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THE COUNCIL OF
THE CITY OF NEW YORK

MELISSA MARK-VIVERITO

COUNCIL MEMBER, 8TH DISTRICT

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YOUTH SERVICES

February 13, 2012

New York City Industrial Development Agency (IDA)
c/o New York City Economic Development Corporation (NYCEDC)
110 William Street
New York, NY 10038

Dear Members of the IDA Board of Directors:

I am writing to express my concerns about Fresh Direct, LLC and U.T.F. Trucking, Inc. ("Fresh Direct")'s request for financial assistance. I represent one of the two parcels where Fresh Direct is seeking to build its new facility, and as a Council Member from a community with high rates of unemployment and underemployment, I am sensitive to the need to create job opportunities. Bronx Borough President Ruben Diaz has shown exemplary leadership in his advocacy to bring new employment opportunities to the Bronx, and the last thing I want is to prevent Bronx residents from accessing these jobs. However, I am concerned by what appears to be the lack of transparency and public input in this process.

To hold a public hearing *after* an agreement was already announced in the press, and then schedule a final vote just a few days later, makes the City's agreement with Fresh Direct seem like nothing short of a done deal. I understand that the City and State entities involved have engaged in a real effort to gain a number of concessions and reassurances from Fresh Direct to assuage community concerns, but since the vote is coming so soon after yesterday's public hearing, members of the surrounding community feel that their concerns are not genuinely being taken into account.

Given the lack of extensive public review thus far, I believe the IDA should delay its decision on this financial assistance package until a later time when the local residents have had an opportunity to weigh in and raise additional issues for consideration by both the Board and Fresh Direct.

Beyond process alone, the community as well as labor unions have raised a number of concerns, which I share:

- **Labor Issues.** Fresh Direct's labor practices have concerned me since a number of troubling allegations were first brought to my attention as a member of the Black, Latino and Asian Caucus. According to Teamsters Local 805, Fresh Direct has made concerted efforts to block the union from organizing in their workplace, including holding anti-union meetings, passing out misinformation on what union representation means, and making threats. As the unionization campaign was gaining steam several years ago, ICE initiated an audit of the legal statuses of Fresh Direct employees, causing around 200 workers to leave; many believe this action was an

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attempt to squash the organizing drive. Fresh Direct has reportedly also refused to enter into a neutrality agreement with Local 805 to allow the organizing efforts to proceed without interference. This is also a serious concern. Given the nature of the working conditions at Fresh Direct – employees can sometimes be asked to work upwards of 16 hours in a facility refrigerated to 38 degrees – it is perfectly reasonable that this workforce would seek labor protections. Fresh Direct should not stand in the way of unionization, if the employees freely choose that route.

- **Randall’s Island Connector.** It is unclear at the moment whether this project will impact the construction of the Randall’s Island Connector. The Connector will provide a vital amenity to the community by providing direct access to the acres of green, recreational space to residents of the South Bronx who otherwise have trouble reaching this resource. Now that Fresh Direct will be leasing the land where an easement is needed to move forward with the project, we need a reliable commitment that construction on the Connector can and will proceed without delay. My office has been working collectively with Council Member Maria del Carmen Arroyo and community organizations on providing greater access to Randall’s Island for years, and this is a true priority for the South Bronx. Federal funds have been committed to this project, and we do not want to delay putting those funds to use so that our communities can more easily reach Randall’s Island.
- **Health Concerns.** The South Bronx has some of the highest asthma rates in New York City. Bringing in a new industry to this area that relies almost exclusively on delivery trucks raises concerns about emissions that can trigger asthma attacks in local residents. I am encouraged to learn that Fresh Direct is applying for federal grants to use more electric trucks, and that it has a five-year plan to use vehicles that only run on electricity and natural gas. However, the community has already identified additional steps the company could take to reduce its reliance on trucks, namely, using the existing rail at the site in question. This innovative solution proposed by neighborhood residents further demonstrates the need for a lively and comprehensive engagement with the surrounding community on this matter.

As you know, these concerns are just a selection of those that are still outstanding and require greater discussion. I hope you will consider my request that this process be slowed down to allow for that input.

Sincerely,



Melissa Mark-Viverito
Council Member, District 8

Cc: Governor Andrew Cuomo
Mayor Michael Bloomberg
Congressman José E. Serrano
Borough President Ruben Diaz, Jr.
Council Member Maria del Carmen Arroyo