

SUNY terminates talks with Brooklyn Health Partners over LICH

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BEBETO MATTHEWS/AP **The Long Island College Hospital (LICH) in Brooklyn. The State University of New York has terminated negotiations with the top bidder for LICH.**

The State University of New York in an expected move terminated negotiations with the top bidder for Long Island College Hospital.

SUNY informed Brooklyn Health Partners that it was moving on, a spokesman said.

"Following good faith negotiations over the last thirty days, the State University of New York is unable to execute a satisfactory contract agreement with BHP," said SUNY spokesman David Doyle. "SUNY remains unwavering in its commitment to protecting community health care services and a viable long-term solution for LICH.

"Therefore SUNY is moving forward with the second highest scoring proposal consistent with the Request for Proposal and the court-ordered settlement."

SUNY, which is looking to divest itself of LICH by May 22, will immediately begin talks with the No. 2 bidder, Peeples Corp.

Unlike BHP, developer Don Peebles and his partners have promised to include some health care services in its project, but not a full-scale hospital that many in the community wanted.

Mayor de Blasio, state officials and two major health unions have all previously expressed grave doubts that BHP could deliver on its promises. De Blasio last week urged SUNY to move on from BHP and begin talks with other bidders.

BHP is expected to sue.

"BHP is currently meeting with its attorneys to determine its next course of action," spokeswoman Donnette Dunbar said in a statement. "We are deeply disappointed that for the last 30 days SUNY has

failed to negotiate in good faith. Despite SUNY's failure to produce important documents until late this weekend, BHP produced all requested documents and a 10 percent down payment to close.

BHP earlier issued a statement that it "provided on Monday all of the documentation that SUNY has requested."

BHP released copies of the \$25 million in checks it delivered to SUNY.

In a letter to SUNY, it also said it provided responses to requests for additional information, the current operating agreement for BHP, a form of letter of credit, a property deed for the non-core properties, a purchase and sale agreement, a signed letter concerning construction costs.

It also said it sent a signed memorandum of understanding from Joseph P. Addabbo Family Health Center Inc., which was to run a bridge facility that would operate until a new full-scale hospital was built at the site.

There was also a letter from M&T bank expressing interest in financing the project.

BHP also asked for a one-week extension of the Monday deadline for execution of the purchase and sale agreement.