stepped in. Why did officials bend over backwards to accommodate you?
- Why were all the negotiations done in secret?
- It has been reported that you have made direct payments of \$3 billion to the Port Authority out of the \$4.55 billion in insurance money you received -- \$1.5 billion of that was for rent and \$1.5 billion for construction. 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?

- Can you explain why the public is paying you development fees for property that you were required to build under the terms of your contract?
- Of the funds that came from the public directly or through the insurance that was meant to replace a public holding, how much has gone to your lawyers, architects, public relations, and advertising?
- When you sued the Port Authority in 2009-10 and were awarded \$100 million in public funds, did the public pay for the lawyers that sued us? When Howard Rubenstein arranged for the February, 2009, "60 Minutes" vanity piece, was he paid with the public's money?
- 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 public assistance at Ground Zero?

If contracts are being renegotiated, let's 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?

Until the public is given answers to all of these questions, Port Authority commissioners would be exceeding their authority if they gave Silverstein Properties another public cent.

Sincerely,

The image shows two handwritten signatures in blue ink. The signature on the left is "Margaret Donovan" and the signature on the right is "Richard Hughes". Both signatures are written in a cursive, flowing style.

Margaret Donovan and Richard Hughes
For the Twin Towers Alliance

cc: Patrick J. Foye, Executive Director, Port Authority of NY & NJ
Scott H. Rechler, Vice-Chairman, Port Authority of NY & NJ
Karen E. Eastman, Board Secretary, Port Authority of NY & NJ
for distribution to Commissioners Bagger, Lipper, Lynford, Moerdler, Pocino
Rosado, Schuber, and Steiner