

Possible Pay-to-Play Links Between Developers and City Administration

May 3, 2016



www.humanscale.nyc
212-732-1025

Statement

Across the city concerned citizens have collected numerous examples of possible pay-to-play land use deals that harm our neighborhoods. Real estate developers and their paid lobbyists – all with business before the city – consistently make large campaign contributions and engage in donation “bundling” to re-election funds and political action committees. The Campaign for One New York is but one example. We have numerous cases in our neighborhoods where developers have land use sites in play and are making contributions that far exceed the \$400 that the law states as a limit for those with business before the city.

Our findings suggest a pattern: the developers and their lobbyists who use these kinds of techniques are then given preferential access to decision-makers, which, in our opinion, violates sunshine laws; grants favored regulatory treatment not based on the merits of each case; and gives these persons the ability to guide the drafting and passage of zoning and other regulations and rules that favor their financial interests while harming the common good. We ask the U.S. Attorney for the Southern District to focus his investigations on the real estate industry in general and the unwritten “pay to play” system in particular.

Examples of special treatment given to developers engaged in such “pay to play” transactions include:

- Stalling, ignoring, or pretending “lack of merit” on community-supported requests for landmark and historic district designation.
- Giving applicants for discretionary approvals greater control over the process and access to decision-makers (private meetings, unlimited opportunities to speak at public hearings and meetings) than to private citizen.
- Giving away public assets to private entities.
- Granting special permits and variances when required findings have not been met.
- Lifting of deed restrictions and turning the process of conducting and reviewing environmental impact analysis into a pro forma exercise without substance
- Failure to enforce zoning and building codes when the projects of these developers are involved.
- Ignoring, or selectively applying, agency rules and protocols.
- Ignoring environmental review requirements to examine *cumulative* impacts of development projects on the public domain or failing to conduct an environmental impact analysis at all.
- Favoring certain developers in projects in which there is a request for proposal process.
- Deliberately failing to enforce planning rules and deals once a project has been negotiated with a community.

Meaningful reform to address these issues may include:

1. Creation of a federal version of a “Moreland Commission to Investigate Corruption”, with a focus on land-use decisions in NYC
2. Reform of lobbying laws, which might include the creation of a public fund for lobbying so that community groups can lobby at the same scale as Big Real Estate and have the same access to regulatory bodies. Failing such a level playing field, then we advocate disallowing lobbying entirely by outside lobbying firms on land use deals. If the playing field is not level, lobbying at this scale must be outlawed.
3. Impose a moratorium on those development projects seeking approval before any City entity whose developers/lobbyists are under investigation or who have exceeded the limits established by campaign finance laws and/or whose projects have been turned down by community boards.
4. Public disclosure of all meetings involving city officials, lobbyists, and developers, specifying participants and agenda.

Lynn Ellsworth
Tribeca Trust
April 25, 2016
lynnellsworth@tribecatruster.org

Has Tribeca's request for Historic District Expansion been stalled because of these interests?

- 1. 30 Park Place, owned by Larry Silverstein, towering over the Woolworth, a landmark, received 421-a tax abatements in Albany legislations signed by Cuomo in January 2013.**
 - a. Site previously excluded from Tribeca South historic district
 - b. Demolition of historic buildings on the site took place over community objections
 - c. Silverstein is a governor of the Real Estate Board of NY
 - d. Silverstein's contributions (non-exhaustive):
 - i. \$235,000 to Jobs for New York, a PAC intervening in the 2013 State and City Council races.
 - ii. Gave Cuomo \$25,000 in March of 2013.
 - iii. Campaignmoney.com reports in 2010 Silverstein gave \$25,000 to Democratic Senatorial Campaign Committee.
 - iv. \$200,000 to Cuomo's "housekeeping committee" as reported on WNYC Oct. 16, 2014 by Andrea Bernstein.
 - v. "Real Estate Interest showered nearly \$790,000 on de Blasio... checks have been gathered in bundles by all the big players including... Larry Silverstein." (Daily News, Nov. 6, 2013)
 - vi. <http://www.followthemoney.org/> shows large sums to Pataki (+\$60,000), Gillibrand, and Cuomo.

- 2. 100 Franklin Street bought by DDG Partners**
 - a. Irregular, tiny lot in Tribeca East Historic District
 - b. Hotly contested in-fill development fought by neighbors
 - c. Landmarks Preservation Commission gives Orwellian approval, calls Tribeca East Historic district "a tyranny"
 - d. Variance granted by BSA to DDG for 100 Franklin and then "8 days later one of DDG's limited affiliates donated \$10,000 to Campaign for One New York" (Daily News, April 22, 2016.)

- 3. 351-3 Broadway, purchased by Toll Bothers**
 - a. 3 taxpayer buildings, sharing wall with Tribeca East Historic District, but not in the district, despite requests for their inclusion in the district

- b. Housed Gelsey Kirkland Ballet school, who was kicked out and moved to Brooklyn
- c. Slated to be demolished for giant luxury condo project
- d. Toll Brothers gave \$25,000 to Campaign for One New York (Little Sis)
- e. Toll Brothers hosted important fundraiser for de Blasio (Van Spreckelsen, CEO of Toll Brothers) at his Wall Street Office. See The New Yorker, September 11, 2013.

4. 56 Leonard Tower, owned by Alexico Group.

- a. Alexico uses lobbyists Connelly, McLaughlin and Woloz, one of the “biggest bundlers” for De Blasio in 2014.
- b. No environmental impact assessment was made for this building, whose extraordinary height clearly impacts the surrounding neighborhood.

5. 65-71 West Broadway, Cape Advisors.

- a. Six historic buildings ignored for inclusion in Tribeca South plus 2 additional buildings on Church Streets) SE corners of Murray and Chambers Streets). All merit inclusion according to Tribeca Trust historic properties survey done by a professional consultant.
- b. Demolition imminent of all of these buildings
- c. Cape Advisors uses the lobbyist and legal firm of Kramer, Levin, Naftalis and Frankel, significant contributors to de Blasio’s Campaign for One New York and other politicians. See Common Cause Report of March 1, 2005.
- d. Kramer, Levin, Naftalis, and Frankel are representing the Mayor in the current investigation/probe (New York Law Journal, April 14, 2016).

6. 346 Broadway, the New York Life Insurance Company Building, aka, “The Clock Tower Building” at Broadway and Leonard.

- a. This individually landmarked building was owned by the city until 2013 when it was sold to Peebles Corporation for conversion to luxury condos. The sale price was \$160 million.
- b. Tawan Davis was an executive in New York’s Economic Development Corporation at the time and was involved in negotiating the deal. He was then hired by Peebles.
- c. In a complaint later filed by another Peebles employee on another matter, it was alleged that Mr. Davis gave Peebles insider information on other bids for the site. <http://therealdeal.com/2015/06/23/ex-peebles-employee-presses-on-in-fight-for-compensation/>
- d. When the city later attempted to move the criminal courts from 346 Broadway to another location in Tribeca, they dropped the move after neighbors threatened a lawsuit. Why? Is it because irregularities in the sale of the property might have come to light in court?

7. 67 Vestry Street (The A & P Warehouse) owned by Aby Rosen of RFR Holdings.

- a. This building is a promising candidate for the National Registry of Historic Places (according to state preservation officials). It once housed 42 rent-stabilized units, although more than half the tenants have been “bought out”. It shares a wall with Tribeca North Historic District and sits on the waterfront. At the time of historic district designation, long-term tenants report that the former owner was vehemently opposed to this property’s inclusion in the historic district.
- b. The building was later sold to Aby Rosen of RFR holdings. He is on the Board of Grand Central Partnership.
- c. Aby Rosen secured a partial demolition permit in August 02, 2014 (The Real Deal) and wants to build luxury condos, but some rent-stabilized tenants remain
- d. The LPC has stalled on community requests to expand Tribeca North historic district to include this building.
- e. Rosen’s contributions (non-exhaustive):
 - i. \$53,500 in 2008 to Democratic Senatorial Campaign Committee. <http://individual-contributors.insidegov.com/1/160966/Aby-Rosen>
 - ii. \$128,000 in federally reported contributions.
 - iii. \$50,000 from RFT to Governor Cuomo’s re-election campaign <http://individual-contributors.insidegov.com/1/160966/Aby-Rosen>
 - iv. \$5,000 to Cuomo’s 2002 campaign
 - v. <http://www.followthemoney.org/> reports Rosen has given \$386,456 to 17 different filers over 13 years, including \$143,000 to Cuomo for various positions since 2002, \$25,00 to Alan Hevis, \$42,000 to Eric Schneiderman, \$25,000 to Eliot Spitzer, and money to Julie Menin.
 - vi. Little Sis reports three contributions totally \$50,000 to the DNC.
 - vii. Influence explorer reports Rosen donating \$111,750 to Democratic Senatorial Campaign Committee and \$25,000 to New York State Democratic Party.
- f. In Jan of ’15, Aby Rosen was appointed Chair of the New York State Council of the Arts.

8. Multiple properties in Tribeca North owned by Ponte Equities and Related Properties, notably 31 Desbrosses Street, one of the most historically significant properties in that area

- a. Angleo Ponte, one of the principals of Ponte Equities, pleaded guilty in 1997 to participating in a Mafia run operation to control and manipulate the cartage business. (Wikipedia)
- b. Ponte Equities is a major property owner in Tribeca North and most of the historically significant properties owned by Ponte have been excluded from Tribeca North Historic District. Representatives of Ponte Equities met with Community Board 1 staff to map out their properties during the lead-up to the biased and contentious re-zoning of Tribeca North. That rezoning upzoned Ponte Equity properties on the waterfront.
- c. Ponte has partnered with [Related Companies](#) over the years, building a 13-story luxury condo building in [Tribeca](#), as well as developing the nearby [261 Hudson Street](#) and an 80-20 split residential building on 460 Washington. In 2014 Ponte

sold Related a six-parcel development site in that neighborhood for \$115 million. TK In 2013 Ponte was sued by tenants of one of its rent-stabilized buildings at 31 Desbrosses Street for allegedly failing to administer appropriate repairs after Hurricane Sandy. Tenants disputed the safety problems of the building and claim to have been forced out. The building was deemed by city officials as unsafe, one of only eight in the entire city to receive the dreaded red sticker after the hurricane. <http://therealdeal.com/new-research/topics/company/ponte-equities/>. Chair of Related, Stephen Ross is Chairman Emeritus of the Real Estate Board of New York (REBNY)

- d. REBNY has launched well-known lobbying and public relations campaigns against historic districts and landmarking, with the production of multiple white papers calling for an end to historic district designations.
- e. *Jobs for New York* was a REBNY PAC operating in City and State 2013 races. http://therealdeal.com/issues_articles/rebnys-races/

Kate Wood
Landmark West
April 28, 2016
katewood@landmarkwest.org

Congregation Shearith Israel (CSI)

A powerful Upper West Side religious institution--whose members include Jack Rudin--attempting to exploit the City's zoning variance process to construct luxury condominiums as part of a new building that exceeds area height limit by nearly 100%—in a historic district, next to a significant landmark, on a low-rise rowhouse block with contextual zoning protections.

2002-2008: CSI secured LPC and Board of Standards & Appeals (BSA) approvals for a **building that significantly exceeds “R8B” height and rear-yard setback limits designed to protect brownstone-scale midblocks**. BSA approved CSI's "hardship" claim that its "programmatic needs" (classrooms, etc.) required the extra space, even though **more than half the planned building was devoted to luxury condos**.

In 2003, journalist Peter Jennings wrote in a letter to the Landmarks Preservation Commission (LPC):

“The synagogue gives the impression of having worked to bypass the neighbors, to have its way whatever the neighbors think...those of us who harbor productive feelings about government—and the governing process—feel that in this instance our rights—yes, it is not too strong a word—are being ignored by people who wish to serve their own interests at the expense of the community.”

“Here’s what else I hear on the street. That people have lost faith in the process—the governing process—because they believe ‘the fix is in.’”

May 2015: Department of Buildings (DOB) approved New Building permits for CSI's project. Drawings obtained via Freedom of Information showed that **the planned building had changed substantially since the BSA approval**. For example, the classrooms—so crucial to CSI and its “programmatic needs”, the basis of its claimed “hardship”—had vanished from the plans.

June 2015: LANDMARK WEST! and neighbors filed two independent Zoning Challenges on the basis of the significant discrepancies between the plans.

June 2015 to present: CSI paid lobbyists Capalino + Company \$75,000 to lobby city agencies on its behalf.

October 2015: Four months after the two Zoning Challenges were filed, DOB finally posted one of the Challenges on its website, but remained silent on the other. A Notice to Revoke the permits was also posted online.

December 2015: DOB finally responded to Freedom of Information requests filed months earlier, producing documents including email from Capalino staff to DOB requesting confirmation that the agency will “hold off revocation proceedings” while the architect continues with addressing audit objections. Also revealed is DOB’s December 10, 2015, letter warning that permits will be revoked in 15 days.

March 2016: Five months after DOB stated its intention to revoke, permits remained in effect as CSI continued site preparations.

March 29, 2016: One week after the *Wall Street Journal* broke the story of Capalino’s involvement in a decision by the de Blasio administration to lift deed restrictions on a Lower East Side nursing home, trading senior housing for a \$72 million profit to the site’s owner, LW’s counsel received a single telephone response from DOB. This was the very first acknowledgement of LW’s 9-month Challenge, in contrast to the extensive record of ex parte communications between CSI and DOB

March 30, 2016: DOB issued an order to CSI to **“STOP ALL WORK IMMEDIATELY” due to conditions that present "imminent peril to life or property"** (conditions that DOB allowed to remain unresolved for five months).

April 18, 2016: BSA denied CSI’s application for “a letter of substantial compliance,” refusing to give CSI the green light it needed to proceed.

361 Central Park West, First Church of Christ, Scientist, Board of Standards and Appeals re: BSA Calendar Nos. 66-15-A and 65-15-BZ; principal owner Joseph Brunner.

The following facts suggest the developer's attempt to exploit the zoning variance process and infect agency decision-making through the use of influential lobbyists.

June 2014: NYC Individual Landmark purchased by developer from the Crenshaw Christian Center, East, for approximately \$26 million, with the intent to convert this historic house of worship into residential condominiums.

March 2015: Developer gains a Certificate of Appropriateness from Landmark Preservation Commission (LPC), in a deeply divided vote among commissioners concerned about the extensive changes to the building’s façade, ultimately pushed through by LPC Chair Meenakshi Srinivasan (former Chair of the Board of Standards & Appeals, BSA).

April 2015: Developer files application with BSA for zoning variances and waivers, claiming financial "hardship" under ZR §72-21.

July 2015 to the present: Developer paid lobbyists Capalino + Company \$47,000 to influence BSA, according to NYC Lobbyist Search. Capalino VP Christopher Collins, who was BSA Vice Chair until August 2014, appears at public hearings on behalf of the developers, starting in April 2015 at Manhattan Community Board 7 and September 2015 at BSA.

September 2015 - January 2016: Developer repeatedly argues his case through four public hearings before BSA, each time failing to meet any of the five findings that together must be met to qualify for variances. One commissioner called the developer's financial analysis "a shell game." Yet, the developer is repeatedly allowed to revise and resubmit his application. Community opposition to the application is intense and persistent.

January 12, 2016: BSA closes the record and schedules a vote February 9, 2016. BSA then defers the vote until February 23, 2016, on its own motion, then again until March 8, 2016, at the developer's request.

February 29, 2016: Developer submits a letter to BSA requesting to withdraw its application "without prejudice," which the BSA's rules allow "for good cause only" after the record is closed.

March 8, 2016: BSA denies the request to withdraw. BSA Vice Chair Susan Hinkson acknowledges concerns by community opposition that the developer may be trying to wipe the record clean, states, "This is a complicated, and difficult application, made even more complicated and difficult by the error-filled application presented to the Board." Yet, the BSA decides to re-open the case and accept additional information from the developer, for a fifth public hearing scheduled for June 2, 2016.

Jeifong
Coalition to Protect Chinatown and the Lower East Side
April 27, 2016
Jeifong2600@gmail.com

- 1. 227 Cherry Street, One Manhattan Plaza** -- Extell Development Corp. Has Funneled Hundreds of Thousands into Campaign Coffers in Exchange for Controversial Poor Door Developments.

De Blasio received at least \$18,000 in campaign donations from Extell when he was Public Advocate.ⁱ Meanwhile the NYS Democratic Committee received at least \$100,000 from Extell in 2013.ⁱⁱ However, most of Extell's potential pay-to-play dollars have been directed to Gov. Cuomo. CEO Gary Barnett donated \$200,000 to the Gov. in his re-election campaign.ⁱⁱⁱ Extell also funneled \$100,000 to Cuomo days before he signed a housing bill that explicitly gave the developer a huge tax break on its controversial One57 tower.^{iv} While Extell, creator of the "poor door," is thought to have a distant relationship with the Mayor, its 80-story One Manhattan Plaza behemoth recently achieved favorable status, and now the Mayor's name and his "Housing New York" banner adorn the site. Extell partners closely with WeWork, one of the biggest leaseholders in the city whose executive Arana Hankin already bundled \$68,750 for the Mayor's re-election campaign, the largest chunk of donations in the current election cycle.^v

- 2. Seward Park Urban Renewal Area (SPURA)** -- Incestuous Ties to City Government

In 2013, L+M Development Partners, BFC and Taconic Investment Partners hired Capalino & Co. to lobby public officials for approval of their plans to develop SPURA, one of the largest swaths of empty, undeveloped public land, which has received hefty financing from Goldman Sachs Urban Investment Group. Ron Moelis, Board of Governor for REBNY and CEO of L+M, the City's #1 developer that stands to gain from MIH zoning changes, has close ties to two main de Blasio appointees who shaped Mayor de Blasio's housing plan, HPD Commissioner Vicki Been and Deputy Mayor Alicia Glen. Been is a former employee of the NYU Furman Institute which received funding and worked closely with the Moelis Institute. Glen sat on the board of the Moelis Institute, and collaborated with Ron Moelis as head of Goldman Sachs Urban Investment Group.^{vi} Ron Moelis himself sits on the board of the Mayor's Fund to Advance New York City.^{vii}

- 3. Privatization of LES Public Housing** -- L+M Development Partners, Top Contributor to the Mayor, Stands to Gain the Most of Any Developer from De Blasio's Housing New York Plans

Ron Moelis, CEO of L+M is amongst biggest fundraiser for Bill de Blasio, raising \$75,000 for his mayoral campaign in 2013.^{viii} L+M is the arm of Goldman Sachs Urban Investment Group. The two companies recently set up a joint partnership GSLM Capital Partners to invest in urban infill development.^{ix} In fact, L+M, together with another developer, bought 50% stake in 900 NYCHA apartments in December 2014, just months before Mayor de Blasio unveiled his

NextGen NYCHA plan that will create privately-owned, mixed-income in-fill developments on public land.^x

Evelyn Tully Costa
Crown Heights South Association
April 27, 2016
evelyn@igc.org

1. **1907 Bedford Union Armory (110 Bedford Avenue, Brooklyn): Possible “Pay to Play” Give-Away to Slate/BFC Partners/Marvel Architects?**
 - a. **BFC** gave \$85,000 to Cuomo’s 2013 re-election campaign and was then awarded a large project in Staten Island. <http://therealdeal.com/2016/02/15/empire-outlets-state-subsidies-total-nearly-47m/>. Could similar deal-making be happening with the Armory?
 - b. **Slate** uses James Capalino as a lobbyist, who donated to the Campaign for One New York. Slate was involved in the Rivington House deed lifting scandal: <http://www.thelodownny.com/leslog/2016/03/follow-the-money-mayor-struggles-to-explain-rivington-house-debacle.html#>
 - c. **Marvel** has donated to the Campaign for One New York.
<http://www.craigslist.com/article/20160422/BLOGS04/160429950/these-real-estate-execs-gave-to-de-blasio-while-seeking-key-decisions-from-the-city>
 - d. Despite community alarm and dismay about the current development proposal for the Bedford Union Armory, NY EDC managed to come up with a deal that privatizes a major portion of the Art Nouveau treasure for luxury condos and lumps a mega development off the back of it
 - e. Site/Project Timeline:
 - i. **2011**: Boro President Marty Markowitz and local politicians hold community meeting at Medgar Evers College to get input on potential use of the Bedford Union Armory with promises to continue dialogue with community.
 - ii. **2011-2012** Armory gets transferred to City from State.
 - iii. **NO COMMUNITY INPUT for THREE years.**
 - iv. **2014**-December: As Markowitz and Bloomberg are heading out the door; RFP gets tossed out- weeks before de Blasio takes office - with no community component.
 - v. **2015** - Outcry in Community to call back the RFP is ignored
 - vi. **2015**- NY EDC instead runs “focus” groups to get community input with questions that satisfy limited criteria but keeps current developer pool unchanged which includes Slate/BFC and Marvel. They retrofit the “community input” to produce a watered down version of what the community asks for that maximizes profit with minimal fiscal input from developers that includes a transfer of city property for Luxury Condos.

- f. **Landmarking** requests ignored, as building has “no merit” according to LPC *despite National Register Eligibility* and same architect share landmark Status at Kingsbridge Armory.
- g. **SLATE/BFC Partners/Marvel Architects** are selected, who then proceed to hold community meetings limiting discussions about the already limited programming.
- h. **“Gift” from EDC to developers** is in the form of the President Street portion of the head house to build luxury condos, which will generate \$80 to \$100 million in revenue, plus the revenue from 300 rental apartments.
- i. Note that BFC Partners is also involved in NYCHA privatization deals.

Rebecca Carel
Inwood Preservation
April 27, 2016
Rcarel101@gmail.com

- 1. 4650 Broadway, Manhattan 10040 (Inwood – Sherman Plaza Building); Key Players – Albee Development, LLC, Acadia Realty Trust, Washington Square Partners, and Capalino + Company**
 - a. Washington Square Partners, with Acadia Realty Trust, is currently developing Sherman Plaza.
 - b. These are the same developers for City Point in Brooklyn; along with BFC Partners.
 - c. James Capalino is lobbying for Washington Square Partners through Albee Development.
 - d. The impact on the viewscape of the Cloisters was not considered in the Environmental Assessment Study (EAS). “Because the Proposed Action would not occur within 90 feet of a historic structure, no evaluation regarding construction impacts on historic resources is necessary.” (Environmental Assessment Study)

Martin Hale
People for Green Space Foundation
April 27, 2016
Marty.sp6@gmail.com

- 1. Pier 6 Development Project (Brooklyn Bridge Park)**
 - a. Robert Levine’s RAL Co + Associates were selected as the Pier 6 development team one week after contributing to the campaign for “One New York.”
 - b. Park staff, without approval of park board members, selected RAL.
 - c. RAL utilizes the lobbying services of James Capalino.
 - d. NYS has, so far, refused to push through this development.

New Yorkers for a Human-Scale City
April 27, 2016
lynnellsworth@tribecatruster.org

- 1. 110 Wall Street/Water Street Zoning Text Amendment**
 - a. 110 Wall Street is one of the properties to benefit from substantial gain by the proposed zoning change allowing commercial infill of 110,000 square feet of public-private arcade space along 13 blocks of Water St.
 - b. "The 27-story building at 110 Wall St. is owned by Rudin Management, whose chief executive, Bill Rudin, is No. 5 on the list of de Blasio’s big-

money bundlers, having collected \$25,150 for the mayor's planned 2017 re-election campaign." *New York Post* 4/26/16

- c. With the Text Amendment Rudin will gain 3,163 square feet of ground floor public arcade space at 110 Wall Street to use for retail stores --for free.
- d. The Downtown Alliance, NYEDC and the Department of City Planning are the parties who have put forth the Water Street Text Amendment. Bill Rudin is on the Board of Directors of the Downtown Alliance.

Judi Francis
Brooklyn Bridge Park Defense Fund
May 2, 2016
judifrancis@icloud.com

1. Real Estate firm Hudson Companies made a \$5,000 contribution to Campaign for One NY and a few months later won the RFP to demolish the Brooklyn Heights Library, build a 40 story luxury condo tower in it's place.
 - a. The new library will now reside primarily in the basement of the luxury condo and will be 40% smaller than the current library.

http://www.ny1.com/nyc/all-boroughs/fundraising-probe/2016/05/2/mayor-s-nonprofit-potentially-violated-directive-from-city-s-conflict-of-interest-board.html?cid=twitter_NY1

2. With the loss of the oldest teaching hospital in the nation (Long Island College Hospital or LICH), Mayor de Blasio negotiated a sweetheart deal with favored NYU Langone that will add inappropriate density, height and loss of light to an already compromised Cobble Hill historic district.
 - a. Early in the new administration, Deputy Mayor Anthony Shorris, the former Chief of Staff of NYU Langone, negotiated a deal to give approx. 25% of the hospital's land and air-rights to NYU Langone. The community had no knowledge of this deal.
 - b. The Cobble Hill district not only lost its hospital (closest hospital is a 20 minute ride away), but has no leverage on a bad NYU deal in which NYU gets to keep prime air-rights and a huge footprint while the developer must make up for the loss of this part of the real estate they purchased by going *even higher* on the other parts of the site than zoning laws allow
 - c. Campaign for One NY funds were used to deceive the community, after the shadowy sale of the properties, and partner with a developer.
 - i. The "Gary Reilly Letter" was sent to over 40,000 local residents using Campaign for One NY funds and return address.
 - ii. The "facts" contained in the letter were misleading and deceptive, falsely claiming hospital beds that will not accrue.

<http://www.brooklyneagle.com/articles/2014/7/15/alarm-raised-about-%E2%80%99dark-money%E2%80%99-de-blasio%E2%80%99s-lich-fortis-letter>

Josh Kross, PTA Executive Board
Friends of P.S. 163, Inc., by its Task Force for a Safe School
joshkross@gmail.com

A private developer, Jewish Home Lifecare, Manhattan (“JHL”), is seeking to build a 20 story, 275-foot tall nursing home tower directly next to P.S. 163. The scale of this proposed building will overwhelm the block. The employees of JHL are all members of a powerful labor union, SEIU 1199, a union deeply linked to Mayor De Blasio. SEIU members routinely pack hearings related to the project to testify in favor of it.

In December 2015, the NY Supreme Court ruled that the Environmental Review by New York State Department of Health (“NYSDOH”) for this proposed 20 story building was defective and would have led to significant harm of P.S. 163’s children.

Now, Mayor de Blasio, through his Deputy Director for Environmental Coordination in the Mayor’s Office of Sustainability, has weighed in with an amicus brief in support of JHL’s project.

As is widely known, Emma Wolfe, Mayor de Blasio’s key executive staff member, is a former SEIU 1199 organizer. SEIU has contributed more than \$250,000 to Mayor de Blasio in the past six months along, including his now shuttered not-for-profit organization. And, labor union lawyer Kevin Flinnigan – a former political director of the powerful SEIU1199 - has found ways for labor groups to funnel cash to de Blasio’s campaigns and causes in amounts above legal spending limits. *See, e.g.,* <http://nypost.com/2016/05/01/the-mastermind-behind-de-blasios-shady-finances/>

Rain Bengis
711 WEA TENANTS' ACTION GROUP (TAG)
rainben625@yahoo.com

**IMPENDING CONSTRUCTION OF 10 STORY LUXURY CONDO ABOVE, THROUGH,
UNDER AND AROUND 711 WEA, A FULLY OCCUPIED RENT- STABILIZED APARTMENT
BUILDING**

711 West End Avenue is a six-story, 135-unit 1950's red brick, fully rent-stabilized apartment building spanning the block between 94th and 95th Streets on the Upper West Side (the "Project"). **The owner is Edward Kalikow**, also the owner of the managing agency, Kaled.

- **December 23, 2014. Developers Edward Kalikow**, Paul Boardman of P2B Ventures, and Steven Pozycki of SJP Properties (the "Developers") filed building permit applications with the Department of Buildings ("DOB") for the construction of the Project.

Application states falsely that the building site is an unoccupied building and that it is not subject to rent regulation.

P2B Ventures hires the lobbyist firm Capalino and Company between January 2015-December 2015 and pays them \$67,500 to lobby the DOB on its behalf. At least two of the four lobbyists, both Capalino Vice Presidents, are well positioned to influence the review of this matter: one served as DOB's Chief of Staff until October 2014 and the other as Vice Chair of the Board of Standards and Appeals until August 2014.

- **June 18-23, 2015** - DOB approves all permit applications of the Project, despite above falsehoods and only days before 711 was made part of a historic district.
- **January 2015 – present.** Structural engineer **Richard Herschlag, PE+** is retained by tenants of 711--Tenants Action Group (TAG)--to review permit plans. His findings, after detailed analysis:
 - The plans filed by the Developers are improvisatory rather than specific;
 - The Tenant Protection Plan is completely inadequate;
 - The plans for the Project make no provision for fire egress for tenants living adjacent to elevator shafts that are to be constructed in the LN line of apartments;
 - The plans for the Project make no provisions for standpipes that would provide water for firefighting on the south side of the building;
 - Despite 711 owners receiving a \$300,00 tax abatement for pointing the building, there has been no meaningful pointing of the building, and as a result there is significant degradation in the condition of the façade, so significant that:

- **January 2016** Mr. Herschlag files Notice of Hazard with Manhattan DOB Commissioner Martin Rebolz, which also warns that the vibrations associated with the imminent construction could have "catastrophic effects" on 711 West End Ave.

Ongoing

Since August 2015, TAG has filed repeated, detailed, well-documented reports of safety concerns (all available for perusal) with the Department of Buildings ("DOB"). There has been no response whatsoever. At an in-person meeting with Commission Rebolz, Rich Herschlag, and TAG, the commissioner deputized Byron Munoz to be the liaison with 711. Mr. Munoz no longer returns TAG's phone calls.

08/10/15 - TAG Letters to Commissioners Rick Chandler/Martin Rebolz enclosing first three Engineer's Reports of Richard Herschlag, PE; (no response);

09/22/15 - Fraud Challenge by TAG to falsified building permit applications (no response);

09/22/15 - Summary of Data Underlying Fraud Challenge (no response);

10/01/15 - Letter to FDNY Chiefs Spadafora and Pigott re fire hazards associated with Project. (The FDNY, through Supervising Inspector Richard Roche, is the only City agency to respond to TAG; after inspecting 711 WEA, they are preparing a report on the grossly inadequate plans for the Project from a fire safety perspective);

12/19/15 - Letter of Councilmember Helen Rosenthal and Assemblyman Daniel O'Donnell to Commissioners Chandler and Rebolz in opposition to Project (no response);

1/04/16 - Formal Demand by TAG to Commissioner Rebolz to revoke Building Permits (no response);

01/07/16 Report of Richard Herschlag, PE on degraded condition of 711 WEA (no response);

01/21/16 Herschlag files Notice of Hazard to Commissioner Rebolz (no response);

01/25/16 Notice of Tenant Harassment to Janeice Spitzmueller-Brown, Esq., HPD; initially, Ms. S-B refused to accept our hand-delivered submission until reminded that she has a constitutional obligation to accept a petition from a private citizen (no response);

03/28/16 Orders of Environmental Control Board Hearing Officer Hon. Laura Feiber, finding fraudulent statements in building permits and imposing fines on Building Owner (fines unpaid, deadline passed);

03/29/16 CCDI Form seeking revocation of building permits; with

03/29/16 Cover letter to Deputy Comm'r Scott Pavan (Plan Examiner) (no response).

Please note that the Director of the DOB's Department of Engineering Construction Safety, Geoffrey Eisele has not reviewed any of the above, as per April 28, 2016 telephone discussion with him.

+Richard Herschlag, P.E., is the CEO of Turn-key Structural. He has 27 years of experience as an engineer, the past eighteen of which have been as an independent consultant. He holds a Bachelor of Science and Engineering degree from Princeton University (1984) and currently holds a license to practice professional engineering in the states of New Jersey, New York, and Pennsylvania. During his career, he has developed a specialty in analyzing and addressing residential and commercial buildings with structural problems.

Zack Winestine

[Save Gansevoort](#)

May 2, 2016

asdfi23453@yahoo.com

- Developer Aurora Capital is proposing to build two massive buildings on historic Gansevoort Street in the landmarked meatpacking district of Manhattan. The proposed project threatens the unique character of Gansevoort Street, its historic streetscape, low buildings and market-style architecture. These are the very values that were embodied in the Landmark Preservation Commission's 2003 decision to landmark the Gansevoort Market Historic District.
- Aurora Capital hired powerful lobbyist James Capalino in 2015, and has retained that company for 2016 as well, paying at least \$85,000. last year for their services. Capalino has been potentially implicated in other pay-to-play schemes tied to the current spate of developer/lobbyist/campaign contribution investigations and has contributed approximately \$50,000 to Mayor De Blasio's election campaign and the Campaign for One New York. The project is opposed by the entire community, including its elected officials, and was unanimously rejected by Community Board #4.
- The campaign waged on behalf of Aurora Capital included a telephone push-poll, a polling technique designed to lead the person being polled to only one conclusion, in this case, of course, to support of the project. It's a technique that has been discredited by reputable marketers throughout the country. When a reporter from *The Villager* newspaper asked what questions were in the survey, the developer's spokesperson refused to answer and the polling ceased.

- In addition, questions have been raised by the community about Aurora Capital's safety record. Aurora Capital has repeatedly engaged irresponsible contractors with poor safety records for work on various development projects in New York City. This pattern has been especially apparent at 9-19 Ninth Ave., the former site of the well-known Pastis restaurant which is also co-owned with the Gottlieb real estate dynasty (who are also involved with the Gansevoort proposed development), located just one block from Aurora's proposed Gansevoort Row redevelopment project. At the Pastis site, a construction worker was buried alive when a trench collapsed on April 6, 2015. The general contractor hired by Aurora, Harco Construction, LLC had such a poor record of repeated safety violations and the accident was so bad the City was forced to take unusually strong action – revoking the contractor license. Moreover, the Manhattan DA indicted Harco's onsite senior superintendent for manslaughter, criminally negligent homicide and reckless endangerment. With such a background, we don't understand how this project can still be under consideration.

Steven Guterman
Save the View Now
April 26, 2016
savetheviewnow@gmail.com

- 1. Brooklyn Bridge Park Pierhouse. Development by Toll Brothers & Jonathan Marvel**
 - a. David Von Spreckelsen, President of Toll Brothers' City Living, is a long time friend, funding host and contributor to Bill DeBlasio.
 - b. Jonathan Marvel, Pierhouse architect, is also listed as a DeBlasio "fund raising host" and contributor.
 - c. The Pierhouse in Brooklyn Bridge Park has multiple violations of the Park's planning documents including roof top structures and protrusions into the protected Brooklyn Promenade Scenic View District ("SV-1"). This is the only scenic view district in all of NYC.
 - d. These violations have stolen the iconic and what should have been protected views of the Brooklyn Bride from the millions of tourists and native New Yorkers who walk along the Promenade.
 - e. This enabled Toll Brothers to reap \$100+ million in excess profits.

Gretchen Crary
Cobble Hill Association
April 28, 2016
Gretchen@februarymedia.net

- 1. Redevelopment of Long Island College Hospital (LICH) site and loss of public space. Owner Fortis Property Group & lobbyist James Capalino.**
 - a. Brooklyn's Cobble Hill neighborhood has watched as a hospital that served the community for over a hundred years was sold under questionable procedures, including a secret RFP process, and then handed over to a developer with close ties to Mayor Bill de Blasio through his shadowy web of consultants.
 - b. Fortis hired a lobbyist, James Capalino, who bundled donations to the mayor's election campaign.
 - c. Fortis has hired many other consultants with close ties to de Blasio including their strategic public relations firm, Hilltop Public Solutions, which was co-founded by Nick Baldick, the mayor's close friend, to their land use counsel, Kramer Levin, a firm with numerous ties to the mayor. Hilltop currently employs multiple de Blasio associates and friends including Rebecca Katz, whom de Blasio has called "the fifth member" of his immediate family, and Bill Hyers, who ran de Blasio's campaign for mayor. Hilltop alumni include de Blasio aide Stephanie Yazgi, the partner of Emma Wolfe, de Blasio's chief of intergovernmental affairs. Wolfe was recently subpoenaed by the U.S. Attorney and the Manhattan District Attorney for her involvement in alleged illicit fund-raising practices.
 - d. Twenty-five years ago, in exchange for the sale of nearby city parkland to LICH, deed restrictions were put in place creating four "permanent and perpetual" public recreation areas on the LICH site. The areas were designated as toddler playgrounds, a park, and a recreational corridor for pedestrians and toddler activities. Two of those areas -- the popular Henry Street toddler playground and the Pacific Street recreation corridor -- have now been taken over by Fortis and NYU Langone and will be demolished to make way for a new medical facility. The developers have rebuffed all efforts by the community to discuss alternatives to the complete closure of these areas and have kept the areas closed despite a Stop Work Order issued in February 2016 by the Department of Buildings that has temporarily halted construction.
 - e. The Departments of Buildings and the Parks Department, the city agencies charged with defending the public's interest in these deeded recreation spaces, have given priority to the developers' interests. They have refused to meet with the community to discuss the closures, have issued approvals in secret and have

refused to discuss alternatives that would keep the recreational spaces open during the upcoming multi-year process of demolition and construction.

- f. Fortis' James Capalino and Hilltop Public Solutions have actively promoted the elimination of the deed restrictions in meetings with de Blasio senior staff at City Hall. In turn, the de Blasio administration has pressured the Cobble Hill community to support the elimination of these deed restrictions.
- g. The residents of Cobble Hill, through the Cobble Hill Association, reject the ongoing usurpation of our public spaces for private development and the idea that our public spaces are for sale to those, like Fortis Property Group, who have made significant political contributions.

ⁱ <http://www.crainsnewyork.com/article/20130813/BLOGS04/130819970/longshot-dem-blasts-rivals-real-estate-cash>

ⁱⁱ <http://www.commoncause.org/states/new-york/press/press-releases/common-cause-ny-releases-analysis-of-nysdc-soft-money-fundraising-top-donors.html>

ⁱⁱⁱ http://therealdeal.com/issues_articles/gary-barnett-against-everybody/

^{iv} <http://www.nydailynews.com/new-york/cuomo-100k-developer-signing-tax-break-law-article-1.1422003>

^v <http://therealdeal.com/2016/04/21/de-blasios-biggest-2017-campaign-bundler-is-a-wework-svp/>

^{vi} <http://www.nydailynews.com/news/politics/de-blasio-affordable-housing-appointees-ties-developers-article-1.1616075>

^{vii} <http://littlesis.org/news/2016/03/22/the-real-estate-developer-behind-mayor-bill-de-blasios-affordable-housing-plan/>

^{viii} <http://littlesis.org/news/2016/03/22/the-real-estate-developer-behind-mayor-bill-de-blasios-affordable-housing-plan/>

^{ix} <http://www.businesswire.com/news/home/20081002005171/en/GSLM-Capital-Partners-Finalizes-Investment-Mixed-Income>

^x <http://www.nydailynews.com/life-style/real-estate/city-sell-stakes-housing-projects-developers-article-1.2037359> and <http://www1.nyc.gov/assets/nycha/downloads/pdf/nextgen-nycha-web.pdf>

Maureen Koetz
Friends of the South Street Seaport
koetz@koetzduncan.com

**Hotel Tower/Jean Georges Market Plan
for former Fulton Fish Market Buildings**

- The Howard Hughes Corporation is represented by Paul Selver of Kramer Levin in the redevelopment two circa-1980s commercial buildings on Pier 17 and South Street located within the federal, state, and City South Street Seaport Historic District. The project is described in a 2011 Letter of Intent (2011 LOI) as a Renovation Project, and a lease for the properties was executed in 2013 with the New York City Economic Development Corporation (EDC).
- Selver's Kramer Levin partner Barry Berke is the mayor's counsel in the current campaign finance probes, and Kramer Levin managed "New Yorkers for DeBlasio," which raised millions for the Mayor's 2013 campaign. Berke remains a member of the board of advisors of the Mayor's Fund to Advance New York City.
- Kramer Levin lobbying that included Mr. Selver earned \$675,700 from 19 clients in 2013, according to city records, and Selver has acknowledged that lobbying city agencies like the Department of City Planning, the Landmarks Preservation Commission and the City Council represents an important aspect of his work.
- The same 2011 LOI also intends a "Mixed Use Project" that will tear down the New Market Building (a designated contributing asset^x in the Federally registered South Street Seaport Historic District in which it is located) and build a multi-story hotel in its place, along with demolition and reconstruction of the landmarked Tin Building. Together the two structures previously housed the Fulton Fish Market.
- Plans to construct a 42-story apartment complex on the same site by a previous developer were part of a plan rejected by the Landmarks Preservation Commission in 2008. Without taking a vote, a majority of the commissioners made it clear at a hearing that they believed the massing, scale and height of the proposed new buildings would be out of character with the 19th-century riverfront historic district.
- In August of 2015, HHC and EDC together filed clandestine preliminary environmental assessment and impact documents with the City Planning Commission confirming the "Mixed Use Project" plans to demolish the New Market Building and construct a lower hotel tower in conjunction with the Tin Building reconstruction.
- On March 22, 2016, the LPC under Mayor DiBlasio approved the demolition and reconstruction of the Tin Building without any construction protection plans or requirements to obtain necessary Federal Corps of Engineers or State permits before commencing demolition.

- Selver and other Extell representatives had previously won an LPC decision not to designate one of two former BFGoodrich buildings for protection, paving the way for the 1,424-foot Extell skyscraper at 217 West 57th Street. He would later broker an LPC approval of a cantilever design to give the luxury condo residents and hotel guests elsewhere in the building an unobstructed view from their windows.

- When Friends of the South Street Seaport attempted to state its major concerns about the Tin Building demolition to the LPC at the March 22 hearing, we got 3 minutes.

Supporting Organizations

(research not yet completed for some of their case studies in time for this press conference, but they have asked to be listed as supporting this call for an investigation)

711 West End Avenue Tenants Action Group
Small Business Congress
Bay Improvement Group
Bowery Alliance of Neighbors
Brooklyn Bridge Park Defense Fund
Cobble Hill Association
Coalition to Protect Chinatown and the Lower East Side
Committee for Environmentally Responsible Development
Concerned Citizens for Community-Based Planning
Citizens Emergency Committee to Save Preservation
CROWDED
Crown Heights North Association
Dumbo Alliance
Friends of Bushwick Inlet Park
Friends of the Seaport
Friends of PS 163
Inwood Preservation
LANDMARKS WEST!
Lower East Side Dwellers
Lower Seaman Tenants Association
Moving Forward Unidos
New Yorkers for a Human-Scale City
North Manhattan is Not For Sale
People for Greenspace Foundation
Save Gansevoort
Save Harlem Now!
Save Our Seaport
Save Our View Now
TakeBackNYC
Tribeca Trust
29th Street Association
Vinegar Hill Neighborhood Association