



COMPTROLLER OF THE CITY OF NEW YORK
1 CENTRE STREET
NEW YORK, NY 10007-2341
(212) 669-3500

WILLIAM C. THOMPSON, JR.
COMPTROLLER

September 17, 2007

The Honorable Michael Bloomberg
Mayor
City of New York
City Hall, N.Y. 10007

Dear Mayor Bloomberg:

I write with respect to the agreement between the Department of Parks and Recreation and Randall's Island Aquatic Leisure, LLC to build and operate a water park on Randall's Island. As you are aware, I opposed this agreement because, among other reasons, the developer was not selected through an open and competitive process, and my office found significant negative information regarding the developer's financial capability, including, a previous bankruptcy.

It appears that my findings regarding the developer's ability to finance and build the water park were accurate. It is now fifteen months since the agreement was signed (June 14, 2006) and no substantial progress has been made on this project, which should have been started no later than seven months ago. I also understand that the developer has had substantial difficulty obtaining financial backing for the project and has, to date, been unable to secure a New York State Department of Environmental Conservation permit necessary to develop the water park.

The City currently is investing well over \$100 million in Randall's Island for infrastructure improvements necessary to service the needs of the water park as well as new sports fields. According to the Randall's Island Sports Foundation, the proceeds from the water park were intended to help defray these costs. It is clear, however, that the water park will not be completed on time and, as such, the developer is in default. Accordingly, the process should be redone in a fair, open and competitive manner.

Very truly yours,

A handwritten signature in cursive script that reads "William C. Thompson, Jr.".

William C. Thompson, Jr.