

**Beware of
REBNY**

**Real Estate
BULLIES**

Plaguing New York

CRIMES AGAINST

Rob Speyer, president and CEO of **Tishman Speyer**, has chaired the Real Estate Board of New York (REBNY) since 2012, a position **Jerry Speyer**, his billionaire father and present chair of Tishman Speyer, held from 1986 to 1988.

REBNY has been aptly described as one of the worst institutions to ever plague New York City. Its top policy makers are often referred to as a bunch of billionaire bullies and racketeers.

Corrupt activities by many influential REBNY members and their companies continue to inflict great harm upon New York City and millions of New Yorkers. Their actions are at the heart of the city's lack of affordable housing and homeless crisis, thousands of small businesses being displaced and shutting down, the loss and diminishing quality of local jobs, neighborhoods disappearing, increasing construction worker injuries and fatalities and the compromising and corrupting of our political system.

Tishman Speyer's Crimes Against New Yorkers

Tishman Speyer illegally deregulated thousands of rent stabilized apartments in Stuyvesant Town and Peter Cooper Village in a scheme to steal millions of dollars from more than 27,000 tenants and to turn apartments into high-priced condominiums. They did this despite raking in millions of dollars in J-51 tax abatements to provide affordable housing. Tishman Speyer then defaulted on loans backing the purchase of the complexes and lost ownership of the buildings.

Currently, Tishman Speyer is constructing three towers in Long Island



Rob Speyer



Jerry Speyer

City for which it will receive \$200 million in 421a tax abatements to provide affordable housing but, astonishingly, none of the 1800 units need to be affordable because of a loophole in the law! This translates into more millions of **corporate welfare** for the billionaires. Tishman Speyer also received a \$170 million abatement for its project to build "The Spiral" tower at 34th Street and 10th Avenue.

Tax abatement programs are ideal for billionaire developers and political leaders, but not for taxpayers and social programs that are cut back for lack of tax revenues. *The hefty political campaign contributions developers make are a small price to pay for the billions of dollars they receive in tax giveaways.*

Corrupt Jed Valentas Receives REBNY Humanitarian Award!

REBNY bought a 16-page ad in the January 19, 2017 edition of *The New York Times* extolling the virtues of REBNY and some of its top policymakers like **Jed Valentas**, son of billionaire real estate developer and REBNY member **David Valentas**. Jed Valentas, CEO of **Two Trees Management** and a member of REBNY's executive board, received a humanitarian award

for "meritorious service to the community." Jed oversees all aspects of Two Trees development, construction, marketing and leasing. The contrived ad describes how Two Trees has transformed Brooklyn's DUMBO into a vibrant community and how its redevelopment of the Domino Sugar factory in Williamsburg will include some affordable housing. *What The New York Times ad omits is how Two Trees allows unsafe working conditions and defrauds tenants and taxpayers.*

Two Trees Unsafe Working Conditions Have Tragic Consequences

Workers at 20 Jay Street in DUMBO were found using deafening jackhammers in demolition work resulting in exposed hallways being filled with lung-perforating silica dust. Yet



Jed Valentas

these workers were wearing no safety equipment to protect their hearing and eyes and to prevent them from inhaling the dust. Conditions were also extremely unhealthy for office

workers and visitors to the building.

Often stationed in front of Two Trees' construction sites are labor union-sponsored huge inflatable rubber rats signifying to the public the sites' substandard working conditions. On December 9, 2016, **Wilfredo Enrique**, 59, fell to his death working on Valentas' Domino Sugar site. He is one of 31 construction workers who

NEW YORKERS



Construction unions rally for safe worksites.

died on the job in NYC in 2015-2016. Twenty-nine, or more than 93% of the 31 deaths, occurred on non-union construction sites often dubbed “construction sweatshops.”

On January 17, 2017, an op-ed in *The New York Times* pointed out: “Construction-safety lapses happen because it pays for companies to run the risk of letting them happen. When the dead are largely foreign born and, in many cases, undocumented, no one much cares.” While thousands of construction workers rallied around City Hall on January 31st for effective legislation to help prevent the growing number of fatalities and serious injuries on New York City construction sites, REBNY leaders were working to thwart their efforts. As more than one speaker remarked at the rally, if 31 billionaires, developers or politicians were killed, there would be a huge outcry for accountability and a swift end to these tragedies.

Tenants Suffer From Two Trees “Rent Racket”

Two Trees and “humanitarian” Jed Walentas are spotlighted in the Pro-

Publica 2015-2017 series of investigative “Rent Racket” reports. The reports reflect the thousands of landlords who have broken the law and cheated taxpayers and tenants out of hundreds of millions of dollars. Among the crooks is Walentas’ Two Trees Management.

ProPublica reported on December 4, 2015, in “Tenants Take the Hit as New York Fails to Police Huge Housing Tax Break,” that Two Trees has received more than \$10 million in tax savings that continue to this day *even though its luxury residential complex 125 Court Street has yet to officially qualify for the tax break program known as 421-a.*

According to *ProPublica’s* investigation, Jed Walentas lied to City Council members about abiding by the rules when making his pitch for Two Trees to be awarded the project of turning the old Domino Sugar factory into an apartment and office complex. Walentas hid the fact that he “flouted laws requiring rent stabilization in exchange for a large property tax break” Two Trees received on its 125 Court Street building in Brooklyn. For years, Walentas illegally overcharged and evicted tenants and refused to make badly needed repairs.

Unconscionable Behavior By Other REBNY Executive Board Members

Gary Barnett, president and founder of **Extell Development Company** and REBNY executive board member, has been a leader in exploiting EB-5 and other tax abatement programs (corporate welfare) to build luxury high-rise condominiums, such as One57 by Central Park on Billionaire’s Row, rather than building in lower density and less affluent areas which was the purpose of the abatement. At One57, one of its penthouse apartments sold for more than \$100 million according to a story in *Business Insider’s* January 20, 2015 edition. Jaron Benjamin, former executive director of the Metropolitan Council on Housing, the city’s oldest tenant union, was quoted in *The Real Deal* on October 1, 2014 saying, “When I think of Gary Barnett, I think of what’s wrong with New York City real estate. It seems like everything he does, I have to look into what’s legally and ethically wrong with it.”

JOIN THE FIGHT

Barnett was also at the center of a controversy in which he staunchly supported *separate entrances for lower income tenants in luxury buildings referred to as "poor doors."* While he was happy to rake in corporate welfare tax abatements to provide some affordable housing, he was chagrined when the city banned "poor door" entrances in 2015. Elise Goldin, a tenant organizer, told *The Real Deal* that the use of a poor door was a violation of Jewish values. "Seeing this poor door used, especially by a religious Jewish person, is an abomination," Goldin said. "It's creating segregation, shame and barriers between us."

Daniel Brodsky, director of **The Brodsky Organization**, member of REBNY's executive board and board chairman for the Metropolitan Museum of Art, like so many other leaders of REBNY shows a lack of ethics and utter disdain for tenants and fits into the mold of other REBNY bullies. He, like other REBNY plutocrats, has a seedy side. *The Jewish Voice* and the *New York Post* reported in January 2016 that *Brodsky is one of the worst slumlords in the city.* They reported that he faces hundreds of outstanding violations over dozens of properties.

According to the *Post*, "almost all of 45 prime sites identified have collected violations from the Buildings Department and other agencies... tenants say regular inconveniences — like malfunctioning elevators,



Gary Barnett



Daniel Brodsky

crumbling walls and constant renovations — are part of an effort to push out rent-stabilized residents." His property at 360 W. 43rd Street had "27 outstanding violations, including one for failing to maintain a crumbling facade and one for an illegal hotel conversion."

REBNY's Policies Destroy Small Businesses: Support SBJSA

Small businesses in NYC face a crisis. They are being forced to close or leave at a record pace. Yet REBNY proudly boasts on its website that in 2009 it succeeded "in halting the progress of the commercial rent control bill proposed by City Hall by utilizing their newly created REBNY Action Center." Today, *REBNY makes it a priority to prevent commercial rent control* and asks its members to "Write to your elected officials now and tell them that you oppose the City Council's commercial rent con-

trol legislation." REBNY also doles out millions of dollars to influence City Council votes. Some describe REBNY's actions as political bribery.

Take Back New York City, a voice for small businesses that promotes local job creation and stable neighborhoods, seeks to end what they describe as "the rigged system favoring big real estate at the expense of our small businesses, manufacturing, professional services and artists, who are struggling to survive."

They ask the public to help preserve and protect our neighborhoods and small businesses by contacting elected officials to support the *Small Business Jobs Survival Act-Intro 402 (SBJSA)*. This act will provide commercial tenants with important rights to deal with problems they face when their leases expire, such as a right to renew leases for a reasonable period and prohibiting exorbitant rent hikes.

Join the Fight Against REBNY and Take Action

Stop REBNY's disreputable bullies from buying politicians, raking in corporate welfare and running roughshod over New Yorkers. Call on your city and state elected officials to intervene, protect the public interest, get money out of politics and end corporate welfare tax abatements to billionaire developers.

stopREBNYbullies.org