

Rose Gill Hearn Chair

Art Chang Richard J. Davis Courtney C. Hall Mark S. Piazza Members

Amy M. Loprest Executive Director

> Sue Ellen Dodell General Counsel

By C-Access February 23, 2016

Sam Nagourney de Blasio 2017

Dear Sam Nagourney:

On February 22, 2016, the New York City Campaign Finance Board (the "Board") received the enclosed complaint. The complaint alleges that the 2017 campaign of Bill de Blasio (the "Campaign") violated the New York City Campaign Finance Act and/or Board Rules. Pursuant to Board Rule 7-01(e), the Campaign may submit a verified answer (which is notarized and contains a statement affirming the truth of its contents) to the complaint.

Your answer must be received no later than **March 14, 2016**. The Board will review and consider the answer in the process of determining the disposition of the complaint. Your answer should provide a detailed description of the Campaign's activities, and include copies of any documentary evidence, responsive to the allegations.

This letter should not be construed as an evaluation of the merits of any allegation contained in the complaint. Again, your answer must be received no later than **March 14, 2016** and may be submitted by mail, hand-delivered, or sent by fax to (212) 409-1705 or as an e-mail attachment to cferrante@nyccfb.info. If you have any questions regarding the complaints process, please contact me by email or at (212) 409-1851.

Thank you for your cooperation in this matter.

Sincerely,

Cameron Ferrante Complaints & Investigations Analyst

cc: Laurence Laufer (by Email)

Enclosure



Via Email and U.S. Mail

February 22, 2016

Conflicts of Interest Board 2 Lafayette Street New York, New York, 10007.

Campaign Finance Board 100 Church St New York, NY 10007

Re: Violation of Campaign Finance Law and/or Conflicts of Interest Law arising from The Campaign for One New York and United for Affordable NYC

Dear Sirs/Madams:

Common Cause/NY asserts, on information and belief, that the conduct of Mayor Bill de Blasio, in establishing, and soliciting funds for, The Campaign for One New York and, most recently, directing the transfer of funds from The Campaign for One New York to United for Affordable NYC has violated New York City Charter Sec.2603 as well as the spirit and, we believe, letter of Sec. 3-703 of the New York City Campaign Finance Law. We further assert, on information and belief, that, in employing consultants who simultaneously provide public relations and strategic advice to the Mayor and to firms doing business with the City of New York, and, indeed, on occasion meet with and negotiate directly with the Mayor and his staff, questions have arisen as to whether Mayor de Blasio has violated the conflicts of interest provisions of the City Charter, specifically Sec. 2604 (c)(4).

Campaign for One New York & United for Affordable NYC

In examining Mayor de Blasio's actions in establishing and directing the Campaign for One New York and now fostering the establishment of United for Affordable New York, we are mindful of Sec. 2600 of the New York City Charter, which provides:

Public service is a public trust. These prohibitions on the conduct of public servants are enacted to preserve the trust placed in the public servants of the city, to promote public confidence in government, to protect the integrity of government decision-making and to enhance government efficiency.

80 Broad Street, Suite 2703, New York, NY 10004

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#### Additionally, Section 1052 a.10 is also relevant:

The board may take such other actions as are necessary and proper to carry out the purposes of any local law establishing a voluntary system of campaign finance reform.

It is widely reported that the Campaign for One New York was "set up" by Mayor Bill de Blasio [See Appendix A for press reports referenced herein]. Indeed, Mayor de Blasio is quoted in news articles as confirming that he set up the Campaign for One New York in order to raise and spend unlimited amounts of money. Goldenberg, "*De Blasio defends Campaign for One New York's unlimited spending, raising*" Politico New York, November 6, 2015. It appears that Mayor de Blasio directs the Campaign for One New York and that he directly raises money to fund its operations.

Information provided to the press and in disclosures filed with New York State indicate that the funding for what is variously termed "a political campaign" (New York Times), "a political fund" (Politico New York) or an "organization created by Mayor de Blasio's political team" (New York Daily News) comes primarily from entities which do business with the City of New York, including unions and companies in various industries including real estate, taxi companies and waste management. Reported contributions include contributions that range from \$10,000 to \$250,000 or more – far exceeding the limits in New York City's well-regarded campaign finance law. New York City's campaign finance law is designed to moderate the corrosive impact of large campaign contributions on elected officials. New York City's interest in avoiding "pay to play" politics is so strong that, since 2007, it prohibits those who do business with New York City from contributing more than \$400 in campaign contributions to City candidates.

We believe that the Mayor's direct involvement with the Campaign for One New York raises troubling questions regarding the legality of his conduct under New York City's conflict of interest and campaign finance laws. While the Mayor's actions have been widely criticized in the press, there has to date been no official investigation into the legality of this conduct, through which it appears the Mayor trades his public office for personal political advantage, and makes a mockery of the city's long-followed public policy behind the campaign finance laws designed to avoid using monetary contributions to curry favor with, and gain access to, public officials.

#### **Issues Presented**

We believe the Mayor's conduct presents the following issues that the Conflict of Interest Board must address:

1. Is the Mayor's conduct in regard to the Campaign for One New York in conflict with the proper discharge of his official duties in violation of Sec. 2604 (b)(2) of the New York City Charter?

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- 2. Is the use of moneys contributed from the real estate industry to the Campaign for One New York to now fund United for Affordable New York in conflict with the proper discharge of his official duties in violation of Sec. 2604 (b)(2) of the New York City Charter?
- 3. Does the Mayor's solicitation of entities and individuals who do business with New York City to make sizeable monetary contributions to the Campaign for One New York constitute the use of his position as a public servant to obtain personal advantage for himself and for his political consultants who are paid through the Campaign for One New York in violation of Sec. 2604 (b)(3) of the New York City Charter?
- 4. If the Campaign for One New York is not an Independent Expenditure Committee, because it works in close coordination with the Mayor, and if it is not a campaign committee subject to the restrictions of New York City's campaign finance laws, are contributions made to it at the behest of the Mayor gifts from entities that are engaged or intend to be engaged in business dealings with the City, in violation of Sec. 2604 (b)(5) of the New York City Charter?
- 5. Is the Mayor's conduct in relation to the Campaign for One New York and United for Affordable NYC covered by Advisory Opinion 2008-6, and if so, has the Mayor complied with its requirements?
- 6. By seeking advice on strategy and messaging from paid consultants hired by the Campaign for One New York who are also employed by companies that have business dealings with the City of New York, in particular, individuals and companies with real estate interests actively engaged in projects that require approval or funding from the City of New York, has Mayor de Blasio disclosed confidential information regarding the affairs or government of the City that is not otherwise available to the public, in violation of Sec. 2604 (b)(4) of the New York City Charter?

We believe the Mayor's conduct presents the following issues that the Campaign Finance Board must address:

- 1. In this age of perpetual campaigning, where public opinion polling as to the re-electability of elected officials is virtually constant, is the Campaign for One New York a campaign committee that should be subject to the New York City campaign finance law?
- 2. Do contributions to the Campaign for One New York violate New York City Campaign Finance Law 3-703(1)(f) ?
- 3. Do contributions to the Campaign for One New York violate New York City Campaign Finance Law 3-703 (1-a)?

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4. If the Campaign for One New York was not a committee subject to the New York City campaign finance laws when it is founded in December, 2013, did (would) it become subject to the campaign finance laws at some later date in closer chronological proximity to the Mayor's running for re-election? If so, when did (would) that occur?

Finally, if upon completion of a thorough investigation either the Conflict of Interest Board or the Campaign Finance Board disagrees with our contention that the cited conduct of Mayor de Blasio violates the City's Conflict of Interest Law and Campaign Finance Law, then Common Cause/NY requests that each Board consider and propose amendments to clarify the applicable law to prohibit elected officials from creating entities, like the Campaign for One New York, which violate the protections, public policy, and spirit of those laws. We believe that such a prohibition can be included in the terms and conditions that the Campaign Finance Board sets for candidates who voluntarily participate in the campaign finance matching fund program.

Thank you for your anticipated prompt and thorough response to these important issues. Common Cause/NY stands ready to cooperate in any way we can to aid your investigation and consideration of the issues that we have raised.

Respectfully submitted,

/s/

Susan Lerner Executive Director

cc: Amy Loprest, Esq., Campaign Finance Board Eric Friedman, Esq., Campaign Finance Board Carolyn Lisa Miller, Esq., Conflicts of Interest Board **Wayne** G.**Hawley**, Esq., Conflicts of Interest Board February 22, 2016 Conflicts of Interest Board Campaign Finance Board Page 5 of 5

#### APENDIX A

http://www.nytimes.com/2015/03/11/nyregion/mayor-de-blasio-is-quietly-solicitingdonations-for-future-policy-battles.html

http://www.nytimes.com/interactive/2015/11/04/nyregion/mayor-de-blasios-shadowcabinet.html

http://www.capitalnewyork.com/article/city-hall/2015/11/8582206/de-blasio-defendscampaign-one-new-yorks-unlimited-spending-raisin

http://www.capitalnewyork.com/article/city-hall/2016/02/8590389/ahead-council-vote-mayors-allies-organize-defense-housing-agenda

http://www.capitalnewyork.com/article/city-hall/2015/10/8580105/de-blasios-progressive-agenda-launches-fundraising-operation

http://www.capitalnewyork.com/article/city-hall/2015/07/8572274/mayors-organizationraises-17-m-january

http://therealdeal.com/2015/09/24/donating-to-de-blasio-connected-group-pays-off-for-developers/

http://observer.com/2015/04/bill-de-blasio-wont-say-what-hes-doing-with-his-campaign-nonprofit-today/

http://www.nydailynews.com/news/politics/big-city-unions-bankroll-1-7m-mayor-de-blasio-lobbying-arm-article-1.1868484



#### APPENDIX A

# The New York Eimes

#### De Blasio Said to Seek Donations for Nonprofit to Promote His Policy Goals

By MICHAEL M. GRYNBAUMMARCH 10, 2015



Mayor Bill de Blasio of New York at a budget hearing in Albany last month. Mr. de Blasio is quietly filling a war chest to finance future policy battles. CreditNathaniel Brooks for The New York Times

Mayor <u>Bill de Blasio</u> is ramping up a political campaign to promote his housing and education priorities, with an eye toward amassing a financial war chest that can compete with well-financed opponents.

Mr. de Blasio and his fund-raising team have quietly solicited large contributions in recent weeks from donors in the mayor's inner circle, according to three people who requested anonymity to describe moves by the administration that were not yet intended to be public.

The mayor's aim, according to these people, is to create an advertising and social media campaign that would buttress his top policy goals, such as securing more state money

for New York City public schools and advancing his affordable housing plan in neighborhoods that are wary of gentrification.

Donors are being asked to contribute to a nonprofit fund, the Campaign for One New York, that is operated by political consultants <u>with close ties to Mr. de Blasio</u>. The fund can accept donations that are significantly larger than those allowed within New York City's strict campaign finance system. Last year, when the fund was also known as <u>UPKNYC</u>, it spent more than \$2 million, mostly to promote the mayor's main issue of universal prekindergarten.

This year's campaign is still in the planning stages, with many details still to be determined. But ideas on how the fund could complement City Hall's work have circulated among Mr. de Blasio and his aides for months, according to one of the people with knowledge of the mayor's discussions.

One motivation for the effort, the person said, is to avoid repeating one of Mr. de Blasio's low points from last year, when City Hall was blindsided by<u>charter</u> <u>school</u> advocates who ran a \$5 million advertising blitz attacking the mayor.

Mr. de Blasio has since conceded that his administration was caught flat-footed. The new fund-raising effort, if successful, would potentially generate millions of dollars that the mayor and his team could use to quickly respond to critics, or to jump-start their own public relations efforts.

Officials at one of Mr. de Blasio's closest labor allies, 1199 S.E.I.U. United Healthcare Workers East, confirmed on Monday that the union had contributed \$250,000 this year.

The mayor is not the only prominent elected official in New York to be bolstered by an outside organization. Allies of Gov. Andrew M. Cuomo, including several real estate developers, donated millions of dollars to the Committee to Save New York, a similar nonprofit fund that supported the governor's priorities during his first years in office.

The funds have drawn criticism from some government watchdogs for accepting contributions from organizations with business before the state or the city. In Mr. de Blasio's case, the parent union of the United Federation of Teachers <u>made a \$350,000</u> <u>contribution</u> to the fund last spring, as City Hall and the teachers' union negotiated a labor contract.

Representatives of the mayor and the union have said the two were not connected. Mr. de Blasio has said his administration's actions are determined on the merits.

Susan Lerner, executive director of Common Cause New York, said on Monday that "it's unfortunate" that the mayor was again turning to private contributions.

"This is a way to get close to, or do a favor for, a mayor who would not otherwise be accepting your campaign dollars in these amounts," Ms. Lerner said in an interview. She urged the mayor to rely on his taxpayer-financed team: "We believe that elected officials, particularly executives like the mayor and the governor, have fabulous communications apparatuses at their control, through the level of government that they head."

Because the Campaign for One New York is incorporated as a nonprofit, it is required to identify its donors only twice a year.

A spokesman for the Campaign for One New York, Dan Levitan, declined to specify how much money the group had raised this year.

"Just as we helped build a groundswell for universal pre-K and after school for all New Yorkers, we'll continue to build support for New York City's progressive agenda," said Mr. Levitan, who also served as a spokesman for Mr. de Blasio's mayoral campaign and now works at <u>BerlinRosen</u>, a public relations firm led by one of Mr. de Blasio's top political strategists.

Under state rules, donations given this calendar year will be disclosed in July. Mr. Levitan said the group would identify all of its contributors, beyond requirements that it only identify those who give \$5,000 or more. But he said the group would wait until July to do so.

# The New York Eimes

#### Mayor de Blasio's Private Advisers: Who Gives the Money and Who Gets It

By LARRY BUCHANAN and FORD FESSENDEN NOV. 4, 2015

Some deep-pocketed interests top the list of contributors to the Campaign for One New York, which has paid large sums to the firms of several private consultants who advise the mayor. Unions have been the most generous, followed by real estate developers, including several with an interest in the Brooklyn waterfront. Liberal philanthropists are also prominent, along with a handful of Silicon Valley entrepreneurs.

#### To see the full chart, please see link below:

http://www.nytimes.com/interactive/2015/11/04/nyregion/mayor-de-blasios-shadowcabinet.html



### De Blasio defends Campaign for One New York's unlimited spending, raising

By **SALLY GOLDENBERG** 7:37 p.m. | Nov. 6, 2015

Mayor Bill de Blasio said Friday that he set up a political fund that raises and spends unlimited amounts of cash to essentially level the playing field against his opponents who spend just as freely.

"I think it's really important to look at the laws that govern us and I would like to see a very, very different world but we're not in that world yet," the mayor said during a wide-ranging press conference at City Hall.

Shortly after becoming mayor, de Blasio started a group called Campaign for One New York, which is not regulated by the city's Campaign Finance Board. Unlike a standard election account, this fund spends on advocating the mayor's agenda and issues, such as expanded pre-kindergarten and affordable housing.

The fund has been cricitized because de Blasio was a staunch opponent of the 2010 Citizens United U.S. Supreme Court case, which led to unlimited amounts of money being spent on elections.

But it's because of that case, the mayor said Friday, that he needs his own fund.

"I respect that the media is supposed to hold us all accountable, and ask us all tough questions, but I would ask for context. There are lots and lots of groups spending vast

amounts of money without any examination, without any disclosure," de Blasio said. He noted that the Republican Koch brothers have said <u>they will spend nearly \$1</u> <u>billion in advance of the 2016 presidential election</u>.

"Anything that's associated with me is going to be fully disclosed," de Blasio said.

The mayor has voluntarily released his filings to reporters twice a year.

He also spoke about unregulated money being spent against him.

"In a dynamic where millions and millions of dollars, multiple times, have been spent to attack things that I'm trying to do, it makes sense that there's going to be other people who try to push back and say this agenda is important," he said.

Yet the groups that have spent money running ads and holding rallies to oppose de Blasio's causes didn't need Citizens United to be able to do that. Charter schools and Uber, two of his top and most well-funded foes, would have been able to spend as much as they wanted on advertising before that court decision.

Meanwhile, the mayor indicated he does not think anyone donates money because they want something in return.

"First of all you, should ask them. Second, what I say to people and what others have said is, this is what we're trying to do and this is what we're asking for support for. I don't think people tend to give money to something they disagree with," he said.

<u>A POLITICO New York story in September</u> found examples of donors who want — and sometimes have received — things from City Hall that are unrelated to the mayor's agenda.



### Ahead of Council vote, mayor's allies organize in defense of housing agenda

By SALLY GOLDENBERG 5:40 a.m. | Feb. 8, 2016



Reed/Mayoral Photography Office)

De Blasio. (Ed

As Mayor Bill de Blasio's controversial housing plans come before the City Council this week, his union allies are joining forces with the AARP and the Brooklyn Chamber of Commerce to form an organization that will push for the mayor's proposals.

The group, United For Affordable NYC, is being incorporated with city and state agencies as a 501(c)4, lead strategist Neal Kwatra told POLITICO New York.

The four founding unions are the Hotel Trades Council, health care workers union 1199 SEIU, building service employees' 32BJ SEIU and District Council 37 — the largest municipal labor organization in the city.

The fund-raising organization will begin with a seed grant from some of its members and the mayor's other 501(c)4, Campaign for One New York, according to a source familiar with the effort who would only speak on background. The donors have made a six-figure commitment for the initial grant, but the details are still being worked out, the source added.

The blend of organizations is meant to show that the mayor's plans, <u>which were</u> rejected by most community boards and borough presidents last year, have diverse backing — from private and municipal unionized workers to senior citizens and business leaders.

"We represent hotel workers and workers in private clubs. So, they're not exactly the richest people in the city, and their ability to access housing has become more and more stressful," Hotel Trades Council president Peter Ward said in an interview. "We see our members being pushed to further reaches of the city. We see them being pushed outside the city."

Ward, who lives in the suburban Grasmere section of Staten Island, said his daughters reside in apartments in Manhattan he called "frighteningly small."

In recent months, Ward's members have appeared en masse at rallies and Department of City Planning hearings to vouch for the mayor's proposals. On Jan. 30, more than 100 of them fanned out through 25 commercial corridors across the city to hand out literature and get businesses to sign letters of support. They showed up in areas the mayor hopes to rezone, such as Jerome Avenue in the Bronx, East Harlem, Flushing and Bay Street on Staten Island.

Ward said the group will continue lobbying each of the 51 City Council members before they cast their binding votes sometime in the next few months. <u>The Council</u> <u>will hold two hearings Tuesday and Wednesday in City Hall</u> on the plans. "We're going to attend hearings in large numbers and we're going to make sure our voices are heard," Ward said. "We realize the plan is imperfect, but unfortunately I don't think it's possible to put together a perfect plan at this stage of the game."

The organization is also launching a website, <u>www.unitedaffordable.nyc</u>. The mayor is proposing that anyone who develops residential buildings of 11 units or more in an area approved for a rezoning must devote at least 25 percent of those apartments to below-market-rate housing. Known as Mandatory Inclusionary Housing, or MIH for short, the idea is to get more low- to moderate-income housing out of builders in exchange for the benefit of more allowed density. Many City Council members say they support the idea, but the specific rents the city would require have been met with objections from housing advocates and some politicians who feel the plan should require more affordable housing, both in number of units and income bands targeted.

Developers have privately hinted the plan is legally questionable — something planning commissioner Carl Weisbrod has publicly argued against. More importantly, <u>many developers say the plan is pointless unless the state reenacts</u> <u>the development tax break known as 421-a</u>, which expired last month. The thinking is that without that lucrative exemption on property taxes, developers will not build more low-income housing with only a rezoning to offset the cost. The other part of the mayor's overall proposal, known as Zoning for Quality and Affordability or ZQA, would rewrite the city's zoning text to enable more residential development. That plan has been the subject of even more debate than MIH, because New Yorkers throughout the city are wary of more density.

The AARP, which represents people aged 50 and older, has seized on ZQA because it would enable the creation of more affordable senior housing <u>at a time when the</u> <u>city's elderly population is growing</u>. ZQA would, for instance, limit parking facilities that are currently required alongside below-market-rate senior developments and allow builders to use that space for housing instead.

"When we talk to our older members and say, how do you see yourself aging, their number one concern is that they want to age in their community, if not their home," Chris Widelo, associate state director of the AARP, said in an interview. "It really is about making sure that older New Yorkers have options to be able to age successfully in place."

He and Ward both declined to discuss whether they would eventually donate money to the organization and if so, how much.

"We haven't talked about a formal number or anything like that," Widelo said. "We're still in the infant stages."



### De Blasio's Progressive Agenda launches fundraising operation

By **LAURA NAHMIAS** 5:25 a.m. | Oct. 20, 2015



supporter at the African American Day Parade. (Ed Reed/Mayoral Photography Office)

The Progressive Agenda Committee, the political organization Mayor Bill de Blasio formed in May, has formed a fundraising operation.

The group is planning its first major event, a <u>bipartisan presidential forum on</u> <u>economic inequality in Iowa</u>, to be held in early December.

Until recently, the group's expenses were being paid for with donations made to the Campaign For One New York, a 501(c)4 nonprofit de Blasio started in December of 2013 to advance his mayoral agenda, including expanding universal pre-kindergarten and building more affordable housing. The Campaign For One New York has raised \$3.87 million since its inception, and spent \$668,373 on consulting fees and other expenses between January and June of this year.

But now the committee has formally registered as its own 501(c)4 nonprofit, and "has its own fundraising operation" which has already begun raising money, committee spokeswoman Rebecca Katz told POLITICO New York.

Katz declined to detail how much money the committee has already raised, or who its donors were.

"The Progressive Agenda to Combat Income Inequality was launched in May of 2015 as a project of the Campaign for One New York," Katz said in an emailed statement describing the shift.

"Work to launch and advance The Progressive Agenda has been the central focus of the activity of the Campaign for One New York throughout 2015, to date. The Progressive Agenda Committee is a 501(c)4 non-profit organization that will raise money from those who believe in its mission of combatting inequality. TPAC was provided a seed grant by the Campaign for One New York," Katz said.

The activities of 501(c)4 political committees have become increasingly controversial in recent years as the number of politically active nonprofits has grown, following the Supreme Court's decision in the Citizens United case in 2010.

Such groups are required to file paperwork with the Internal Revenue Service, but are not obligated to disclose their donors' identities to the public.

But de Blasio, who railed against secrecy in political spending when he was the city's public advocate, has attempted to blunt criticism from good government groups over the Campaign For One New York by voluntarily disclosing the names and addresses of donors to the Campaign.

The Progressive Agenda Committee will adopt a similar standard of transparency, voluntarily disclosing its donors and expenses, Katz said.

Katz declined to offer more details, saying only that the people and groups who will donate are likely ones who care about the issue of inequality.

De Blasio will be involved with fundraising for TPAC, in much the same way he has been involved in fundraising for the Campaign For One New York.

While he does not directly solicit donations for the group, he has hosted events for donors. He will have a similar level of involvement in the fundraising process for the Progressive Agenda Committee, Katz said. Other individuals who have signed on to the Progressive Agenda's platform, which includes raising the minimum wage and closing the carried interest loophole at the federal level, will also likely be involved with fundraising.



# Mayor's organization raises \$1.7 M. since January

By SALLY GOLDENBERG and LAURA NAHMIAS 6:24 p.m. | Jul. 16, 2015



Freeman/Mayoral Photography Office) TweetShare on FacebookPrint

The Campaign for One New York, Mayor Bill de Blasio's political organization, took in \$1.71 million and spent \$668,373 during the past six months, new records show.

His largest donations, of \$250,000 each, came from 1199 SEIU, the massive health care union that helped propel him to office in 2013, and the Fund for Policy Reform Inc., a 501(c) 4 organization that describes its mission in tax filings as "promot[ing] social welfare, including funding initiatives related to public welfare, drug policy, alleviation of poverty and electoral reform."

Two wealthy donors pushing a controversial ban on horse carriages, Stephen Nislick and Wendy Neu, each gave \$50,000 in March.

The mayor also received dozens of donations from real estate executives, unions and lobbyists, some of whom have business before the city.

The city's top lobbyist, James Capalino, gave \$10,000 on May 27, just one day before records show he had a meeting with de Blasio to lobby him on the Downtown Manhattan Heliport, which opposes a City Council bill to ban helicopter tours in the city. A call to Capalino for comment was not immediately returned.

Ral Development, which is building two towers at Brooklyn Bridge Park, donated \$10,000 in May as well.

The Toll Brothers, which builds homes throughout the metropolitan region, gave \$25,000 in April.

Alma Realty, <u>which is behind the Astoria Cove redevelopment project</u> that was a model for the mayor's yet-to-be-unveiled mandatory inclusionary zoning policy, gave him \$5,000 in April.

He received a \$20,000 gift from John Catsimatidis' Red Apple Group in April as well. Catsimatidis, who owns supermarkets and real estate throughout the city, ran in the Republican mayoral primary in 2013 and now hosts a radio show featuring police commissioner Bill Bratton as a frequent guest.

A spokesman for the the mayor's organization, Dan Levitan, said it focused on de Blasio's "progressive agenda" in recent months—an effort that took him to Washington, D.C. and to states around the country to discuss national progressive ideals.

"The Campaign for One New York is supported by individuals, foundations and organizations committed to New York City's progressive agenda," Levitan said. As part of our commitment to transparency, we are voluntarily disclosing all of our fundraising and spending."

Some individual donors include those who have given to the organization since its inception last year, such as wealthy businessman Alexander Levin and Joseph Dussich, a <u>Queens businessman who had raised more than \$30,000 for de</u> <u>Blasio's Republican rival</u>, Joe Lhota, in 2013.

Dussich runs JAD Corp. of America, which sells maintenance and cleaning supplies for buildings. The company has had several contracts with New York City in recent years.

The group spent hundreds of thousands of dollars on political consultants with ties to the mayor. The committee paid more than \$60,000 to Berlin Rosen, which advised de Blasio's mayoral campaign, more than \$100,000 to Hilltop Public Solutions, which employs de Blasio's former campaign manager, and \$150,000 to AKPD, which made de Blasio's TV ads during the campaign.

The committee also made two separate payments of \$23,413 and \$10,825 to SKD Knickerbocker for consulting done between February and May this year, which a campaign spokesman said was paid to SKD managing director Anita Dunn, who provided the committee with strategic advice.

The payments to SKD are notable—the firm ran the mayoral campaign of Christine Quinn, the early front-runner for the Democratic nomination in 2013. Quinn eventually faded as de Blasio prevailed in the primary.

## THE REAL DEAL NEW YORK REAL ESTATE NEWS

# Donating to de Blasio-connected group pays off for developers

Mayor's Campaign for One New York raises pay-to-play questions

September 24, 2015 10:13AM



Bill de Blasio

Since December of 2013, Campaign for One New York, a nonprofit run by political consultants close to Mayor Bill de Blasio, has accepted nearly \$4 million in donations from real estate developers, unions and others.

Many donors gave money just before or after the city threw them a bone. At least 46 of 74 donors listed in the six-month filing either had business or labor contracts with City Hall or were looking to receive approval for a project.

A spokesman for Campaign for One New York said the group discloses all fundraising and spending and is supported by progressives, Politico reported.

Half of the donations came from real estate companies with a vested interest in maintaining the 421a tax abatement program.

In May, <u>de Blasio agreed to extend 421a</u>, with increased affordable housing requirements, just week after numerous developers had donated to one of his fundraisers.

The mayor didn't require that developers pay workers a prevailing wage, a major coup for developers and construction industry titans like JDS, which contributed to Campaign for One New York.

The biggest donors to the nonprofit were Two Trees Management, which gave \$100,000 through an LLC, Brookfield Financial Property L.P., which donated \$50,000, Douglaston Development, which contributed \$25,000; and Alma Realty Corp., which gave \$5,000.

In June, architect Ariel Aufgang said the mayor's 421a plan helped his business. He made a \$2,500 campaign donation in April 2015. Aufgang received city approval for more than 930 new apartments after meeting with city officials. [Politico] – *Ariel Stulberg* 



### Bill de Blasio Won't Say What He's Doing With His Campaign Nonprofit Today

By Ross Barkan • 04/21/15 2:41pm



Mayor Bill de Blasio. (Photo: Andrew Burton/Getty Images)

Mayor Bill de Blasio will attend an event today for his nonprofit fund, the Campaign for One New York, according to his public schedule.

That's about all the public is permitted to know about the event, likely a fundraiser, for a type of campaign fund that has drawn scrutinity from good government groups.

A spokesman for Mr. de Blasio, Dan Levitan, would not say where the Campaign for One New York event will be held or who will be attending. Mr. Levitan, a vice president with the firm BerlinRosen, did not reveal the purpose of the event.

But Mr. de Blasio, a Democrat, is reportedly laying the groundwork for an extensive advertising and social media campaign to promote his progressive agenda and push back against potentially well-heeled opponents. To do this, Mr. de Blasio is soliciting donations to the nonprofit fund, operated by political consultants with close ties to him. The nonprofit also helped pay for a portion of his travel expenses Iowa and Nebraska last week.

For the mayor, there are several advantages to using a nonprofit instead of his own campaign cash, especially in a post Citizens United world that allows for unregulated outside spending. The fund can accept far larger donations than what would be allowed under strict New York City Campaign Finance Board regulations and only has to report its donors twice a year. Last year, the nonprofit extensively promoted Mr. de Blasio's universal pre-kindergarten initiative.

Good government groups like Common Cause New York have criticized Mr. de Blasio in the past because the nonprofit allows donors to curry favor with the mayor by funneling unusually large donations and sidestepping the CFB system.

A previous filing showed that Mr. de Blasio's allies in organized labor, along with real estate and the taxi industry, flooded the nonprofit's coffers. Under state rules, donations given this calender year will be disclosed in July.

## DAILY NEWS

## Big city unions are bankrolling Mayor de Blasio's lobbying arm with \$1.7 million

The Campaign for One New York has received a total of \$1.7 million in less than seven months - and about three-quarters of that, \$1.2 million, came from just five donors, the records show.

**BY JENNIFER FERMINO, ERIN DURKIN** 

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SETH WENIG/AP

Mayor de Blasio's lobbying organization is getting big bucks, \$1.7 million this year, with most of it coming from just five donors.

Some of the city's biggest unions and some powerful businesses interests are bankrolling the organization created by Mayor de Blasio's political team to lobby for his agenda, records released Tuesday show.

The Campaign for One New York has received a total of \$1.7 million in less than seven months - and about three-quarters of that, \$1.2 million, came from just five donors, the records show.

The American Federation of Teachers gave the most, at \$350,000. The health care union 1199 SEIU gave \$250,000, and the union UNITE HERE - which was once headed by de Blasio's cousin, John Wilhelm - ponied up \$200,000.

And NY Progress, a political action committee founded by the United Federation of Teachers and the Communication Workers of America, gave \$175,000.

The only donor in the top five that wasn't connected to the labor movement was the Rockefeller Family Foundation, which made donations totaling \$250,000.

The taxi industry, which is regulated by the city, also donated to the pro-de Blasio group; five cab companies gave a total of \$10,000, the records show.

And real estate companies dug deep for the organization, with four companies giving a total \$47,500.

Because the Campaign for One New York is a lobbying group, and not a political campaign, it does not have to abide by the city's strict campaign finance rules, which limit individual donates to \$4,950.

The eye-popping contributions drew criticism from government watchdogs.

"It's a brand-new way of currying favor with the mayor. It's legal, but it's unseemly," said Dick Dadey, the director of Citizens Union.

"It's an end run around the city's campaign finance rules," he added

The Campaign For New York originally was launched under the name UPKNYC to lobby for de Blasio's proposal to expand pre-kindergarten.

It has since broadened its mission to lobby for other parts of his agenda, an expansion first reported by the New York Times. As part of that broader effort, it was renamed the Campaign for One New York.

According to the new fundraising and spending reports, the organization has spent \$1.67 million this year, including \$26,000 on buses to transport supporters to Albany in March to lobby for the pre-k expansion.

It also spent another \$950,000 on the advertisement that featured First Lady Chirlane McCray talking up the pre-K expansion.