

## **Suit Filed for Damages Based on Unpaid Wages and False Promises; Brooklyn Residents Persuaded into Participating in Deceptive Atlantic Yards Training Program**

November 15, 2011, Brooklyn, NY— A group of Brooklyn residents who participated in a job-training program negotiated as part of the Atlantic Yards project today filed a federal lawsuit against the Atlantic Yards Development Company LLC, Brooklyn Arena LLC, Brooklyn United for Innovative Local Development (“BUILD”), Forest City Ratner Companies LLC (“FCRC”), Bruce Ratner and others. The suit seeks the recovery of unpaid wages as well as damages based on false promises made to induce the plaintiffs into participating in a sham employment training program. The plaintiffs are represented by South Brooklyn Legal Services (a program of Legal Services NYC) and Emery Celli Brinckerhoff & Abady LLP.

*Media Coverage:* [NY Daily News](#), [NYTimes](#), [NY Times CityRoom](#), [NY1](#), [New York Observer](#), [Gothamist](#), [Patch.com](#), [Brooklyn Eagle](#), [Brownstoner.com](#), [The Brooklyn Paper](#), [The Real Deal Online](#), [MyLittleO.com](#), [Atlantic Yards Report](#)



*(Above, Councilmember Letitia James with SBLs client Kathleen Noriega)*

In December 2003, Bruce Ratner announced the Atlantic Yards Project (“the Project”). The announcement of the Project immediately provoked opposition from residents of the surrounding neighborhoods, in part because the Project required the demolition of many existing buildings and dislocation of numerous tenants, homeowners, and local businesses. As a part of FCRC’s attempts to assuage residents and win the support of local politicians who still had doubts about the Project, the Project developers entered into what they called a “Community Benefits Agreement” (“CBA”), promising to provide jobs and other benefits to the community. The CBA was negotiated primarily with organizations which had not actually existed prior to the Project’s announcement, including BUILD.

In the CBA, the Project developers promised, among other things, to create a “Pre-Apprenticeship Training Program” (“PATP”). This program was to be created by the Project developers and BUILD, in order to “train Community residents for construction jobs within the Arena and Project.” The seven plaintiffs participated in the PATP in the fall of 2010, and several even quit jobs to participate. BUILD and FCRC officials repeatedly and consistently told the participants that completion of the program would earn them membership in building trades unions whose workers would be employed by the Project.

Plaintiff Kathleen Noreiga said, “We believed them when they said that this was a path to union membership and union jobs. They even told us that they had seen the union books that were reserved for us. They told us that we could rely on their promises, because the CBA would guarantee that they keep their word.”

Instead, the participants were employed for two months in the construction of a house in Staten Island—work for which they received no wages or other compensation. They were expected to perform heavy labor, including demolition, removal of debris, cement work, sheet rock and tile. They received little or no training or supervision, and divided the work amongst themselves so that each was doing work that he or she already knew how to do. As a result, they learned very little that they did not already know. Despite BUILD’s failure to deliver the training opportunities it promised, participants continued to labor at the site because they were told they would not receive union cards if they did not.

Since graduating from the program, none of the plaintiffs have received offers of employment at Atlantic Yards, by the Project developers or by BUILD. None of the plaintiffs received offers of union membership through BUILD or the Project Directors. Rather, as the months passed, it became apparent to Plaintiffs that the union books which BUILD and FCRC officials claimed to have seen had never existed.

Attorney Molly Thomas-Jensen of SBLs stated: “The project developers and BUILD blatantly violated many federal and state statutes designed to protect individuals from exploitation. But it is just as important to emphasize that the project developers and BUILD also made promises, to community members and directly to the plaintiffs in this case, that they have broken.

Those broken promises are the roots of this lawsuit.”

Said City Councilmember Letitia James, “As time moves forward, the mounting distance of Bruce Ratner’s promises becomes more apparent with the Atlantic Yards project. Ratner has not fulfilled his promise of 17,000 jobs for the community. Ratner is not delivering on the 2,250 affordable housing units he promised. FCRC has not delivered much to the community, and continues to do an injustice to central and downtown Brooklyn residents by disregarding their voices. And now, it has come to light that the Pre-Apprenticeship Training Program, created by Atlantic Yard developers and BUILD, did not provide wages or other compensation to participants. They were given little training, yet were expected to perform heavy labor in exchange for union cards they never received. This is disgraceful, and FCRC and BUILD must be held accountable for their actions.”

The plaintiffs allege violations of the minimum wage provisions of the Fair Labor Standards Act and New York State Labor Law, as well as fraud, breach of contract, and unjust enrichment from the plaintiffs’ unpaid labor.

Contact:

- Molly Thomas-Jensen 718-237-5527
- Nicole Salk 718-237-5544
- Sarah Dranoff 718-237-5578
- Matt Brinckerhoff 212-763-5000

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