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Pay to Play

How Big Real Estate Money is Leaving New York Tenants in the Dust

By Joy Ang, Rob Galbraith, and Alison Wilkey



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*Nov. 2021 Action:
New York City tenants
protest the Rent
Stabilization Association
in the snow.*

*NYC tenants and homeowners
continue to fight (2018–now) for
basic protections like
'Prohibition of Eviction
Without Good Cause'
and against undue subsidies and
tax exemptions exclusively
benefitting industry player
bottom-lines at the expense of
crucial state revenue.*

Executive Summary

New York's powerful real estate industry is engaged in parallel fights to block legislation that would require landlords to have good cause for evicting tenants and to retain a controversial property tax exemption that costs New York City residents billions of dollars annually without meaningfully expanding affordable housing.

The Rent Stabilization Association (RSA), the Community Housing Improvement Program (CHIP), and the Real Estate Board of NY (REBNY) are three large lobbying organizations that represent some of New York City's biggest and richest property owners. The groups bring in millions of dollars per year in revenue and have a powerful presence in Albany where they oppose all legislation that would give more rights or bargaining power to tenants.

These groups often claim to represent small “mom and pop” landlords all over the State, but in fact, they are composed of the wealthy elite. Their board members and top executives take home salaries larger than what many New Yorkers earn in a decade.

The real estate industry was an important force behind former New York State Governor Andrew Cuomo, and has poured hundreds of millions of dollars into New York State politics over the years. After Cuomo resigned in 2021 and was succeeded by his Lieutenant Governor Kathy Hochul, the real estate industry swiftly fell in line to support her, contributing more than \$5 million dollars to Hochul’s campaign account from October 2021 through mid-January 2022.

Due to the state schedule for lobbying disclosure, we will not see the extent of these groups’ lobbying efforts to defeat good cause and preserve 421-a in 2022 until after the legislative session has closed; as such this report analyzes lobbying expenditures from 2018 through 2021.

▷ **This report examines the political influence operations of RSA, CHIP, and REBNY, which extend from traditional lobbying to supporting Democratic and Republican politicians with millions of dollars in campaign contributions to forming front groups to give the impression of broad support for landlords’ policy agenda.** We found that since 2018 these groups’ political influence, public relations, and litigation spending totals more than \$18.8 million.

Currently these real estate groups are engaged in a fight to preserve **“no fault eviction”** in New York, which allows landlords to evict tenants without good cause, and to continue the controversial **421-a tax exemption**, which exempts new buildings from property taxes for up to 35 years.

Because these advocacy efforts are ongoing, we do not yet know how much the real estate lobby is planning to spend fighting tenants’ rights and supporting development subsidies. **However, if this year is like recent years, we can expect large NYC landlords’ groups to spend millions of dollars more on political influence efforts to block any expansion of rights for renters and to preserve lucrative subsidies.**

Key Findings:

- **RSA, CHIP, and REBNY and their front groups have spent at least \$7.7 million on lobbying and advocacy from 2018 through 2021.** The bulk of this spending came in 2019, when these groups spent a combined \$4.7 million on lobbying efforts including opposition to tenant protections passed that year. This year, the RSA, CHIP, and REBNY-backed front group “Homeowners for an Affordable New York” disclosed a \$1.4 million lobbying contract, which on its own exceeds these groups’ combined lobbying expenses in each of the years 2018, 2020, and 2021.
- **RSA, CHIP, and REBNY have created misleading front groups claiming to represent homeowners but members of these industry groups collectively control well over 500,000 homes in New York City — nearly 25% of the housing stock.** All three groups have dumped millions into misleading front groups like “Homeowners for an Affordable NY,” “Taxpayers for an Affordable NY,” and “Affordable Rent for All.” The average portfolio size of board members of REBNY, RSA, and CHIP is over 7,000 homes, and some board members own well over 30,000 units of housing.
- **RSA, CHIP, and REBNY PACs and board members spent a combined \$8.8 million supporting New York political candidates from 2018 through January 14, 2022.** Landlord groups’ board members and PACs gave \$1.3 million to New York Governor Kathy Hochul and \$2.1 million to state Senate and Assembly legislators and candidates. The groups also gave more than \$588,000 to New York State Democratic Party committees and \$1.1 million to Republican Party committees. These totals do not include donations from corporations or LLCs, so total political donations from these landlords are likely much higher.
- **RSA, CHIP, and REBNY have spent more than \$2.3 million combined on law firms suing to overturn rent control and tenant protections since 2018.** In tax returns, RSA and CHIP reported spending \$1,031,394 and \$539,446 respectively with Mayer Brown LLP, which is representing the groups in their lawsuit seeking to eliminate rent control in New York State. REBNY has reported spending at least \$911,659 with Stroock & Stroock & Lavan, which represented the group in its successful suit to overturn the ban on charging brokers fees to tenants. These totals are almost assuredly higher, but 2020 tax filings for CHIP and REBNY are currently unavailable.

Background on Good Cause Eviction; Background on 421-a

PROHIBITION OF EVICTION WITHOUT GOOD CAUSE (S3082/A5573) WOULD BAN NO-FAULT EVICTIONS IN NEW YORK STATE. It would protect tenancies by requiring landlords to have a good reason (breaking the terms of lease, owner use) to force a tenant from their home. Rent increases over 3% or 150% of the consumer price index — whichever is higher — could be considered a form of eviction and be challenged by the tenant in court. An estimated 1.6 million households who are currently unregulated renters would be protected if good cause becomes law.⁷² Recent polling from Data for Progress demonstrates the support of the measure: 64% of New York voters and 77% of Democrats support the bill.⁷³

421-A, A 50-YEAR-OLD PROPERTY TAX EXEMPTION FOR NEW CONSTRUCTION IN NEW YORK CITY. The tax exemption was initially signed into law in 1971 to encourage private-market construction at a time of deep divestment in New York City residential real estate. Today, amidst a runaway real estate market, supporters of the program claim it is necessary to offset high construction costs. Under 421-a, new developers are exempted from property tax rolls for up to 35 years, plus three more during construction. The program cost New York City over \$1.7 billion in foregone property tax revenue in Fiscal Year 2021 and created just over 2,000 income-targeted apartments between 2017 and 2020 — three quarters of which went to households in the City’s top 25% of wage earners.⁷⁴ ⁷⁵ 421-a will “sunset” on June 15, 2022.

Background on RSA, CHIP, and REBNY

The RSA, CHIP, and REBNY are not-for-profit real estate boards or trade organizations. Real estate boards and trade organizations are formed under Section 501(c)(6) of the Internal Revenue Code, along with business leagues, chambers of commerce, and professional football leagues.¹ This means they are not intended to be organized for profit and are exempt from paying taxes. Entities organized under section 501(c)(6) are legally allowed to engage in some political activity and lobbying that is germane to accomplishing its exempt purpose.²

Rent Stabilization Association (RSA)

In tax documents describing its charitable mission RSA says that it “advocates for the property rights of its members (rent regulated property owners in New York City) through legislative and legal action, keeps its membership informed on critical issues through its newsletter, seminars, website and other outreach mechanisms and provides owners with services they need, either directly or by referral, to maintain and operate their properties within legal requirements.”³

In 2020, which is the most recent year that tax documents are available, RSA reported \$7,362,299 in revenue.⁴ Its revenue primarily comprises program



Tenants and Homeless New Yorkers protest outside of Hudson Yards, Manhattan. Hudson Yards benefits from billions in reduced property taxes annually thanks to 421-a

service revenue at \$5,893,548,⁵ but also includes \$1,405,820 in investment income.⁶ RSA reports over \$61,090,888 in total assets, mostly investment securities.⁷ Not-for-profit 501(c)(6) organizations are not required to pay taxes on income received from investment assets so long as they are related to their mission.

While RSA claims to represent all owners of rent-stabilized apartments, and particularly small property owners, its membership is likely closer to owning half the units in the City and its board is composed of some of the biggest names in real estate, as described more in the “Who’s Who” section below. RSA reports on its website that it “represents 25,000 property owners and agents responsible for approximately one million rent-stabilized units of housing.”⁸ RSA reported \$3,464,304 in membership dues in 2020 and reported to the IRS that it charges a \$7.00 per apartment membership fee, which would mean that RSA members own a combined 494,900 apartments in New York City in 2020, approximately half of what they claim and nearly 25% of the total rental housing stock.⁹¹⁰

RSA also receives voluntary contributions to a “legal fund” that works on regulations and law at the federal, state, and local levels. The fund also assists members in initiatives and appealing litigating claims. RSA received \$620,941 in voluntary contributions to its legal fund in 2020.¹¹ RSA, as well as CHIP, filed lawsuits challenging

Select RSA, CHIP, REBNY Activity, 2018–Present:

- RSA, CHIP, and REBNY’s Political Action Committees (PACs) and board members spent **at least \$8,808,139 supporting political candidates in NYS** between 2018 and January 14, 2022
- RSA, CHIP, and REBNY have spent at least **\$7,730,459 on lobbying**
- Both RSA and CHIP have formed **misleading front groups that lobby** against Good Cause Eviction and rent control overall
- Of \$8.8 million spent supporting political candidates by landlord groups’ board members and PACs, New York State **Governor Kathy Hochul received \$1,336,428**
- \$2.3 million (at least) of reported spending on law firms for activity including **lawsuits challenging tenant protections** between 2018 and 2020

the constitutionality of 2019 changes to the rent stabilization law — the first time significant protections to rent stabilization were passed after decades of erosion and the loss of tens of thousands of regulated apartments.¹²

In 2020, the RSA president, Joseph Strasburg, received a total of \$1,050,537 in compensation.¹³

Community Housing Improvement Program (CHIP)

CHIP’s tax documents report that its mission is to represent “building owners in New York City in matters of housing policy involving such diverse issues as lead paint, property taxes and rent regulation.”¹⁴ In 2019, the most recent year for which tax documents are available, CHIP reported \$3,407,273 in revenue.¹⁵

CHIP reports that they represent owners of 400,000 rent-stabilized apartments and received \$440,028 in dues from members — just 13% of its total revenue in 2019.¹⁶ Approximately a third of its revenue — \$1,052,968 — is from program services.¹⁷ Those services include maintaining resources “to enable our members to...appease government agencies.”¹⁸

The bulk of CHIP’s revenue is from donations to support lobbying for “business-friendly policies related to rental housing” and supporting owners with strategic litigation.¹⁹ CHIP raised \$2,344,359 in total in 2019, a little over half (\$1,397,398 in 2019) was raised from two events, a “Golf Outing” and a “P.C. Activity.”²⁰ It paid \$664,675 in reported legal fees and \$442,617 in public relations fees.²¹

Real Estate Board of New York (REBNY)

Part of REBNY’s mission is to “advocate necessary public improvements and oppose unnecessary or wasteful expenditures of public funds” and “to promote and encourage the enactment of just and reasonable laws and ordinances affecting real estate and to oppose those that would be unjust and unreasonable.”²² Of the three organizations covered in this report, REBNY has the largest board and staff, with 148 members and 75 staff.²³ Its total revenue in 2019 was \$16,230,615, and it has \$18,384,030 in total assets.²⁴

Most of REBNY’s revenue comes from membership dues, totaling \$10,173,052 in 2019.²⁵ REBNY offers membership to a broad array of real estate interests—residential to commercial real estate brokers, salespeople, management companies, and owners. REBNY’s top tier “Triple A” membership category is for people who own over \$40 million dollars in real estate assets. “Triple A” members pay \$33,600 in yearly membership dues.²⁶ By contrast, there are 1,936,000 New York households who earn less than \$30,000 each year, struggling to survive on stagnant wages while housing costs continue to increase.²⁷ REBNY’s President Emeritus, John Banks, earned a total of \$947,659 in 2019 and its current president, James Whelan, earned \$835,557 that same year.²⁸

REBNY has a history of big campaign spending through a variety of subsidiary organizations and Political Action Committees (PACs), including Taxpayers for an Affordable New York, Putting New Yorkers to Work, and Jobs for New York. These subsidiaries have pumped millions of dollars into past elections, as described below.²⁹



*RSA, CHIP, and REBNY's Political Action Committees
and board members spent at least \$8,808,139 supporting political candidates
in New York State from 2018 through Jan. 14, 2022*

Buying Political Influence in the State Capitol

RSA, CHIP, and REBNY represent some of the wealthiest and most powerful landlords in New York State, including Douglas Durst, Scott Rechler, and the Rudin family (see “Who’s Who” section below for more detail). Together the groups and their constituents spend millions of dollars on campaign donations.

A February, 2022 analysis of publicly available data from the New York State Board of Elections found that RSA, CHIP, and REBNY’s Political Action Committees (PACs) and board members spent at least \$8,808,139 supporting political candidates in New York State from 2018 through January 14, 2022 (the last day of the most recent complete campaign finance filing period).

This total includes individual contributions from board members at the three organizations and donations from five PACs — RSA PAC, Neighborhood Preservation PAC, Housing New York PAC, Real Estate Board PAC, and Taxpayers for an Affordable New York PAC

— and spending by one super PAC, Jobs 4 NY, controlled by landlord groups. Critically, the total does not include donations from corporations, LLCs, or other executives at the real estate businesses that comprise RSA, CHIP, and REBNYs membership, and so the actual total spent by landlords on political donations is likely far higher.

Of the \$8.8 million spent supporting political candidates by landlord groups' board members and PACs, New York Governor Kathy Hochul received \$1,336,428 and former Governor Andrew Cuomo received \$1,289,775.

Members of the New York State legislature and candidates for legislative seats received \$2,071,130 in campaign contributions from RSA, CHIP, and REBNY PACs and board members since 2018. The overwhelming majority of this money went to New York State Senators and Senate candidates. We found that these groups gave \$1,802,575 to New York State Senators and Senate candidates and \$268,555 to New York State Assembly members and Assembly candidates.

Although RSA, CHIP, and REBNY are based in New York City and represent large landlords active in the New York City metropolitan area, these groups have also funded legislators and legislative candidates throughout the rest of New York State. Senate and Assembly candidates outside of New York City, Long Island, and the Hudson Valley have received \$436,715 from landlord groups' boards of directors and PACs since 2018.

The top 10 candidates running for Senate or Assembly seats outside of the New York City metropolitan area who have benefited from campaign spending by RSA, CHIP, and REBNY board members and PACs can be seen in the table below.

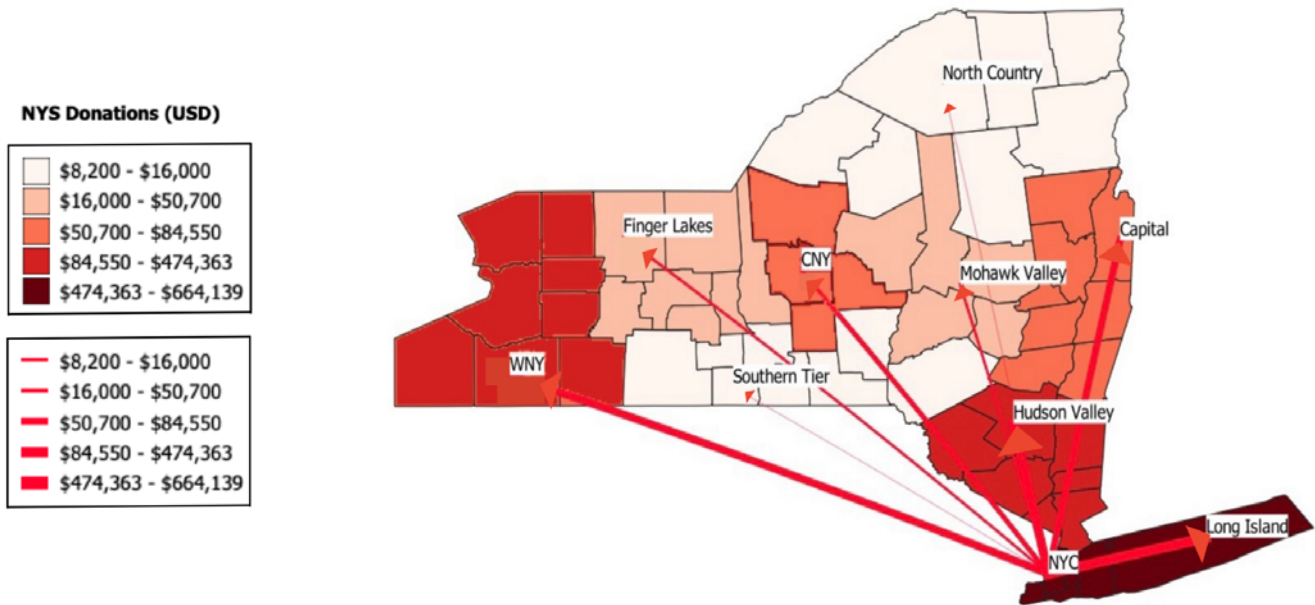
On top of the \$8.8 million spent supporting political candidates, the groups gave a further \$1,702,687.87 to state and local committees of the Democratic and Republican parties.

Table 1. Top 10 recipients of political donations from RSA, CHIP, and REBNY outside the NYC, Long Island, and Hudson Valley regions

Source: Campaign finance filings from the New York State Board of Elections

LEGISLATIVE CANDIDATE	POSITION	REGION	TOTAL From RSA, CHIP, AND REBNY
Tim Kennedy	SD-63	Western NY	\$ 115,000
George Amedore	SD-46 (former)	Capital	\$ 37,300
Jeremy Cooney	SD-56	Finger Lakes	\$ 34,300
Bob Antonacci	SD-50	Central NY	\$ 30,000
Daphne Jordan	SD-43	Capital	\$ 22,750
Sean Ryan	SD-60	Western NY	\$ 21,800
Ed Rath	SD-61	Western NY	\$ 21,300
Cathy Young	SD-57 (former)	Western NY	\$ 18,250
John Mannion	SD-52	Central NY	\$ 17,900
Aaron Gladd	SD-43 (unsuccessful)	Capital	\$ 16,000

*Real Estate Donations to Politicians (2018–present)
by New York Economic Development Region*



Data Source: New York State Board of Elections RSA, REBNY, CHIP Boards and PAC Contributions.



Left, Homeowners for an Affordable New York example messaging on materials created to target strategic NYS regions and localities—The RSA describes them as, “One of our largest public relations campaigns in organization history”

“Homeowners” for an Affordable New York, Affordable Rent For All and other Misleading Front Groups

Both RSA and CHIP have formed front groups to lobby against Good Cause Eviction and rent control overall. These front groups are meant to create the appearance of a widespread grassroots opposition to Good Cause Eviction from small landlords, despite being created and managed by groups representing large landlords and their lobbying and public relations firms. In each of these cases, the names of the front groups obscure the interests actually behind them, presenting themselves as representing broad constituencies such as homeowners and taxpayers rather than wealthy and politically-connected major landlords.

“Homeowners for an Affordable New York” is a group created by the Rent Stabilization Association, in conjunction with other real estate lobbying groups, to marshal opposition to Good Cause Eviction.³⁰ The name of the group is almost identical to a previous real estate industry front group, **“Taxpayers for an Affordable New York”** created and backed by RSA, CHIP, and REBNY in 2019 to oppose the package of tenant protections that was passed in part that year. Further, REBNY listed Taxpayers for an Affordable New York as a related organization in its 2019 tax filings, and RSA reported giving \$1 million to Taxpayers for an Affordable New York. Taxpayers for an Affordable New York created an additional campaign, **“Responsible Rent Reform,”**³¹ to engage in lobbying in Albany.

REBNY has formed several other front groups in the past, as well. In 2019, it also ran the Taxpayers for an Affordable NY Political Action Committee, Putting New Yorkers to Work group, and the Jobs for New York Political Action Committee.³²

The RSA describes [“Homeowners for an Affordable New York,”](#) as [“one of our largest public relations campaigns in organization history”](#) in a [February 2022 newsletter](#).³³ According to The City, other backers of the front group include REBNY, the New York State Association of Realtors, the New York State Builders Association, and Small Property Owners of New York.³⁴

Despite being created by lobbying organizations advocating for the interests of large building owners, the name “Homeowners for an Affordable New York” is clearly meant to imply that the group represents single-family homeowners, a constituency that RSA president Joseph Strasburg identified as critical to winning the fight against Good Cause Eviction in the newsletter announcing the front group.³⁵ RSA appears to be the main organizer behind the group as it was announced in RSA’s newsletter and RSA’s logo appears on the bottom of the front group’s website. It is unclear how much these groups have contributed or are contributing to the campaign, however, hired spokesman Ross Wallenstein lists

CHIP as an additional client; REBNY likewise directs media inquiries to Wallenstein.³⁶³⁷

According to the February 2022 RSA newsletter, the “Homeowners for an Affordable New York” campaign will “include digital and radio ads, direct mailing to homeowners and voters, and patch-through live calls that will allow the caller to connect the constituent directly to their state representatives and urge them not to support the Good Cause Eviction bill” accompanied by “a robust social media campaign on Facebook and Twitter.”

Mailers sent by “Homeowners for an Affordable New York” fear-monger about rising property taxes and insinuate that tenant protection legislation will destroy bucolic white-picket-fence homeowner communities of Long Island and replace them with large-scale public housing blocks. This is a dog whistle based on decades of past practice amongst realtors and others with a vested interest in the status quo, who have used such imagery and stoked such fears to block fair housing reforms, school desegregation efforts, and affordable housing construction in these same areas of New York. The true faces behind “Homeowners for an Affordable New York” are not Long Island homeowners at all, but are the titans of New York’s real estate industry.

A lobbying filing for “Homeowners for an Affordable New York” discloses that the group is paying a flat fee of \$1.4 million to the lobbyist George Fontas.³⁸ Yet, the scope of the “Homeowners for an Affordable New York” campaign as described by RSA includes more than lobbying that would have to be disclosed, and lobbying filings are frequently amended so it is likely that the actual amount spent on this year’s effort to suppress Good Cause Eviction will be considerably higher. For the sake of comparison, the similarly-named front group “Taxpayers for an Affordable New York” disclosed \$3.5 million in expenses on lobbying alone in the sole year that it was active.³⁹

Another active front group, **“Affordable Rent for All,”** appears to have been created by CHIP. The name of the group is modeled on popular progressive demands for universal social welfare programs, such as “Medicare for All,” but the group’s purpose is actually to advocate for the elimination of rent control and garner support for CHIP and RSA’s lawsuit against New York State, on which the two groups have spent more than \$1.5 million since 2018 (see “Lawsuits” section below for more detail).

“Affordable Rent for All” seems to be primarily focused on organizing support for CHIP and RSA’s lawsuit seeking to overturn rent control rather than influencing legislation. Because the group is not registered to lobby, it is unclear how much money CHIP or any other organizations are spending under that name.

Lobbying Activity

Lobbying for the interests of landlords is one of the chief functions of RSA, CHIP, and REBNY. All of these groups have stepped up their lobbying efforts considerably in recent years, with a significant spike in 2019 as the state passed a series of major tenant protections.

Because of New York’s schedule for lobbying disclosure, we will not see the extent of these groups’ lobbying efforts to defeat good cause and preserve 421-a in 2022 until after the legislative session has closed; as such this report analyzes lobbying expenditures from 2018 through 2021.

Between 2018 and 2021, our analysis shows that RSA, CHIP, and

REBNY have spent at least \$7,730,459 on lobbying: with RSA spending \$1,798,757⁴⁰, CHIP spending \$577,807⁴¹, and REBNY spending \$2,103,741⁴². The RSA, CHIP, and REBNY-backed front group Taxpayers for an Affordable New York reported spending \$3,474,330 on lobbying, with at least \$1,000,000 of this total coming from RSA, according to RSA’s lobbying filings.

The bulk of this spending — and the entirety done under the name of Taxpayers for an Affordable New York — occurred in 2019.

In 2019, these groups reported spending a total of \$4,705,128 on lobbying compared to \$775,824 in 2018, \$1,110,784 in 2020, and \$1,138,723 in 2021.

Table 2. Lobbying expenditures by landlord lobbying organizations and front groups 2018-2021

Source: Bimonthly lobbying filings from the NYS Joint Commission on Public Ethics (JCOPE)

	2018	2019	2020	2021	TOTAL
RSA	\$ 143,450	\$ 1,362,750	\$ 224,794	\$ 211,213	\$ 1,942,207
CHIP	\$ 97,882	\$ 213,306	\$ 165,037	\$ 224,196	\$ 700,421
REBNY	\$ 528,621	\$ 654,742	\$ 720,953	\$ 728,046	\$ 2,632,362
Taxpayers for an Affordable New York	\$ 0	\$ 3,474,330	\$ 0	\$ 0	\$ 3,474,330
TOTAL	\$ 775,824	\$ 4,705,128*	\$ 1,110,784	\$ 1,138,723	\$ 7,730,459

* In 2019, these four organizations reported a total of \$5,705,128 in lobbying expenditures, but \$1,000,000 of the total reported by RSA was spent with Taxpayers for an Affordable New York, so the grand total for this year was decreased by \$1,000,000 to avoid double counting

In 2022, the “Homeowners for an Affordable New York” front group has already reported a lobbying contract for \$1.4 million, which alone exceeds the combined lobbying spending of RSA, CHIP, and REBNY in each of the years of 2018, 2020, and 2021.⁴³ As noted above, it is not yet known how much of this \$1.4 million is coming from each of these organizations. *Each group’s lobbying and advocacy expenses are described in detail in **Appendix A**.*



Tenants and Homeless New Yorkers protest outside of Hudson Yards, Manhattan. Hudson Yards benefits from billions in reduced property taxes annually thanks to 421-a

Lawsuits

Landlord advocacy groups have poured considerable resources into lawsuits challenging tenant protections. REBNY sued to get the 2019 ban on charging tenants brokers fees overturned and was successful in this effort in 2021.⁴⁴ RSA and CHIP are currently engaged in a lawsuit to try to eliminate rent control entirely, which they first brought in 2019.⁴⁵

So far, these organizations have reported spending more than \$2.3 million on law firms working on these cases between 2018 and 2020. Again, the total amount spent is almost assuredly much higher, as only one of these three groups currently has a publicly available tax return for 2020.

From 2018 through 2020, the RSA reported spending \$1,031,394 with Mayer Brown LLP, which is representing RSA and CHIP in the groups' **lawsuit to make rent control illegal in New York State.**⁴⁶ CHIP reported spending \$539,446 with Mayer Brown in 2019.

In 2018 and 2019, REBNY reported spending \$800,204 with the law firm Stroock & Stroock & Lavan, which represented REBNY in its **successful lawsuit to overturn the ban on charging brokers fees to tenants.**⁴⁷



Protestors outside of the New York Public Library fighting for Good Cause Eviction



REBNY 124th Annual Banquet, January 2020—Packed with the biggest players from real estate, politics and business advocacy groups—a real who's who of New York City.

(L-R): Henry M. Celestino, L&L Holding Company; Kevin R. Wang, KRW Realty Advisors; Robin Fisher, Newmark Knight Frank; James Whelan, REBNY President; Jodi Pulice, JRT Realty Group; William C. Rudin, REBNY Chairman; David R. Greenbaum, Vornado Realty Trust. Photo Credit: Jill Lotenberg.

Who's Who: Influential NYC Real Estate Moguls at RSA, CHIP, and REBNY

New York City property owners who sit on the leadership boards of RSA, CHIP, and REBNY make up some of the biggest donors to New York State politics. These property owners are also the landlords of a significant number of residential properties throughout the City valued at millions of dollars, which have simultaneously contributed to their personal net worths.

For this report, we analyzed the portfolios of RSA and CHIP board members, as well as REBNY board members that engage in residential real estate. While real estate entities notoriously hide their full portfolios, we found that the average portfolio size of CHIP, RSA, CHIP, and REBNY board members is 5,144 units with a total portfolio size of close to 175,000 units. Based on public statements and filings, we know the true residential portfolio size of RSA, CHIP, and REBNY members collectively is far larger.

Table 3. Residential Portfolio size of real estate companies on the RSA, CHIP, and REBNY boards

Source: "Who Owns What?" database maintained by JustFix.nyc

Company	Landlord Groups	Number of Buildings	Number of Units
RXR Realty	REBNY	5	1,865
Douglas Elliman Real Estate	CHIP, REBNY	342	34,920
Jordan Cooper LLC	CHIP	138	12,864
A&E Real Estate Holdings	REBNY	156	12,363
Rose Associates	RSA, REBNY	73	11,261
Glenwood Management Corp	RSA, REBNY	28	7,761
Rudin Management Company	RSA, REBNY	21	7,206
Lemle & Wolff	RSA	200	6,986
The Brodsky Organization	REBNY	44	6,901
Langsam Property Services	RSA, CHIP	209	6,613
Stellar Management	RSA	74	6,491
Bronstein Properties	CHIP	98	5,046
Rockrose Development Corp.	REBNY	12	4,908
Nelson Management Group	RSA	19	4,787
Kaled Management Corp	CHIP	45	4,309
Parkoff Organization	RSA	65	4,283
BFC Partners	RSA, REBNY	47	3,883
BLDG Management	RSA	73	3,872
GPG Properties	CHIP	143	3,586
The Durst Organization	REBNY, RSA	26	3,272
Manocherian Brothers	RSA, CHIP	63	2,971
Ditmas Management Corp	RSA, CHIP	49	2,940
Extell Development Company	REBNY	19	2,569
Two Trees Management Co. LLC	REBNY	15	2,511
Lalezarian Properties LLC	REBNY	16	2,409

Donald Zucker Company	RSA, REBNY	22	2,025
Tryax Realty	RSA, CHIP	32	1,727
Milbrook Properties	CHIP	31	1,496
Red Apple Group	REBNY	6	1,054
Fishman Real Estate	CHIP	19	813
Jack Resnick & Sons	RSA, REBNY	4	579
Stone Properties Group	CHIP	16	447
Athineos Enterprises Inc.	RSA	7	123
Hasselt Realty LLC	RSA	25	60
TOTAL		2,142	174,901

These organizations often work in concert in order to influence politics to the advantage of large landlords and have deeply intertwined memberships and governance structures. Seven members of the RSA board of directors also serve on the board of directors of CHIP. Three members of the RSA board of directors are also members of the REBNY board of governors, including REBNY board chair Douglas Durst, and another six members of the RSA board of directors are members of REBNY that do not sit on its board of governors. While no members of the CHIP board of directors sit on the REBNY board of governors, at least two members of the CHIP board are also members of REBNY.



Below are the profiles of five of the richest property owners in the City, all who have governing positions at RSA, CHIP, REBNY, or some combination of these groups.

These profiles detail landlords' donations to both former New York Governor Andrew Cuomo and current Governor Kathy Hochul, including information on the number of residential properties in their real estate companies' portfolios. Information on the real estate portfolios were obtained from the "Who Owns What?" database maintained by JustFix.nyc.⁴⁸

Profiles — Five of the Richest Residential Property Owners



Douglas D. Durst

Chairman, The Durst Organization

Director, REBNY

Board Member, RSA

Background

- **Personal Net Worth:** \$4.4 billion⁴⁹
Durst Family Net Worth: \$8.1 billion⁵⁰
- Donated \$55,000 to Hochul's 2022 Campaign⁵¹
- Donated \$75,000 to Cuomo's Campaign (2019-2020)⁵²
- Donated \$22,450 to Taxpayers for an Affordable NY PAC (2006-2019)⁵³
- **The Durst Organization** manages a portfolio of 26 buildings consisting of 3,272 units. 11 evictions have been recorded from these buildings since 2017.



Donald Capoccia

*Founder & Managing Principal,
BFC Partners Board Member, RSA
Board Member, REBNY*

Background:

- Donated \$31,282 to Hochul's 2022 Campaign⁵⁴
- Donated \$37,500 to Cuomo's Campaign (2008-11)⁵⁵
- Donated \$35,000 to REBNY PAC (2004-07)⁵⁶
- BFC Partners manages a portfolio of 47 residential buildings consisting of 3,883 units. 43 evictions have been recorded from these buildings since 2017.



William C. Rudin

*CEO & Co-Chairman, Rudin Management Company Inc
Vice-Chairman, REBNY
Chairman, RER*

Background:

- **Rudin Family Net Worth:** \$5.1 billion in 2015⁵⁷
- Donated \$55,000 to Hochul's 2022 Campaign⁵⁸
- Donated \$45,000 to Cuomo's Campaign (2011-2020)⁵⁹
- **Rudin Management Company Inc** manages a portfolio of 21 residential buildings consisting of 7,206 units. 35 evictions have been recorded from these buildings since 2017.
- Rudin Management Chief Operating Officer John J Gilbert III is an RSA board member.



Aaron Sirulnick

President, Ditmas Management Corp

Chairman, RSA

Vice-Chairman, CHIP

Background: Ditmas Management Corp recently purchased a 51 unit residential apartment on UES for \$55.1 million in 2018.⁶⁰ The corporation manages a portfolio of 49 residential buildings consisting of 2940 units (multi-family homes in Manhattan and Brooklyn). 20 evictions have been recorded from these buildings since 2017.



Matthew Engel

President, Langsam Property Services Corp

Board Member, RSA

Board Member, CHIP

Background: Langsam Property Services Corp manages a portfolio of 182 residential buildings consisting of 6,273 units. 252 evictions have been recorded from these buildings since 2017.

Conclusion

The real estate industry is one of the most powerful forces in New York State, exerting their pressure on policy makers through political spending, lobbying, and even litigation. While they claim to represent the interests of homeowners, the true forces behind RSA, CHIP, and REBNY are some of New York's wealthiest and most prolific property owners.

In recent years, these groups have spent millions of dollars on their efforts to block any expansion of tenants' rights and to preserve lucrative development subsidies. The political influence, public relations, and litigation spending documented in this report from 2018 through 2021 totals nearly \$19 million.

This year, as the New York State legislature debates the renewal of 421-a, a controversial tax exemption for luxury development, and Good Cause Eviction, a bill to ban no-fault evictions, these lobbying groups appear primed to unleash another deluge of influence spending — seeking to turn popular opinion and the opinions of lawmakers in their favor.

All of this is reflective of a long pattern of real estate spending in New York: real estate interests have seamlessly shifted their spending from the administration of Governor Andrew Cuomo to Governor Kathy Hochul. Despite primarily holding property in New York City, REBNY, CHIP, and RSA spend generously all over the state — including to legislators on both sides of the aisle and where they own little-to-no properties.

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Alison Wilkey is the Director of Policy and Strategy at **Community Voices Heard (CVH)**, a member-led, multi-racial organization principally composed of women of color and low-income families in New York State. CVH tackles tough issues and builds power to secure racial, social and economic justice for all New Yorkers. Through grassroots organizing, leadership development, policy changes, and creating new models of direct democracy CVH is creating a truly equitable New York State.

Appendix A: Lobbying Details

From 2018 through 2021, the Rent Stabilization Association and its lobbyists reported \$1,798,757 in lobbying expenses. That number went from \$143,450 in 2018 to \$1,362,750 in 2019 to \$224,794 in 2020 to \$211,213 in 2021. Of the total, RSA spent \$366,388 on the influential lobbying firm Dickinson & Avella and \$1,432,369 on salary and expenses for its in-house lobbying staff.

The bulk of RSA's \$1,432,369 in in-house lobbying spending comprised \$1 million in payments to the front group Taxpayers for an Affordable New York from March through June of that year.

In addition to the amount explicitly labeled for lobbying, RSA reported spending a total of \$873,256 from 2018 through 2020 with Matrix Imaging Solutions, a firm that produces mailings for political campaigns. RSA reported spending \$161,106 with Matrix in 2018, an amount which nearly tripled to \$438,597 in 2019 as landlords made a concerted effort to block tenant protections and then dropped back down to \$280,362 in 2020. In all, RSA reported spending \$2,672,013 on lobbying expenditures and with the direct mailer firm Matrix Imaging Solutions between 2018 and 2021.

CHIP also reported a dramatic increase in lobbying spending from 2018 to 2021. CHIP reported spending \$97,882 on lobbying in 2018, which ballooned to \$213,306 in 2019, then fell to \$165,037 in 2020 before rising again to \$224,196 in 2021.

Of the total \$700,421 that CHIP reported spending on lobbying from 2018 through 2021, the group spent \$405,037 with Mir-Ram Group, the firm owned by Luis A Miranda Jr, a powerful New York and Puerto Rico lobbyist and father of Broadway musical writer Lin Manuel Miranda, and \$75,806 with Tusk Strategies, the political influence business owned by Bradley Tusk that managed Andrew Yang's 2021 New York City mayoral campaign. The \$96,964 balance of CHIP's spending was on salary and expenses for its in-house lobbying staff.

In addition to CHIP's lobbying expenses, the group's lobbying firms also performed non-lobbying advocacy for the organization. In its 2019 tax return, CHIP reports spending \$254,083 with Tusk Strategies for "PR and Lobbying expenses," far more than the \$75,806 CHIP reported paying to Tusk on lobbying disclosures.⁶¹

With the total amount paid to Tusk for lobbying and public relations, CHIP spent at least \$756,084 on lobbying and public relations from 2018 through 2021.

REBNY reported spending \$1,023,482 on its in-house lobbyists from 2018 through 2021. REBNY also spent \$735,259 with Greenberg Traurig on lobbying expenses in that time period and \$324,000 with 99 Strategies.

In addition to its lobbying in New York State, in its 2018 tax return, REBNY reported spending \$132,000 on consulting from Harbinger Strategies, which was described by The Real Deal as “a lobbying firm started by two ex-aides to former U.S. House Majority Leader Eric Cantor” in an article mentioning REBNY’s lobbying.⁶² This appears to be for federal lobbying, as the Center for Responsive Politics reports that REBNY spent \$160,000 on lobbying with Harbinger Strategies that year.⁶³

Further, in its 2019 tax return, REBNY reported spending \$249,500 with the lobbying and polling firm Global Strategy Group.⁶⁴ Global Strategy Group was not registered to lobby for REBNY in this time period; however, the REBNY-backed front group Taxpayers for an Affordable New York reported \$76,157 in lobbying expenses with Global Strategy Group in its bimonthly lobbying reports from March through June of 2019⁶⁵ and the REBNY super PAC Jobs for New York reported spending \$89,500 with Global Strategy Group on polling in 2019. It is unclear if these amounts were paid as part of the \$249,500 REBNY spent with Global Strategy Group that year. Global Strategy Group, a firm closely associated with the Democratic Party, has recently come under fire for working on a union-busting campaign for Amazon at its JFK8 warehouse in Staten Island.⁶⁶

Finally, one of REBNY’s top contractors disclosed on its 2018 tax return was Level Agency for Infrastructure LLC, which received \$236,863 for consulting services to the group.⁶⁷ Level Infrastructure is an engineering firm, not a lobbying firm, however its work for REBNY appears to be part of the group’s efforts to influence New York City’s Local Law 97, which required building owners to curb greenhouse gas emissions.⁶⁸

Including money spent with Harbinger, Global Strategy Group, and Level Agency for Infrastructure, along with money spent by REBNY on its registered lobbyists from 2018 through 2021, the group spent at least \$2,722,104 on its lobbying and advocacy efforts in that time period.

Taxpayers for an Affordable New York was a front group established in 2019 when the New York State legislature was considering a package of bills to expand the rights of tenants facing eviction, open the possibility of rent control to the rest of the state, and implement Good Cause Eviction statewide. As described above, Taxpayers for an Affordable New York

was backed by RSA, CHIP, and REBNY. All three groups are listed as backers on the Taxpayers for an Affordable New York website. In its 2019 lobbying filings, RSA reported giving \$1 million to Taxpayers for an Affordable New York. Further, REBNY listed Taxpayers for an Affordable New York as a related organization in its 2019 tax return⁶⁹ and REBNY president James Whelan is also named as the president of Taxpayers for an Affordable New York on the group's lobbying filings.

The bulk of the group's total lobbying spending was paid to the influential Democrat Party-tied consulting firm SKDKnickerbocker, which reported receiving \$2,846,923 from Taxpayers for an Affordable New York from January through August 2019. SKDKnickerbocker has operated front groups in New York for other corporate interests, like the similarly-named Uber- and Lyft-backed Flexible Work for New York.⁷⁰

The group spent \$90,000 with HR&A Advisors, \$64,000 with Connective Strategies, and \$45,608 with Belkin Burden Wenig & Goldman LLP according to lobbying reports from those firms.

Taxpayers for an Affordable New York reported spending \$427,799 on in-house lobbying expenses. Of this total, the group attributed \$150,000 to reimbursed expenses for HR&A Advisors, \$66,017 for SKDKnickerbocker, \$27,864 for Belkin Burden Wenig & Goldman, and \$8,000 for Connective Strategies. These amounts appear to be in addition to the totals reported by each of these firms on their bimonthly reports. The group paid \$83,000 to Martha Stark, a former NYC finance commissioner who resigned amid an investigation into her ties with the real estate industry.⁷¹ Taxpayers for an Affordable New York also reported spending \$76,157 with Global Strategy Group, an influential Democratic Party-tied polling and lobbying firm that, as mentioned above, has recently been criticized for its union-busting work for Amazon. Finally the group also reported spending \$9,261 with the lobbying firm Holland & Knight and \$7,500 with Brooklyn Strategies.

Taxpayers for an Affordable New York reported spending \$3,474,330 in 2019, the only year that it was active.

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