

Wall Street's wild week P.4 | Contractor in the crossfire at Hudson Yards P.6 | Parsing the latest anti-harassment laws P.8

CRAIN'S

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A TOUGH SELL

GOP hopeful **Marc Molinaro** is putting policy ahead of party in his long-shot bid to unseat Gov. Andrew Cuomo **PAGE 18**

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ERIC ADAMS, Brooklyn borough president

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IN THIS ISSUE

- 3** EDITORIAL
Sure, tall buildings cast shadows, but we need the housing they provide
- 4** IN CASE YOU MISSED IT
Wall Street's wild week is par for the historical course
- 5** IN THE MARKETS
City's complex Saudi ties again causing angst
- 6** REAL ESTATE
The contractor at the center of a nasty construction fight
- 8** SMALL BUSINESS
Employers in the dark on new harassment laws
- 10** ASKED & ANSWERED
The president of FIT on expansion and rebranding
- 11** VIEWPOINTS
Retail correction must play out; all cities should have our problems; readers weigh in

- 14** THE LIST
Largest commercial property managers
- 17** SPOTLIGHT
A Far Rockaway chocolatier recovers from Sandy

FEATURES

- 18** MAN WITH THE PLANS
Can Molinaro win on issues in the era of Trump?
- 20** FOR THE RECORD
Our tally of the week's buys, busts and breakthroughs
- 22** SNAPS
Photos from the city's biggest fundraisers and charity events
- 23** GOTHAM GIGS
Enterprising Harlemites look to diversify entrepreneurship

CORRECTION

Jeff Sutton's Wharton Properties owns 720 Fifth Ave. It also owns 90% of the retail portion of 717 Fifth Ave. The information was misstated in "As retail flagships fall, can Fifth Avenue retain its luster?" published Oct. 22.

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AGENDA

OCTOBER 29, 2018

A misguided effort, beyond a shadow of a doubt

Millions of New Yorkers struggle to afford housing, and some 70,000 don't even have any. Meanwhile, the Municipal Art Society is worried about ... shadows.

Tall buildings, it seems, are increasingly positioning themselves between the sun and members of this organization as they work on their tan along the southern edge of Central Park. Well, boohoo.

Of course, the shortage of affordable housing in the city does not mean advocacy groups should stop focusing on other issues, even ones that are trivial by comparison. We don't begrudge the activists seeking alternatives to shooting the Canada geese at risk of being sucked into the engines of planes at our local airports. But the shadow warriors are proposing measures that would lead to higher housing costs, which is the last thing the city needs.

They have recruited to their side usually thoughtful Councilman Mark Levine, a Manhattan Democrat. Ironically, before entering politics, he created a credit union to help disadvantaged New Yorkers make ends meet. It is unfortunate that he has introduced a bill at the request of tall-building howlers to "tackle this problem before the next boom on supertall towers attacks Central Park," as he put it in a press release.

Levine's bill would get the ball rolling by forming a task force to study the effects of the shadows that skyscrapers cast over city parkland. We'll save him the trouble and expense: Shade is a bit darker and cooler than sunlight. It comes in handy on hot days, and it's one of the reasons there are more than 20,000 trees in Central Park.

The Municipal Art Society has created a nifty webpage that depicts what the park would look like if the handful of towers proposed alongside it were



built. The answer is, almost entirely bathed in sunlight for most of the day. Ditto for Downtown Brooklyn's parks, according to the website.

The group complains that a tower shades most of Madison Square Park's 6 acres, but in fact 1 Madison was made tall and thin rather than bulky to allow more sun to reach the green space. And the city's well-regarded setback requirements allow for the density we need without cloaking streets in darkness.

True, towers on Billionaires Row do little to alleviate the housing crunch, but height caps exacerbate it by curbing construction. Better to raise taxes on extravagant and vacant units, or ban the voids that developers use to make buildings taller without adding living space. Brooklyn's towers, for their part, draw buyers and tenants who would otherwise bid up the prices and rents of existing homes. In other words, taller buildings aren't the problem; they are part of the solution. — THE EDITORS

The shadow warriors are pushing measures that will increase housing costs—the last thing the city needs

allow more sun to reach the green space. And the city's well-regarded setback requirements allow for the density we need without cloaking streets in darkness.

True, towers on Billionaires Row do little to alleviate the housing crunch, but height caps exacerbate it by curbing construction.

FINE PRINT Losses have punctuated recent stock market performance, as the Dow Jones industrial average dropped by more than 750 points last week. With November and December still to come, there have already been more day-to-day 500-point drops in the Dow (eight) this year than there were in any year going back to 1985.

25 WORDS OR LESS

“He's kind of attached himself to Trump like a barnacle on the hull of the Titanic”

—Assemblyman Fred Thiele, an Independence Party member from Sag Harbor, on Rep. Lee Zeldin, a Suffolk County Republican seeking re-election

BY GERALD SCHIFMAN

TURNING OUT ALL RIGHT

VOTER ENTHUSIASM is expected to help Democrats Nov. 6 after turnout plunged in 2014's midterm elections. But the GOP is favored to keep its lone congressional seat in New York City.

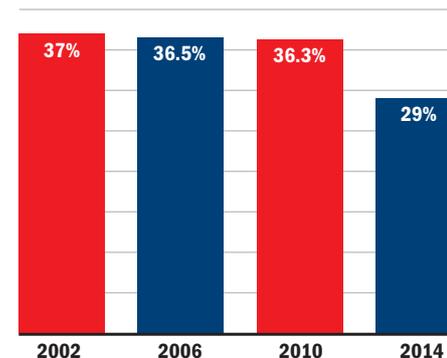
28.2% Portion of the voting-eligible population to cast a vote for New York governor in 2014, the second-lowest participation rate among the 50 states

11 Congressional districts, out of 12 in the city, in which a Democrat is a virtual lock to triumph this year

82.5% FiveThirtyEight's estimated win probability for Staten Island Rep. Daniel Donovan in New York's 11th Congressional District, the only city House race forecast to be competitive



MIDTERM-ELECTION TURNOUT IN NEW YORK



SOURCES: United States Elections Project, FiveThirtyEight

STATS AND THE CITY

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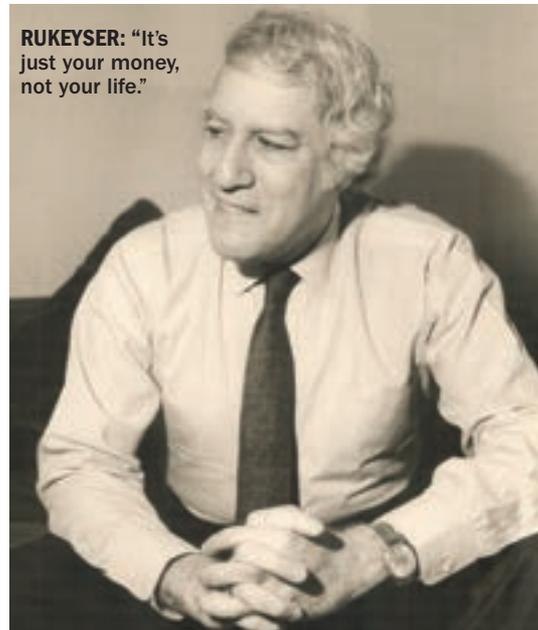
Don't let market hysteria make you hysterical

THE STOCK MARKET sure feels as if it's caught in a whirlpool these days. For proof, just look at Whirlpool. The appliance-maker's stock hit a six-year low last week. Times like these call for a dose of perspective, and maybe some Dramamine.

First, let's acknowledge that stocks are, as Wall Street likes to say, "correcting." The S&P 500 is nearly 10% off its high for the second time this year, and the Nasdaq Composite Index has already fallen by more than that. Corporate earnings are still growing, but just not as fast as hoped. As sportscaster **Vin Scully** observed in a rather different context, good isn't good when better is expected.

Plus the Federal Reserve is raising interest rates, which pressures earnings and annoys President **Donald Trump**. Some pundits fret that fiscal policymakers may feel compelled to raise rates even more, if only to prove their independence. But the Fed's job is to make sure the economy doesn't overheat, and last week's data showing a 3.5% jump in GDP (subject to revisions) suggest it's running pretty hot. There's now a good chance that stocks will turn in their worst year since 2008, which marked the first year-over-year dip in share prices since 2002, which in turn marked the end of the first three-year bear market since 1941. Stocks do go down, but history shows they more often go up.

What to do now? Pouring a drink isn't a bad idea. Ignoring your investment portfolio can be helpful as well. Also it's worth clicking on the late **Louis Rukeyser's** opening remarks on his Oct. 23, 1987, broadcast, a few days after the market tanked 508 points, or 22%, in a single day. Such a drop today would clip more than 5,000 points off the Dow Jones industrial average. After the mayhem, stocks recovered, with the S&P 500 ending the year up 2%. In the next two years it added about 40%. The past isn't necessarily prologue, and this isn't investing advice. But sometimes whirlpools aren't always as ominous as they appear. — **AARON ELSTEIN**



RUKEYSER: "It's just your money, not your life."

Musical chair

Just weeks after joining the CBS board and then becoming interim chairman, Dick Parsons resigned for health reasons. Strauss Zelnick, CEO of video game company Take Two Interactive, will step into the position, which became open with the departure of scandal-plagued Les Moonves.

Spinning in its grave

The New York Wheel is no more. The long-delayed and financially troubled Staten Island attraction, which would have been the largest Ferris wheel in the Western Hemisphere, was pronounced dead by its developers when the city refused to help. The wheel is survived by a set of 100-ton pedestals at the site.

Child's plays

According to the Broadway League, the average age of Broadway theatergoers for the 2017-18 season was 40.6, the lowest since 2000, and a record number of children and teens, more than 2 million, attended Great White Way productions.

In the hot seat

Attorney General Barbara Underwood is suing Exxon Mobil in state Supreme Court. She claims the oil company misled investors about the financial risks of climate change, and she accused former CEO Rex Tillerson of being in on it. Tillerson was the U.S. secretary of state from Feb. 1, 2017, to March 31 of this year.

DATA POINT

THE REGIONAL PLAN ASSOCIATION SAYS "BAD" LANDLORDS MANAGE LESS THAN 2% OF THE CITY'S RESIDENTIAL BUILDINGS, BUT BECAUSE OF THE STRUCTURES' SIZE, THEY CONTROL 20% OF RENTAL UNITS.

Wi-Fi enters Jet Age

JFK, LaGuardia, Newark Liberty and Stewart airports now offer four hours of free Wi-Fi and at higher speeds. Local airports had been offering the free service for 30 minutes. The Port Authority's Wi-Fi boost is in response to one of travelers' top complaints.

Hoping for a Broadway revival

After the 101-year-old Drama Book Shop announced that a rent increase was forcing it to drop the final curtain on West 40th Street after 20 years, Lin-Manuel Miranda posted on Twitter that he had autographed all items with his name on them, which the indie bookstore sold out of within hours.

Beach body count

The Parks Department estimates that more than 16 million people hit the 14 miles of city beaches last summer, the most in three years. Coney Island drew the most beachgoers, with 7.4 million, up from 6.6 million in 2017.

Just not clicking

Refinery29, a Manhattan-based digital media and entertainment company focused on millennial women, is cutting 10% of its staff, about 40 people. It's the second contraction in less than a year.

Everybody into the pool

The Uber Pool discount fares option has expanded beyond Manhattan. Outer-borough passengers willing to walk to a pickup point within a few blocks will get from 10% to 20% off their fare. Competitor Via has been offering a similar service since 2013.

— **CHRIS KOBIELLA**



A friend of the island

Charles Wang, who co-founded Computer Associates (now \$2.3 billion software developer CA Technologies) and was former majority owner of the New York Islanders, died Oct. 21 at 74. Wang was known for his philanthropy.

City's complex Saudi ties are again causing angst

Web of business relationships under scrutiny after journalist's slaying

In March Vice released *The Camels of Arabia*, a 15-minute documentary about the King Abdulaziz Camel Festival honoring the Clydesdales of Saudi Arabia.

"This is a time of massive flux," the show's female host said, observing that foreign visitors are increasingly welcome in the country. "Saudi Arabia's going to adapt from the closed, conservative place it's known as."

The documentary was one of four that Brooklyn-based Vice was commissioned to make by Saudi Research and Marketing Group, a publicly traded company based in Riyadh with about \$400 million in annual revenue. SRMG's previous chairman is a member of the Saudi royal family and the nation's minister of culture. But in light of the slaying of *Washington Post* columnist Jamal Khashoggi, Vice is thinking twice about

doing business with the Saudis, according to a report last week in *Variety*. A Vice spokesman said, "We're continuing to monitor the situation," adding that no films are in production, and the company's news division will continue to report on Saudi Arabia.



AARON ELSTEIN

Variety is owned by New York-based Penske Media, which sold a minority stake in itself for more than \$200 million this year to the Public Investment Fund of Saudi Arabia.

Those are just two examples of how deep the New York business community's ties are to Saudi Arabia, a web of relationships that's now causing all sorts of angst. It dates back to 1974, when William Simon,

who worked at Salomon Brothers before becoming President Richard Nixon's treasury secretary, persuaded the royal family to spend some of its petrodollars buying U.S. government bonds. Today,

Saudi Arabia holds \$170 billion worth, making it the 10th-largest foreign holder of our national debt. (China and Japan each own 10 times more.)

A momentary pause

The pipeline of Saudi cash grew in the early 1990s, when Citibank and Chase Manhattan turned to the country for capital infusions after most investors lost confidence in them during that era's recession. A few years after rescuing Citi, Prince Alwaleed bin Talal acquired Saks Fifth Avenue and the Four Seasons Hotels. But the New York-Saudi relationship hit the pause button after 9/11. Citi sold its Saudi operation in 2004. As of 2008, Saudi investors owned only \$26 billion worth of U.S. assets, according to the Bureau of Economic Analysis.

But by 2015 that figure had grown by nearly \$10 billion and likely has accelerated since. Last year Blackstone Group teamed up with the Saudi investment fund to create a \$20 billion

infrastructure-investment pool, and the Saudis have become enthusiastic Silicon Valley investors. Citi reopened its Riyadh office in April. Prince Alwaleed is a big shareholder in Lyft and Twitter. The Saudi investment fund holds stakes in Uber and Tesla.

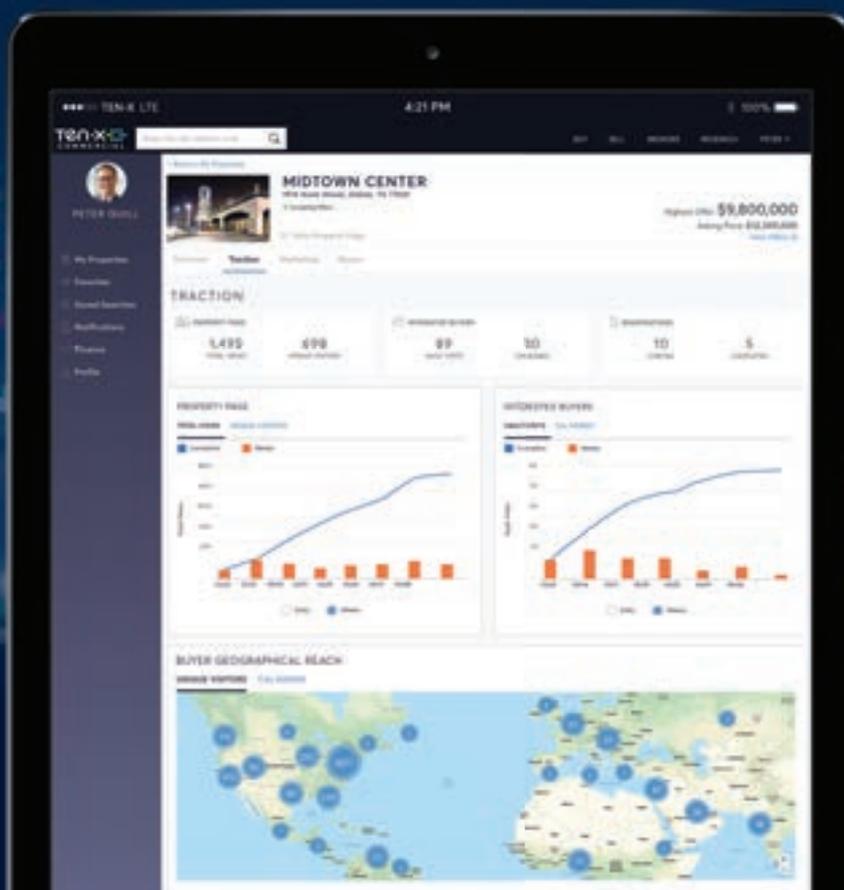
The Saudis also are becoming bigger players in real estate. In 2007 investment firm Olayan Group bought debt issued by The Related Cos. and agreed to co-invest in future opportunities. Two years ago Olayan acquired the Sony Building for \$1.4 billion, and in April it teamed with RXR Realty to help with a \$300 million redevelopment. Olayan is also an investor in RXR real estate funds. Related and RXR declined to comment.

But it's fair to say none of these deals pack the punch of the one Prince Alwaleed made in 1995. He and a partner bought the Plaza Hotel for \$325 million from someone who had paid \$400 million for the property seven years earlier.

The seller? Donald Trump. ■

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No stranger to controversy

Contractor caught in crossfire of Hudson Yards fight **BY DANIEL GEIGER**

Reputations aren't easy to demolish in the city's construction business, where even blue-chip firms have emerged from corruption and criminal scandals with their status relatively intact.

That hasn't stopped the union construction industry from trying to blow up Ron Lattanzio's.

Led by labor organizer Gary LaBarbera, president of the Building and Construction Trades Council, labor leaders have used Lattanzio's involvement in the city's largest private construction project, the \$20 billion Hudson Yards development, as justification for some of their most salacious and sensational swipes against the project's developer, The Related Companies.

To back up their accusations of sexism, racism and other eyebrow-raising personal attacks against Related Chairman Stephen Ross, they point to more than two dozen lawsuits or federal complaints filed against Lattanzio's firm, Trade Off Construction Services, which Related hired to work on portions of the Hudson Yards project.

Legal battles

In a case brought to the Equal Employment Opportunity Commission late last year, for instance, two former female employees at Trade Off described a hostile workplace in which misconduct among male co-workers was commonplace. In several instances, the complaint claims, a worker flashed his genitals at one of the women, and two other men showed her pictures of their penises on their phones.

The case is one of 23 complaints filed within the last year against Trade Off, mostly by current or former employees at the firm, with the EEOC and the National Labor Relations Board alleging harassment, racial discrimination and safety lapses. Trade Off also disclosed three former employees were suing the firm in federal court.

"Trade Off has an atrocious record," said Gary LaBarbera, the president of the union umbrella group Building and Construction Trades Council of Greater New York, who accuses Lattanzio of undercutting union workers and creating an abusive and unsafe workplace. "The conditions some of their workers have to endure is immoral and unacceptable, and it disturbs me."

Lattanzio denies that any abuse, misconduct, safety lapses or discrimination took place and insists the complaints and lawsuits are the result of union animus for him and his firm. Lattanzio says the two women who aired their case to news outlets last year, for instance, had been dismissed from Trade Off for poor performance or misbehavior and were then persuad-

ed by union leaders to concoct their harassment case.

"It's a coordinated conspiracy by the unions to come after us because every one of those employees has been terminated," Lattanzio said.

"We don't tolerate sexual harassment," Lattanzio continued, adding that "we're in an industry that has historically been problematic in that regard so we need to change the culture."

Trade Off has launched its own lawsuit in order to strike back, naming union Local 79 as a defendant and alleging that it made false and defamatory statements against Trade Off's business and safety practices and its treatment of employees in an effort to destroy its reputation and put it out of business.

A spokesman for Trade Off said the majority of the complaints conspicu-

Lattanzio sees an inevitable shift to lower-skilled workers being paid less. Unions see a race to the bottom

ously arose within the last year, as the dispute at Hudson Yards began to brew.

Trade Off has become the New York construction industry's biggest nonunion employer of laborers—lower-skill workers whose main task is usually grunt work, such as cleaning up debris or moving heavy equipment or materials on a job site. Its crew members typically earn from \$22 to \$32 an hour, depending on experience. That is less than half what their union counterparts make for the same tasks.

Those economics have appealed to developers, including Related, while infuriating construction unions, particularly the laborers union Local 79, which simply can't compete on price with Trade Off's lower-cost workers.

Last year a civil lawsuit by Trade Off executives alleged that Local 79 members became so inflamed, they surrounded the plaintiffs on the street and showered them with spit, lit cigarettes and insults.

At Hudson Yards, the unions have threatened to boycott the second and final phase of the project if Related does not exclusively use union workers to build it. With billions of dollars of wages on the line, the fight has turned into one of the industry's nastiest in decades.

Last week, in their latest attempt to publicly humiliate Related, LaBarbera



LATTANZIO'S nonunion construction workers have triggered the ire of organized labor.

and other labor leaders led approximately 1,000 union workers on a march from Sixth Avenue to the Time Warner Center in Columbus Circle, where Related is headquartered. Participants carried papier-mâché dolls of Related executives and signs with the words "sexism," "racism" and "union-busting" stamped across Ross' smiling face.

Lattanzio doesn't see himself as a villain in organized labor's struggle against a race to the bottom in which working conditions, wages and safety unravel in the face of merciless competition, but simply as a businessman caught in the crossfire of an inevitable shift in an industry where workers, particularly those with lesser skills, are paid less.

"It's a question of economics, the bottom line," Lattanzio said. "It's the free market. I mean, people want to create laws that promote their positions, but you're distorting the free market."

Checked past

Lattanzio has dealt with career setbacks and damage to his reputation before.

In the early 1980s, he joined the Department of Buildings, eventually working his way up to the city agency's No. 4 post. He was forced out in 1986 after it emerged he had used cocaine and marijuana during late-night gatherings with colleagues at the department.

His career hit a new low in the late 1990s, when he was accused of obstructing justice in a sweeping bribery investigation at the Department of Buildings, a charge to which he eventually pleaded guilty. By then Lattanzio had launched an expediting business—stewarding developers' permit filings and other paperwork through the byzantine department he knew well from his years inside it. He avoided jail time in part by working as an informant for the Manhattan district attorney's office, secretly helping prosecutors gather evidence that led to the conviction of several top officials at the agency.

"It's been the biggest hurdle of my life," Lattanzio said of his criminal re-

cord. "There's a huge integrity component in our industry now. Some people don't want to deal with you. I'm very up front with people about my background."

Lattanzio described his slip into criminality as easy to rationalize in doing business with a deeply dysfunctional city agency.

"I remember an inspector spent an hour explaining to me the difference between a gratuity and a bribe because in his mind there was a big difference," Lattanzio said. "A bribe was for overlooking something, but a gratuity was something you gave for good service. To him, that was a clear concept."

Eight years ago, Lattanzio's then 16-year-old son randomly discovered his history.

"I never told my son, and one day he Googled [me] and I had to tell him, and that was tough," said Lattanzio, who burst into tears in recounting the story. "I said, 'Daddy made mistakes. I have no excuses for what I did. I did wrong things, and the only thing I can say is I lived up to the consequences and I hope you don't think any less of me for that.'"

Inspired by his past, Lattanzio said, he makes an effort to give others a second chance. By his estimate 60% of Trade Off's 300 laborers were once incarcerated. About 90% of his construction workers are minorities, a percentage he said makes the accusations of discrimination against his firm absurd. Similarly some of the construction unions have spotlighted former inmates in their ranks to rebut claims that they favor white workers and to portray themselves as a force of social good.

The construction business, despite its ups and downs, has made Lattanzio a wealthy man. He recently purchased a multimillion-dollar condo in Greenwich Village.

"It's beautiful," he said. "It's what I always dreamed of."

The growing unlikelihood of a reconciliation between Related and union labor could spell big business for Trade Off for years to come. Lattanzio is optimistic. "I look to the future," he said, "and what I see is growth." ■

Cybersecurity: Every business's responsibility

Monumental security breaches at large corporations can dominate the news cycle. But as cybercrime becomes more ubiquitous and criminals become more sophisticated, small companies are increasingly finding themselves targeted. And the fallout can be devastating.

To learn more about the importance of cybersecurity and what small firms can do to protect themselves, Crain's Custom turned to Larry Selnick, director of treasury and payment solutions sales at Webster Bank. A veteran of the banking world, Selnick is well-versed in cyber awareness.



**Laurance (Larry)
A. Selnick**
CTP, SVP, director,
treasury & payment
solutions sales

Then, focus on what to do if your business is impacted by a cyber event. The simple response is you must have a plan. The size, complexity and scope depend on your business and the impact if you are compromised.

A disaster-recovery plan is all about how to get your operation up and running again, and an incident-response plan deals with any legal ramifications, such as timely reporting to local law enforcement, in a cyber event.

Q Crain's: How can I afford to protect my small business?

A Selnick: A small business cannot assume that it will go unnoticed. Yes, the news talks about large breaches, but cybercriminals also target smaller business that may not have the IT capacity or leadership focus needed to prepare for and prevent potential cyber risks.

Creating layers of security and seeking specific advice on what those layers might be from your IT, legal, accounting and banking partners is a must! Consider using cyber-liability services that include cyber-response coaches; all will help increase awareness and suggest controls to limit cyber breach impacts. These are all steps you must afford.

An example is using dual control and alert notifications offered in your online banking system—these functions usually come without additional cost and offer increased protection against fraud.

The fraudsters may not be trying to steal your money, but they may steal data, such as client credit card info or employees' Social Security numbers and then sell it!

We suggest clients work with their IT teams to build segregated networks to place email, internet and systems holding important information, such as HR data or banking applications, in separate and distinct networks and data files.

Q Crain's: What are the risks for companies that don't have an incident-response plan?

A Selnick: The requirement of having a cyber-breach plan goes hand in hand with a focused education-and-awareness plan. Your business should already have recovery plans and protections in place that are practiced and reviewed for other potential disasters that could affect your business. What would you do if there was a fire, flood or loss of power? Imagine you can't access your banking systems, or your customer data is "locked" and you cannot access it, or worse, it is ransomed. Planning, communication and practice are just as important for cyberbreach-related incidents.

Start with www.ready.gov/cybersecurity. Your banking, accounting and legal partners probably each have resources you should review. For a copy of our Fraud Awareness & Risk Management checklist, please contact me at lselnick@websterbank.com or (860) 692-1679. ■

Q Crain's: Why should businesses focus on cyber issues when they need to run their day-to-day operations?

A Selnick: Cybercrime is growing as a real issue for businesses of all sizes and types. Your funds and data can be stolen; your customer relationships and reputation are at risk of being damaged. This is a management issue that needs top-down focus and review.

We provide a Fraud Awareness & Risk Management checklist that goes beyond a top 10 list. It is a tool to assess your internal controls regarding payments, data and key banking best practices. In addition, we provide a Cash Flow Structure chart recommending best practices for your account set-up and internal controls, such as using dual control and system alert notifications. These are all part of an overall education-and-awareness program that highlights why these tools should be used consistently and correctly.

Q Crain's: What do business leaders need to focus on first?

A Selnick: Education and awareness are key. Employees, key trading partners and service providers need to know cybersecurity is important to help protect your business. Through practice and a process, you will increase awareness and action. This includes what to do, what to look for and how to react if you suspect a cyber issue. Many organizations offer this service, or your leadership team can design your own program.

You need to build a culture of cyber awareness; building a cybersecurity mindset is something you need to incorporate into everything you do, from product design to new-hire orientation. It must be part of the day-to-day process.

Q Crain's: Some small businesses may feel that cyber insurance is expensive and really doesn't cover much. What should they do next?

A Selnick: As with any insurance, you are preparing for what might happen. We do not sell insurance, but I have seen clients impacted by hacking, social engineering and other cybercrimes recover with the help of a well thought out cyber-coverage plan.

Do not limit your review to traditional insurance providers. Many providers and systems may offer protection and support for transactions within their system. For example, our merchant services provider offers a security program to ensure your data is safe and Payment Card Industry (PCI) compliant.

Q Crain's: We use a lot of new apps on our phones and PCs. We control our lights, track steps for employee health and even use video conferencing on the go. These are not financial or protected data, but should these apps be part of business cybersecurity plans?

A Selnick: Without question, you need to engage your IT professionals with a specialty in cyberrisk and



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Employers in dark on complying with new harassment regulations

Firms without an in-house HR department struggle to find info **BY SAMANTHA MALDONADO**

Not all employers are on the same page about new city and state anti-harassment laws—even though some compliance deadlines are on the horizon and others already have passed.

“They affect every employer, from major financial institutions to the bodega where you get your coffee in the morning,” said Jonathan Bing of Jackson Lewis, a major employment law firm. “You would hate to have a small business receive a fine or something worse because they were rightfully focused on running their business and didn’t receive the information.”

In April Gov. Andrew Cuomo signed anti-sexual harassment provisions as part of the new state budget. The following month, Mayor Bill de Blasio signed the Stop Sexual Harassment in NYC Act. Both statutes require employers to provide anti-sexual harassment training and written policies to workers, but there are several variations between the requirements and different implementation dates.

Multiple businesses contacted by *Crain’s* weren’t aware of the new legislation until asked about it. One employer even expressed her appreciation for the “heads-up” and said she would contact her lawyer.

“I looked up the law and saw compliance was in October. Of course, I want to,” said Beth Rosenberg, director of education nonprofit Tech Kids Unlimited. “But if no one’s telling me? Our brains are running in 12 directions just to keep the doors open.”

Missed messaging

Samples of compliant state policies are posted on the Department of Labor website, while requirements related to the city law are provided by the City Commission on Human Rights. But so far most employers have found the information campaign ineffective,



a sharp contrast to the comprehensive neighborhood outreach efforts, subway ad campaigns and in-person seminars that accompanied the rollout of the state’s Paid Sick Leave Act, which went into effect Jan. 1.

In a statement, a representative said the Department of Labor had done “extensive outreach to business groups across the state as well as worker advocacy groups,” and the state would provide employers with training videos, in-person events and webinars.

The city’s Human Rights Commission, with help from Small Business Services, also has conducted outreach, including fielding calls from business owners, creating a webpage of FAQs and visiting companies in 20 business improvement districts to distrib-

ute posters and policies. The agency plans to visit all 75 BIDs in the coming months and will conduct in-person workplace anti-sexual harassment training, spokesman Seth Hoy said. Already the agency has held “know your rights” seminars for employees around the city.

For the next several months, officials say, the emphasis will be on proactive education, not enforcement. “The commission is putting in a good-faith effort to help businesses comply,” Hoy said. “It’s not like we’re going out and trying to ding businesses for not having these posters up yet.”

The New York City BID Association, the umbrella group supporting the city’s business improvement districts, is working with the city to provide clarification on the law. The group’s president, Robert Benfatto, said that when the association gets a better sense of the requirements, including the similarities and differences between the state’s and the city’s legislation, individual BIDs will reach out to small businesses in their area to inform them about the law.

Enact now, explain later

In the meantime, many employers—especially small businesses like mom-and-pop shops and grassroots nonprofits—are still in the dark about what the laws require. Without in-house human resources departments or ties to outside service providers, it has been very difficult for these employers to keep on top of the numerous legislative changes that recently have gone into effect.

“Small businesses can employ common sense in dealing with the issues of sexual harassment,” said Kathryn Wylde, president of the Partnership for New York City, “but most do not have the resources to carry out education and compliance activities that protect them from violating very prescriptive anti-harassment laws.”

Despite a lack of awareness, all the employers *Crain’s* interviewed said they already work to foster a culture of inclusion and safety. “We have protocols for harassment,” said Ralph Elia, owner of KC Arts in Brooklyn, “and sexual harassment is just harassment.”

Wylde suggests that it would be helpful for major employers to publicize best practices about how to create an inclusive and safe workplace, which smaller employers can learn from. Large companies typically have an HR department or relationships with employment firms and are therefore better equipped to make changes and adopt measures to ensure compliance.

And several smaller companies are already stepping in to fill the void. “For a lot of our employers, it’s kind of a confusing time,” said Lauren Yildirim, manager of product marketing at Justworks, which provides payroll and other administrative services to small businesses. Her firm has developed training material based on the new legislation and provides HR experts to take questions around-the-clock. Justworks also has partnered with ed-tech company EVERFI to make online harassment prevention and inclusion training available to customers.

But compliance comes at a cost.

Rob Toole, a partner at consulting firm Kona HR, says most larger firms already have anti-harassment measures in place, and the policies in a typical payroll company’s handbook are probably enough to comply with the requirements. “The hard part is making sure you’re training new hires,” he said.

But unexpected costs could mount if there are more complaints than employers or payroll HR departments have time to investigate. “You have to swing at every pitch and go through the process,” Toole said. “It’s a good thing people are speaking up, but it is a cost.”

When there are complaints, those costs “could be astronomical,” said Corinne Jones, president of CJC Human Resource Services, especially if multiple employees are involved. And while there are policy templates available for free from the city, employers large and small are much better off customizing their program to fit specific needs and capacity.

“One-size-fits-all doesn’t work,” Jones said. “When we talk about sexual harassment, no two cases are alike.” ■

CONFUSED YET?

Both the city and the state have enacted new requirements for anti-sexual harassment training. Parsing what’s required and when is complicated.

CITY

Employers must:

- Provide a fact sheet about the newly adopted Human Rights Law.
- Define what constitutes sexual harassment and delineate employees’ rights and resources.
- Display informational posters with all pertinent information (effective Sept. 6).
- Provide annual, interactive anti-sexual harassment training within 90 days of an employee’s start date (companies with 15 or more employees).

Compliance deadline: April 1, 2020

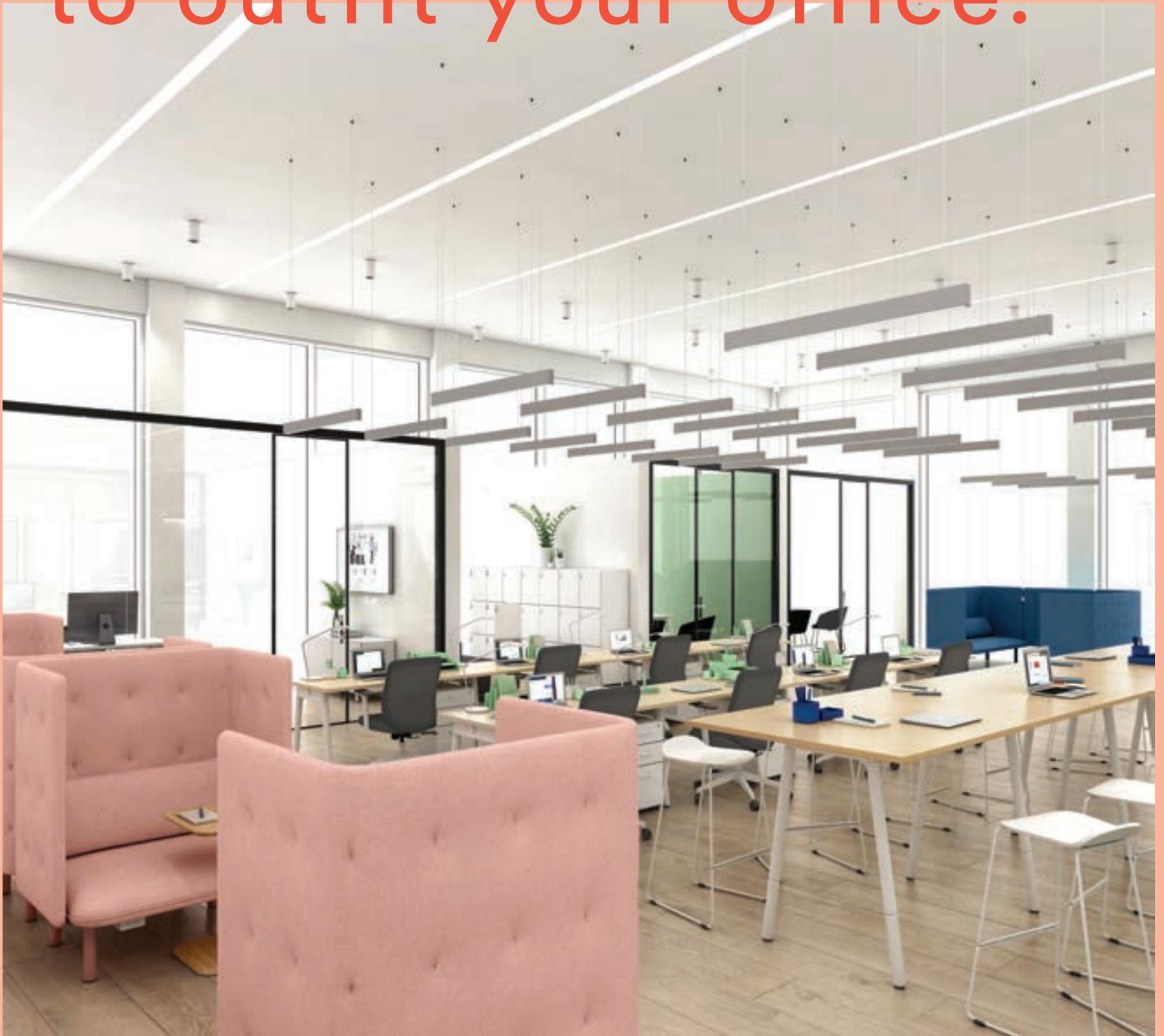
STATE

Employers must:

- Adopt a compliant no-harassment policy (effective Oct. 9).
- Provide annual, interactive training for full- and part-time employees and temporary workers who work a minimum of 80 hours per calendar year and at least 90 days in a calendar year, regardless of the number of employees.

Compliance deadline: Oct. 9, 2019

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JOYCE BROWN FASHION INSTITUTE OF TECHNOLOGY

The Fashion Institute of Technology boasts alumni including Calvin Klein and Michael Kors, but Joyce Brown, the community college's president for 20 years, wants to make clear that its students excel in more than just fashion. She has added 16 degree programs, bringing FIT's total to more than 50, ranging from a bachelor's in toy design to a master's in professional studies in cosmetics and fragrance marketing and management. Brown recently oversaw the school's rebranding as an institution that nurtures "unconventional minds," and she is looking ahead to the long-awaited construction of a \$200 million academic building on West 28th Street, which will break ground next year.

Why are you adding this new academic building to the campus?

Because we are bursting at the seams, which is not fashionable at all. We have been space-starved since I got here. We really need new studios and laboratories and spaces for students to show their work, be able to congregate and work together. It took so long to get the money for the building that we've been able to update the design to allow for maker space, which fosters innovation, creativity and teamwork.

What are the biggest changes you've tried to make as president?

FIT was really this little hidden jewel. I saw a great opportunity to elevate the reputation of the institution and create more cross-fertilization. You had your business students and your design students, and there really wasn't much effort to create synergy. What was also apparent was the need to revisit our curriculum.

How are you trying to make the curriculum more forward-looking?

There's opportunity for the integration of science and design. A lot of it is driven by concern about the environment. We have allowed students to develop a natural dye garden on a terrace that gets carried over into the work in the textile development labs. They create compost with excess muslin, fabrics and fibers, then use that to fertilize the garden and watch to see if that has an impact on the vividness of the dyes or the longevity of the color.

How else are you working to foster innovation?

We've done a number of partnerships with other universities. Engineering students from MIT worked with our design students on ways in which you can use fibers for conductivity and biofeedback. Our students, with Columbia University, created garments for nursing mothers to use. Toy-design students are working with Brown University to develop toys for children with autism.

Has FIT partnered with business?

We opened a laboratory on campus through a partnership with a German software company called Enfore, which develops technology for small businesses. Enfore can demonstrate the real-world issues industries are dealing with so that students can work on developing real-world solutions. That's one example.

What major changes in fashion and design are on FIT's radar?

The industries are struggling with how to quickly respond to shifts in consumer behavior so they don't lose a season. They look to us because our students will be the next generation of shoppers, consumers and trendsetters but also the leaders of those industries. ■

“Our students are going to be fashion's next generation of consumers, trendsetters and leaders”

DOSSIER

WHO SHE IS President, Fashion Institute of Technology

BORN Harlem

RESIDES On the FIT campus in Chelsea and at her house in Dutchess County

EDUCATION Bachelor's in psychology, Marymount College; master's and doctorate in psychology, New York University

BREAKING THE MOLD Brown is the first woman and the first African-American to be appointed president in FIT's nearly 75-year history.

NAMESAKE The \$188 million that FIT has secured for its new 10-story, 109,000-square-foot academic building is enough to complete construction, but Brown says she hopes to raise more for technology and amenities. As of press time, the building doesn't have a name. "It's going to be called by the name of whoever would like to give us a very big gift to outfit this building and make sure it reaches its full potential."



BUCK ENNIS

Retail correction must play out

Regulating commercial rent is dangerous game

BY JAMES NELSON

The City Council cares deeply about the state of retail, as evidenced by its recent exempting of more employers from the commercial rent tax. But its pending bill to impose controls on whom a property owner leases to, at what price and at what terms would hinder businesses from launching, and it could cause them to leave the city.

The office leasing market—which is subject to the bill—is healthy. New office space has been added across the city, providing tenants with many opportunities at a variety of rents. The concern is the loss of mom-and-pops. We all like to see a variety of businesses for shopping, dining, services and activities.

It's important to remember, however, that not all retail businesses make it. About 20% fail within the first year and 50% within five years—the same rates as 20 years ago. While no one likes to see a favorite store close, those that emerge are the best and the strongest.

Rent growth indeed has caused some tenants to relocate. In high-profile shopping corridors, such as Fifth Avenue and Broadway in SoHo, rents almost tripled within the past five years. Even in residential areas, increases prompted some long-term tenants to seek new neighborhoods with more affordable rents. More than 15 million square feet of new retail has been built throughout the city, much of it in the boroughs where services were greatly needed. That said, many developers are now looking for non-retail uses on the ground floor, such as apartments, health care and kids' programs. This will reduce vacancies.

The real issue is that rent growth has far outpaced demand. Sale prices rose so high that premium rents were needed to support them. What we are experiencing now is a massive correction: Retail sales prices have dropped more than 20%. On Bleeker Street, rents reached upward of \$750 per square foot.

These rents were not sustainable, so owners had to sell at a loss. Now the asking rents are less than half of what they were, which will attract new tenants and allow existing ones to expand within the neighborhood.

Owners are highly motivated to find tenants. While carrying vacant space, they still pay real estate taxes, which are at their highest point ever—as much as 25% to 30% of their potential revenue. They still pay operating expenses and make mortgage payments.

Finally, we want our city to be business-friendly. Opening a store is often a protracted process. Whether it's a delay at the landmarks commission, Buildings Department or other agency, it can take a store more than a year to take possession of a space. This adds to a block's vacant appearance.

In some cases a tenant, such as a gym, must get approval from the Board of Standards and Appeals. So many antiquated rules need to be updated, and time-consuming approvals need to be fast-tracked.

I would welcome a dialogue with the City Council on how to make the city a better place to do business, as well as the chance to help provide research, especially in the boroughs outside of Manhattan where more opportunities might exist. ■

James Nelson is a member of the commercial brokerage board of directors at the Real Estate Board of New York and principal and head of tristate investment sales at Avison Young. The views here are his own.

20%
FAILURE RATE
of businesses
in year one

All cities should have our problems

New York's job count hits a record high



GREG DAVID

MY COLUMN THIS WEEK is all about a number—4.5 million—and what it means.

The state Department of Labor announced earlier this month that the number of jobs in New York City exceeded 4.5 million for the first time. The actual number was 4,500,800.

The chart to the right shows how rapid the increase has been since the economy hit bottom. It uses seasonally adjusted New York City employment numbers beginning with the low point in October 2009, then every December after that and, finally, September 2018.

Just to do the math for you, the increase is 814,400, or 22.1%.

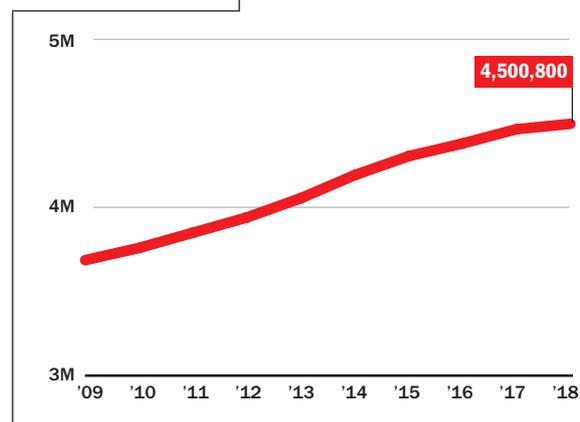
Another way to look at the data is by mayors. At right are the job numbers for the last month of each chief executive starting with Mayor Ed Koch in 1989 and ending with the latest number for Mayor Bill de Blasio. Since Mayor David Dinkins, each has left the city in better shape than his predecessor.

All in all, this has been an unprecedented period of prosperity in the city. In fact, virtually every issue in New York at all related to economics is about coping with success.

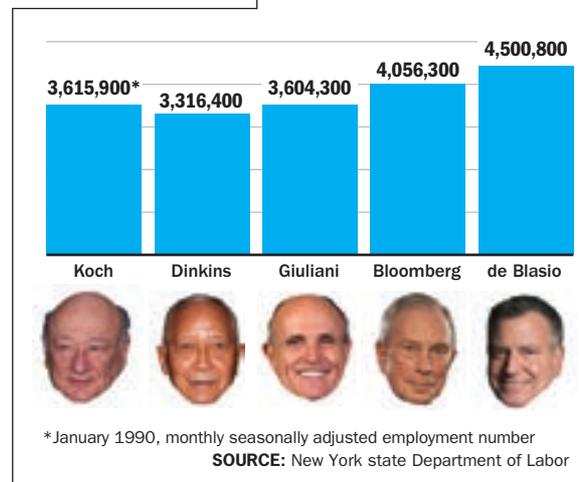
What always seems to be always forgotten is that those problems are far better than the ones that would be confronted by a stagnant or dying city. ■

GREG DAVID writes a regular column for CrainsNewYork.com.

EMPLOYMENT BY YEAR



EMPLOYMENT BY MAYOR



GETTY IMAGES, WIKI

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FROM OUR READERS

On Faso and ‘dead presidents’

I LIVE IN Congressional District 19 and have watched (and protested) as Rep. John Faso has refused to hold open town halls, lied to a young woman about protecting the health care that keeps her alive, and consistently voted with President Donald Trump and the GOP but against the people he’s supposed to represent.



FASO

He has steadfastly refused to condemn the racist ads running against Antonio Delgado—who grew up just outside the district and came back to be part of his and his wife’s community upstate—and has piled on with mailings that are nothing more than blatant lies about Delgado’s platform and goals for the district. (He “wants to double your taxes and take away Social Security and Medicare,” for example.)



DELGADO

Greg David did make one error, however, in his column “A once-principled politician takes a turn for the worse” (published Oct. 22): When rappers refer to “dead presidents,” they are talking about money, and the power of money is equated to white supremacy in this case.

Sadly, in a season of Republican lies and smears, Faso is right in step with his party.

ELIZABETH DIPALMA
Ghent, N.Y.

GIVE THE WHEEL ANOTHER ROUND

THERE IS AN OLD SAYING on Staten Island: “You always want to be the second person to own the restaurant because the equipment, tables and chairs are already bought and paid for. All you have to do is run it.”

Now that the New York Wheel project (team one) is officially dead, it’s time to move forward with a second request for proposals and let team two get it done right (“No spin zone: Staten Island wheel project shuts down,” CrainsNewYork.com).

Reissuing the RFP clearly would be the right move by the city’s Economic Development Corp. A massive amount of concrete already has been poured into the foundation. And the bases for the world’s second-tallest observation wheel are already in the ground.

More important, team two will have less expense (\$400 million already has been invested) and will have learned from team one’s mistakes.

What are the other choices? The whole complex was designed to be a major international attraction—to draw tourists off the Staten Island Ferry to take a spin and then spend money at the Empire Outlets, Lighthouse Point, Richmond County Bank Ballpark and the St. George Theatre. Building something on the wheel site without the same vision would devalue the entire development.

This is a once-in-a-lifetime opportunity to build something meaningful that can positively brand the borough.

CESAR CLARO
President and CEO
Staten Island Economic Development Corp.

WHAT SCARES DOCTORS

WARREN BUFFETT IS RIGHT to say that medical malpractice coverage is different from home or auto coverage because the physician’s reputation is at stake (“Buffett ready to defend NY docs from malpractice,” CrainsNewYork.com).

Even though many malpractice suits are based on questionable evidence and are eventually dismissed, the thought of dealing with them frightens most physicians. So with their reputation on the line, they often order tests and consultations that are not needed—in hopes of warding off lawsuits.

It’s not clear how Buffett will help physicians, but if he can limit unjustified suits, he will have taken a giant step forward in protecting good physicians’ reputations and in sparing them the tribulation of needless litigation.

EDWARD VOLPINTESTA, M.D.
Bethel, Conn.



BUFFETT

GETTING TO JFK

A ONE-SEAT RIDE between Manhattan and John F. Kennedy International Airport is feasible from a technical standpoint and would be very important for the economic well-being of the New York metro area (“One thing missing from Cuomo’s JFK plan,” Viewpoints, published Oct. 15).

In 2001 AECOM, a well-regarded engineering firm, studied a range of options for a one-seat ride at the behest of the Metropolitan Transportation Authority and recommended that a fleet of dedicated railcars that could negotiate AirTrain’s sharp curves and steeper grades be designed and used to provide an attractive one-seat-ride service between Penn Station and JFK.

The AECOM study was never made public, although the nonprofit that I head, the Institute for Rational Urban Mobility, obtained a copy.

More recently, students at the NYU Wagner School of Public Service produced a study that discussed the benefits and costs of restoring a 3.5-mile segment of the disused Long Island Rail Road Rockaway Beach Branch to allow for the same one-seat ride. That study also explored some preliminary design concepts for incorporating a hiking and biking trail along the rail line in Queens.

The challenges are not technical but institutional. In the past the MTA and the Port Authority of New York and New Jersey refused to advance this project because each agency wanted to retain its autonomy and not share in the project’s cost.

Gov. Andrew Cuomo, who controls the MTA and has veto power over the Port Authority, is in an excellent position to advance a one-seat ride as proposed by AECOM. It’s time for him to take action.

GEORGE HAIKALIS
President
Institute for Rational Urban Mobility



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A university embraces innovation and the future of work

When students study homeland security at St. John's University, they don't rely on textbooks alone. They do a virtual reality simulation at the school's Homeland Security Lab, where they dissect cases such as that of the Unabomber, a former math professor turned American domestic terrorist.

St. John's University, founded in 1870, has made a major push in recent years to prepare students for the careers of the future through hands-on, experiential learning. This means considering emerging fields—homeland security, for one—and trends, such as technological change, automation, artificial intelligence, globalization and the gig economy. The approach extends throughout St. John's campuses and locations in Manhattan; Queens; Staten Island; and Hauppauge, Long Island; and overseas in Rome; Paris; and Limerick, Ireland.

There are powerful reasons for doing so.

By 2022, emerging professions will increase their share of all jobs from 16% to 27%, according to the World Economic Forum's Future of Jobs Report 2018. Meanwhile, science, technology, engineering and math jobs, such as data analyst, scientist, software and application developer, and e-commerce and social media specialists, will see increasing demand. The demand for information security analysts who work in homeland security, for example, will rise 37% by 2022, the U.S. Bureau of Labor Statistics projects.

A LAB-BASED APPROACH

One major investment within the College of Professional Studies has been the Innovation Lab, which opened a year ago in Queens. The lab provides students with the space to do virtual reality experimentation, 3D printing and mobile application testing. It is also home to student pitch competitions. Some of the activities that take place are the development of 3D printed prototypes for products and the annual Pitch Johnny Competition.

"We opened the lab because there is an academic program that supports it," said Katia Passerini, Ph.D., dean of the College of Professional Studies and professor in the division of computer science, mathematics and science at St. John's. "There is a minor in entrepreneurship, where we teach courses on innovation, creativity, digital entrepreneurship and new venture creation. There are also some foundational business courses, so students can get a minor that enables them, if they want to start a business, to know the basics."

"There is this notion of innovating either inside of a company or outside of it," Passerini continued. "For us, it's very important that students learn how to bring new ideas to whichever context they are working in."

The idea for the lab took shape after Steve Farella, chairman of the college's advisory board at the College of Professional Studies, chairman of MDC Media Partners and principal of VFL Investment & Advisory, provided initial funding to launch an "innovation garage," Passerini said. "From there, we got the idea for the Innovation Lab, which we just dedicated to him and his son David Farella."

St. John's commitment to real-life experience extends beyond the Innovation Lab to labs in the media, computer science, and arts and design.

"All of this is hands-on," Passerini said. "The key characteristic of all of these labs is we want the students to learn what they will do in the workplace. They are always experimenting, for instance by developing software applications."

In the Homeland Security Lab, the simulation program replicates an emergency management scenario.

"They [the students] see an explosion and have to dispatch police, firefighters and ambulances," Passerini said. "It looks like a video game. This type of large scale commercial simulation is rarely available in educational institutions."

In the Cyber Security Lab, students do network attacks and defense. "They learn how to find weakness in their applications and networks," Passerini explained.

All labs are integrated into coursework at the college, which offers 30 programs from cybersecurity to hospitality management. "The easiest way to get students' attention is not just by building the labs, but making sure what they do in those spaces is also part of their curriculum," Passerini said. "So, for example, the

courses in homeland security use the simulation as part of their coursework."



Katia Passerini, Ph.D.
Dean of the College of Professional Studies and professor in the division of computer science, mathematics and science

The College of Professional Studies develops programs by paying close attention to the jobs that will be in demand, and by how professionals in those fields will work with those in related specialties.

"We're always looking at what the next big area of growth is and trying to integrate it into our curriculum," Passerini said. "Disciplines are often related to each other. For instance, homeland security and cybersecurity are connected to each other. As a result, a lot of the spaces are interconnected. For example, the Innovation Lab is next to the Computer Science Lab."

MEETING INDUSTRIES WHERE THEY ARE

As part of its focus on the fields of the future, St. John's has continued to expand its hospitality management program; selected courses are taught in Manhattan—a major hub of the global hospitality industry.

"We invite a lot of guest speakers from hotel chains in the city," Passerini said. "We're encouraging them to use our spaces to come together. The conversations they're having with our students about innovation can create long-term change."

It's all part of a real-world approach that is helping St. John's students and graduates prepare for a fast-changing future. ■

We're always looking at what the next big area of growth is and try to integrate it into our curriculum and experiential learning"

Katia Passerini, Ph.D.



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1	Cushman & Wakefield Inc. 1290 Sixth Ave. New York, NY 10104	212-841-7500 cushmanwakefield.com	<i>John Santora</i> President, New York tristate region	66.53 67.77	66.53 67.77	1,790	Chicago	Madison Realty, Credit Suisse, UBS, Citi
2	JLL 330 Madison Ave. New York, NY 10017	212-812-5700 jll.com/newyork	<i>Peter Riguardi</i> Chairman and president, New York region	60.70 42.40	60.70 42.40	1,458	Chicago	Ralph Lauren Corp., Grant Thornton, Salesforce.com, Crain's New York Business
3	CBRE Group Inc. 200 Park Ave. New York, NY 10166	212-984-8000 cbre.com	<i>Matt Van Buren</i> President, Northeast region	46.35 50.00	46.35 50.00	1,979	Los Angeles	Marsh & McLennan, HSBC, Cohen & Steers, Latham & Watkins
4	Newmark Knight Frank 125 Park Ave. New York, NY 10017	212-372-2000 ngkf.com	<i>Barry M. Gosin</i> Chief executive <i>James Kuhn, David Falk</i> Presidents	35.69 37.57	35.69 37.57	608	Manhattan	A&E Networks, Local 32BJ SEIU, Century 21, Cleary Gottlieb Steen & Hamilton
5	Vornado Realty Trust 888 Seventh Ave. New York, NY 10019	212-894-7000 vno.com	<i>Steven Roth</i> Chairman, chief executive <i>David R. Greenbaum</i> President, New York division	30.10 30.60	6.60 7.20	2,574	Manhattan	Facebook, Amazon, Neuberger Berman, AMC Networks, Interpublic Group of Cos., PwC
6	RXR Realty 75 Rockefeller Plaza New York, NY 10019	212-797-1330 rxrrealty.com	<i>Scott Rechler</i> Chairman, chief executive	24.60 22.10	0.00 0.00	526	Uniondale, N.Y.	UBS, Davis Polk & Wardwell, Polo Ralph Lauren, JPMorgan Chase
7	SL Green Realty Corp. 420 Lexington Ave. New York, NY 10170	212-594-2700 slgreen.com	<i>Marc Holliday</i> Chief executive	24.25 22.61	0.34 0.34	1,065	Manhattan	Credit Suisse Securities (USA) Inc., Viacom International Inc., Ralph Lauren Corp., Sony Corp.
8	Tishman Speyer⁴ 45 Rockefeller Plaza New York, NY 10111	212-715-0300 tishmanspeyer.com	<i>Rob Speyer</i> President, chief executive <i>Jerry Speyer</i> Chairman	21.09 21.37	2.78 2.78	n/d	Manhattan	Colgate-Palmolive, Jefferies, NBCUniversal, MetLife
9	Brookfield Properties 250 Vesey St. New York, NY 10281	212-417-7000 brookfield.com	<i>Ric Clark</i> Chief executive	20.52 19.06	0.00 0.00	409	Manhattan	Morgan Stanley, Bank of America, PwC, Time Inc.
10	Hines 345 Hudson St. New York, NY 10014	212-230-2300 hines.com	<i>Tommy Craig</i> Senior managing director, New York tristate region	18.14 18.14	12.05 12.05	259	Houston	Mitsui Fudosan America Inc., Cantor Fitzgerald, Simpson Thacher & Bartlett, Publicis Group
11	Durst Organization 1 Bryant Park New York, NY 10036	212-257-6600 durst.org	<i>Douglas Durst</i> Chairman <i>Jonathan Durst</i> President	13.00 13.00	0.00 0.00	1,500	Manhattan	Bank of America, Condé Nast, Patterson Belknap, NASDAQ
11	Silverstein Properties Inc. 7 World Trade Center New York, NY 10007	212-490-0666 silversteinproperties.com	<i>Larry A. Silverstein</i> Chairman <i>Marty Burger</i> Chief executive	13.00 13.00	0.00 0.00	n/d	Manhattan	Spotify, GroupM, Moody's, Droga5
13	Rudin Management Co. Inc. 345 Park Ave. New York, NY 10154	212-407-2400 rudin.com	<i>William C. Rudin</i> Co-chairman, chief executive <i>Eric Rudin</i> Co-chairman, president	10.68 10.68	0.00 0.00	329	Manhattan	Blackstone Group, KPMG, AIG, Thomson Reuters
14	Colliers International 666 Fifth Ave. New York, NY 10103	212-716-3500 colliers.com	<i>David Amsterdam</i> President of leasing and investments, Eastern region	8.80 7.90	4.60 4.56	217	Manhattan	Priceline, Mount Sinai Health System, New York-Presbyterian, Shopbop
15	Paramount Group Inc.⁵ 1633 Broadway New York, NY 10019	212-237-3100 paramount-group.com	<i>Albert P. Behler</i> Chairman, chief executive, president	8.64 8.64	1.82 1.82	330	Manhattan	Barclays, Allianz, Crédit Agricole, Clifford Chance
16	George Comfort & Sons Inc. 200 Madison Ave. New York, NY 10016	212-481-1122 georgecomfort.com	<i>Peter S. Duncan</i> President, chief executive	8.64 8.60	1.79 2.67	40	Manhattan	PVH Corp., New York Life Insurance, Havas, GMHC
17	Empire State Realty Trust⁵ 111 W. 33rd St. New York, NY 10120	212-850-2700 empirestaterealtytrust.com	<i>Anthony E. Malkin</i> Chairman, chief executive	8.07 8.07	0.00 0.00	831	Manhattan	Uber, JCDcaux, Shutterstock, LinkedIn
18	Boston Properties Inc. 599 Lexington Ave. New York, NY 10022	212-326-4000 bostonproperties.com	<i>John Powers</i> Executive vice president, regional manager	8.00 8.00	1.15 1.15	181	Boston	Aramis-Estée Lauder, Kirkland & Ellis, Sherman & Sterling, Weil Gotshal & Manges

CONTINUED ON PAGE 16

AT THE CENTER OF WHAT'S NEXT

Fueled by ideas, expertise and passion across borders and beyond service lines, our Cushman & Wakefield **Asset Services** professionals create real estate solutions to prepare our clients for what's next. By empowering our property managers to understand client business objectives and tailor best-in-class services to each property's unique needs, we are leading the way in property management in NYC.

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19	L&L Holding Co. 142 W. 57th St. New York, NY 10019	212-920-3360 ll-holding.com	<i>David W. Levinson</i> Chairman, chief executive <i>Robert T. Lapidus</i> Chief investment officer	7.60 6.70	1.27 1.27	130	Manhattan	Citadel, Bank of America, Tiffany & Co., Grey Advertising
20	Cohen Brothers Realty Corp. 750 Lexington Ave. New York, NY 10022	212-838-1800 cohenbrothersrealty.com	<i>Charles S. Cohen</i> President, chief executive <i>Steven M. Cherniak</i> Chief operating officer <i>Marc J. Horowitz</i> Senior vice president, national director of leasing	7.60 7.60	0.00 0.00	350	Manhattan	WeWork, Interpublic Group of Cos., Houghton Mifflin Harcourt, Meredith Corp.
20	Fisher Brothers Management Co. 299 Park Ave. New York, NY 10171	212-752-5000 fisherbrothers.com	<i>Ken Fisher, Steven Fisher, Winston Fisher</i> Partners	7.60 7.60	0.00 0.00	300	Manhattan	Capital One, Informa, Evercore, Duff & Phelps
22	Kaufman Organization 450 Seventh Ave. New York, NY 10123	212-471-4300 kaufmanorganization.com	<i>Steven J. Kaufman</i> President	6.89 6.78	1.60 1.57	185	Manhattan	Apple, Net-a-Porter, Kleinfeld Bridal, Robert A.M. Stern Architects
23	Adams & Co. Real Estate 411 Fifth Ave. New York, NY 10016	212-679-5500 adamsre.com	<i>David Levy, James Buslik</i> Principals	6.86 6.86	6.86 6.86	273	Manhattan	New York-Presbyterian, IBM, Hewlett-Packard, Services for the UnderServed
24	Rockefeller Group ⁶ 1221 Sixth Ave. New York, NY 10020	212-282-2000 rockefellergroup.com	<i>Daniel J. Moore</i> President, chief executive	5.80 5.80	1.10 1.10	150	Manhattan	SiriusXM, White & Case, Mayer Brown
25	Jack Resnick & Sons Inc. 110 E. 59th St. New York, NY 10022	212-421-1300 resnick.nyc	<i>Burton P. Resnick</i> Chairman, chief executive <i>Jonathan D. Resnick</i> President	5.28 5.28	0.00 0.00	240	Manhattan	Universal Music Group, Aramis- Estée Lauder, Cantor Fitzgerald, Northwell Health

Crain's New York Business uses staff research, extensive surveys and the most current references available to produce its lists, but there is no guarantee that these listings are complete. To qualify for this list, companies must manage commercial property in the five boroughs of New York City. Commercial square footage and third-party square footage have been rounded, but rankings are based on unrounded numbers. In cases of a tie in the amount of 2018 commercial square footage managed in New York City, firms are ranked alphabetically. n/d-Not disclosed. **1**-Office properties only, as of Sept. 30. **2**-Third-party square footage refers to property managed by a company other than the owner, as of Sept. 30. **3**-Full-time and full-time-equivalent only, including union members and administrative employees, as of Sept. 30. **4**-Company has an additional 4.5 million square feet of office space under construction in New York City. **5**-Square footage is as of June 30; employee count is as of Dec. 31. **6**-Crain's estimate. Research: Gerald Schifman

real estate
auction



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56^{+/-} ac Stamford Redevelopment Land

- **1708 Newfield Avenue**
43.24^{+/-} ac of residential development land. There is currently a 2BR 1BA servants' cottage with approx. 1,900^{+/-} sf.
- **1752 & 1758 Newfield Avenue**
13.49^{+/-} ac of residential development land. There is currently an 8BR 6.5BA home with approx. 6,818 sf.

Originally purchased in the 1930s as a summer home and maintained by the same family for generations.

Due to condition, the home and cottage are not accessible and will not be available for inspection.

Above properties auction: 12pm, Thursday November 15 at Crowne Plaza Stamford Hotel, 2701 Summer Street, Stamford, CT

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Pictured: Porter Braxwell, CEO and Co-founder, Jopwell 40 Under 40 Class of 2018.

Bittersweet salvation

Six years after Superstorm Sandy halted production, a Far Rockaway chocolate factory is back—mostly **BY CARA EISENPRESS**

Forty-two inches of seawater propelled by Superstorm Sandy surged into Madelaine Chocolate Co.'s plant through the floor drains six years ago. Within hours the water destroyed hundreds of thousands of pounds of chocolate and holiday boxes. Worse, it engulfed new machines that could foil as many as 1,200 pieces a minute.

"The devastation of the facility was total," said Jorge Farber, president, CEO and son-in-law of one of the founders. Eight months would pass before any chocolate ran off the production line.

Today, eight of Madelaine's original 14 lines are up and running. The 69-year-old company gives a lot of credit for its recovery to the regional Small Business Administration office, which provided \$527 million in loans to local businesses. Still, the owners experienced pain and tedium, and they were unprepared for the extremely slow pace of recovery and long delays.

Madelaine moved from Manhattan to the Rockaways in 1967. The business sold seasonal novelty chocolates—Easter eggs, Valentine's hearts and Santas—under its own brand as well as through private-label and contract work. Madelaine chocolates are sold in gourmet shops and groceries and on Amazon. Robust worldwide sales led the chocolatier to expand operations in the 1980s and 1990s. By Oct. 29, 2012, the 200,000-square-foot facility housed state-of-the-art equipment, much of it custom-made in Europe. More than 400 employees produced close to 20 million pounds of chocolate per year, Farber said.

After the flooding, no one could enter the buildings for five weeks. Farber and Norman Gold, who are cousins and co-owners, sat outside the facility nine days after the storm to pass out handwritten paychecks—the payroll system was down—with money secured from a lender.

Already they were debating whether to rebuild. Their customer base was reaching out to ask them to come back. More important, they had loyal employees, many of whom had worked for Madelaine for more than 20 years. Local officials, also thinking of those jobs, stepped in to offer a hand. But Gold and Farber also could visualize the millions of dollars in damage. Some machinery cost upwards of \$3 million and would take years to make and ship from Europe. Nearby municipalities tempted them with relocation incentives.

Farber, Gold and their families decided to stay. They also were assured that they would receive assistance from city, state and federal agencies.

"We worked hard with government in Washington and the mayor here so they could get back and retain their people," said Rep. Gregory Meeks. That meant reminding grant-makers of the high cost of Madelaine's equipment to make sure funding was adequate.

It took a village

At first a virtual village mobilized around Madelaine. Vendors postponed billing, and customers offered to place (and pay for) next year's orders early. Madelaine's lender, Gerber Finance, was supportive from the start. The \$3 million from the National Flood Insurance Program policy paid for the extensive cleanup. A \$250,000 grant from National Grid and some money from Madelaine's regular business insurance for intellectual-property loss allowed the team to bring in mechanics to fix up old equipment.

In June 2013 Madelaine was able to begin small production runs. "It was exciting, but it was microscopic," Farber said.

Ten months after the storm, the first disbursement of Madelaine's \$20 million SBA loan arrived. Little by little, the promised city grants and state loans followed. In 2015 Madelaine received \$9.7 million through the federal Community Development Block Grant.

At points the snail's pace had the men rethinking their commitment to Rockaway. "The funding was slow," Farber said. "We were not going to survive it if we were not getting some assistance."

Beth Goldberg, SBA New York district director, explained that it's not unusual for funding and rebuilding to take so long. "It's an overwhelming task to put something back together like this," she said.

Now the company produces between 8 million and 9 million pounds of chocolate each year. Lines don't run 24/7 as they once did. The company's busy season begins around Halloween, but not because of Halloween candy—that already shipped. It is currently churning out Advent calendars, Hanukkah gelt and Valentine's hearts. Madelaine is still fighting in court against its insurer, which has not paid for the damage. This month the 2nd U.S. Circuit Court of Appeals vacated a lower court's decision in favor of Great Northern Insurance, effectively reopening Madelaine's case.

Each improvement, such as the recent arrival of a machine that can fill truffles with two fillings, like peanut butter and jelly, is a celebration. "We concentrate on what we do best," Farber said. ■



ONE OF THE ONLY large employers in the area, Farber decided to rebuild partly out of loyalty to his long-time workers.



A NIGHT TO REMEMBER: The owners commemorated the flood.

FOCAL POINTS

NAME Madelaine Chocolate Co.

LOCATION Far Rockaway, Queens—one block from Jamaica Bay and four blocks from the Atlantic Ocean

FOUNDED 1947 by brothers-in-law Henry Kaye and Jack Gold

MANAGEMENT TEAM Jorge Farber, president and CEO; Norman Gold, vice president

EMPLOYEES 300 from September to March; around 200 the rest of the year

2012 PRODUCTION PRESTORM 20 million pounds of chocolate

2018–19 PRODUCTION Nearly 9 million pounds, projected

REVENUE DROP 34% from 2011 to 2017

WEBSITE madelainechocolate.com



Molinaro greets a voter in Upper Manhattan.

MAN WITH THE PLANS

GOP gubernatorial candidate Marc Molinaro is pitching policy over party to sway New York voters. It's a tough sell **BY WILL BREDDERMAN**

Marc Molinaro approached a woman sitting on a bench at the Polo Grounds Towers, a public-housing complex in Upper Manhattan, and handed her a glossy piece of his campaign literature.

"Republican or Democrat?" she asked.

"Republican," the candidate for governor answered.

She handed the palm card right back.

Then with little prodding from Molinaro, the prospective voter launched into a diatribe against Gov. Andrew Cuomo, President Donald Trump and the state of politics in general. She gave her first name as Regina, but declined to share her last, citing a fear of reprisals at the Cuomo-controlled Metropolitan Transportation Authority, where she works.

"Once [politicians] are in, they're in. Already Cuomo shook hands under the table with the unions. They all make deals under the table," she charged. "But so far, everything that has been done to help minorities and African-Americans, f---ing Trump—excuse me—has taken away or tried to demolish."

For five minutes Molinaro, with a local supporter and a campaign aide, tried to convince the woman that he did not vote for the president (he says he wrote in former Rep. Chris Gibson) and that he has a plan to fix the MTA (mainly by taking a harder line with organized labor, contractors and vendors). Regina ultimately agreed to Google Molinaro, the Dutchess County executive, before voting.

"I'm not giving you better than a 50% chance, though," she told him.

The encounter encapsulated all the barriers confronting Molinaro in his bid to oust the sitting governor: Democratic voters' party loyalty and distaste

for Trump, resignation to the status quo, and the difficulty any small-town, upstate politician would have connecting with urban voters.

That's why his quest faces far worse than 50-50 odds.

Shoestring campaign

Looming over Molinaro's bid is the tremendous power the incumbent wields in government, business and union circles—indeed, over any person or organization whose life or livelihood touches the state government and its various appendages. That power has frightened potential contributors out of giving to his campaign, Molinaro claims. A month before the election, he had only \$210,000 in his war chest—\$9 million less than Cuomo.

Rather than try to surmount these obstacles, the Republican has sought to circumvent them by making dense policy proposals and forgoing culture-war sloganeering. Hours before his mid-October exchange with Regina, Molinaro unveiled a plan to increase employment opportunities and accessible public space for people with disabilities and to penalize those who have mistreated them in state facilities. In a meeting with *Crain's*, he confirmed that New York delivers special-needs services through a disjointed array of agencies rather than a single point of contact with the public. In addition, he outlined an initiative that would have Albany absorb the funding responsibility for Medicaid that it imposes on localities while containing the costly program's growth.

The proposed Albany Accountability Act he rolled out in July was a good-government wish list: term limits for all state officials; a "database of deals" to track public contracts; bans on corporate subsi-

dies and campaign contributions from companies with business before the state; eliminating the loophole that enables individuals and businesses to make huge donations through multiple limited liability companies; and taking politics out of ethics enforcement and legislative redistricting (independent panels established by the state's highest court would do those jobs). His 30-page white paper on the MTA caused a minor sensation among transit wonks.

But none of this has swayed voters: In a Quinnipiac poll this month, 35% of the respondents backed Molinaro; 58% went for Cuomo.

Still, the challenger stands by his strategy.

"I've done this long enough to realize that people actually do care and are motivated by issues," Molinaro said. "They may not enjoy long policy papers, but they get the concept that high taxes are driving them out, that regulations are making things complicated, [that] the transit system doesn't work. Those are all issues that people may react to in an emotional way, but they're still based on the failure of government or the failure of leaders."

His approach could scarcely contrast more with the president's inflammatory and flamboyant style and off-the-cuff policy proposals. Yet Cuomo has responded to virtually all of Molinaro's ideas and critiques by labeling him a "Trump mini-me"—an ironic charge given that the incumbent's campaign has been light on substance and heavy on boasting, aggression, ad hominem attacks, slogans, jabs at the media and the repetition of arrant falsehoods.

"He has not put forth a substantive idea; all he has said is he's against women's rights," the governor claimed when a radio interviewer pushed him to publicly debate Molinaro. "There is no substance from him. It's all ad hominem attacks, it's all nasty,

and it's all this ultraconservative diatribe.”

When he finally assented to debate his rival for an hour, Cuomo talked over the moderators, called his opponent “reprehensible” and a “fraud,” made inaccurate claims about the size and timeliness of state budgets under his leadership, and generally steered the conversation away from issues—especially when Molinaro mentioned the corruption convictions of several top Cuomo aides and campaign donors.

But the governor has reason to think this tactic will work. Mayor Bill de Blasio defeated his GOP opponent, Staten Island Assemblywoman Nicole Malliotakis, last year by often alluding to Trump. And Cuomo has massive support in Democratic-heavy New York City, where Trump is highly unpopular.

Talking points

Campaign professionals have suggested that Molinaro lacks a sense of urgency. His proposals are standard technocratic fare, with nothing shocking or iconoclastic to excite political pulses—“safe stuff,” as veteran political consultant Gerry O'Brien put it. And Molinaro's focus on policy can render his campaign impersonal. The challenger talks about his single mother and how food stamps sustained his impoverished youth, about his experiences as the 19-year-old mayor of upstate Tivoli, about raising a daughter on the autism spectrum, but he does not make these potentially compelling narratives central to his bid. Instead, he relegates them to footnotes to establish his credibility when

laying out a proposal.

O'Brien noted the campaign's most personal ad had Molinaro's mother praising his “accountability.”

“I don't know many moms who would use the term ‘accountable’ to describe their offspring,” he said. “You need something that's going to get people to wake up and shake up. Do something outlandish!”

But O'Brien also thinks the national GOP doomed Molinaro's campaign from the outset. The party has changed radically since Nelson Rockefeller created his own Republican brand in 1958 and led New York for 14 years, and George Pataki reigned as governor for a dozen, beginning in 1995.

O'Brien, a former Republican who became an

“CUOMO COULD IMplode AND THE TRUMP EFFECT WOULD STILL COST MOLINARO THE ELECTION”

independent after Trump's nomination, blamed the trouble on the party's shift from a message about good government and economic growth to one based on Bible Belt sensibilities and nativism.

“The problem is the Republican Party has gone off the deep end,” he said. “Cuomo could implode and the Trump effect would still cost Molinaro the election.”

But blue states such as Massachusetts, Maryland and Vermont boast popular Republican governors who have forged an identity distinct from the na-

tional party's. Why can't New York?

Two reasons: its scale and the cost of TV ads.

“Because of the sheer size of the state of New York, because of the amount of money it takes to try to operate in the most expensive media market in the country, it can be really challenging if you don't have personal funds to invest or a network to tap into,” said Bill Cortese, a GOP consultant who's worked on races in New York, New Jersey and Connecticut. “When you have the ability to operate in the most expensive media market in the country, you can go on TV and start a conversation with voters. Air superiority is a good thing to have.”

The kind of fundraising network Cortese describes usually requires holding statewide office, something no Republican since Pataki has done.

Molinaro's campaign aides said they hoped to overcome Cuomo's advertising by winning media coverage for policy announcements. As unlikely as that now seems, the candidate rejected a suggestion that the race might position him to seek another office upstate, such as a U.S. House seat.

“I believe firmly that every day of my adult life was to prepare for this moment, win or lose,” he said. “And I will have one opportunity to extend a message to the people of the state of New York. And maybe it's silenced, or it's not as loud as it needs to be. And somewhere inside of you, you better hope that I can do it. Because what's going on in this state is corrosive.” ■



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FOR THE RECORD*

NEW IN TOWN

■ Bury the Hatchet

67 West St., Brooklyn

The Canadian sport of ax-throwing comes to Greenpoint, where two-hour sessions are \$39.99.

■ Cousins Maine Lobster

77 Lexington Ave.

The food truck turned brick-and-mortar chain has arrived in Kips Bay.

■ Nai Tapas Bar

85 Second Ave.

Ruben Rodriguez offers a Galician menu and live flamenco dancers at this 2-story tapas bar in NoHo.

■ Rob Peetoom

111 N. 11th St., Brooklyn

An award-winning Dutch hairstylist with locations in Holland and Bali has opened his first U.S. salon, in Williamsburg.

■ Sans

329 Smith St., Brooklyn

A former Eleven Madison

Park sous chef goes vegan in Carroll Gardens.

MOVES AND EXPANSIONS

■ Clinton Hall

16 W. 36th St.

The beer-and-burger joint opened its fifth and largest location, in Midtown.

■ Taco Mix

90-74 37th Ave., Queens

The East Harlem-based taqueria has expanded to Jackson Heights.

STOCK TRANSACTIONS

■ Shake Shack (SHAK-N)

Founder and Chairman Danny Meyer sold 20,000 shares of common stock at prices ranging from \$60.24 to \$62.88 per share from Sept. 25 to Oct. 1. The transactions were worth \$1,223,253. He now holds 380,475 shares.

■ Yext (YEXT-N)

CFO Steven Cakebread sold

10,000 shares of common stock at \$18.76 per share Oct. 11 in transactions worth \$187,570. He now has no shares.

■ BlackRock (BLK-N)

Board member William Ford sold 2,000 shares of common stock Oct. 17 for \$409.59 per share in a transaction worth \$819,176. He now holds 7,466 shares.

REAL ESTATE

RETAIL

■ Amazon has signed for 83,000 square feet at **26-15 Boody St.**, Queens, where it plans to locate a fulfillment center. The asking rent for the lease, which ends in February 2029, was not disclosed. CBRE handled negotiations for the landlord, Terreno Realty.

■ Food Bazaar Supermarket leased 80,000 square feet at **601 Exterior St.** It will be the largest supermarket in the Bronx. Ripco Real

Estate represented the landlord, The Related Cos.

■ The Learning Experience signed a 10-year lease for 10,000 square feet at **185 Marcy Ave.** The day care and early-education program plans to open this Brooklyn outpost in the spring. The asking rent was \$55 per square foot. Tri State Commercial represented the landlord, Acuity Capital Partners, and the tenant.

COMMERCIAL

■ Cahill Gordon & Reindel agreed to take 200,000 square feet at **32 Old Slip.** The international law firm plans to move from 80 Pine St. The asking rent for the 20-year lease was \$60 per

square foot. The landlord, RXR Realty, represented itself. Newmark Knight Frank brokered for the tenant.

■ Web analytics company BounceX will move from Chelsea into 79,118 square feet at **1 World Trade Center.** The co-owners, the Durst Organization and the Port Authority of New York and New Jersey, were represented by the Durst Organization and Cushman & Wakefield. CBRE handled the 11-year deal for the tenant. The asking rent was \$69 per square foot.

■ Frankfurt Kurnit Klein and Selz is leasing 57,000 square feet at **28 Liberty St.** The entertainment law firm

plans to relocate from 488 Madison Ave. Cushman & Wakefield handled the deal for the tenant. JLL represented the landlord, Fosun International. The asking rent was in the mid-\$60s per square foot.

■ The New York City Office of Labor Relations signed a lease for 53,718 square feet at **22 Cortlandt St.** The asking rent for the 20-year deal was \$54 per square foot. Newmark Knight Frank brokered for the landlord, Mayore Estates. CBRE handled the transaction for the Department of Citywide Administrative Services, which oversees all leasing for city agencies.

- YOONA HA

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For the Record is a listing to help businesspeople in New York find opportunities, potential new clients and updates on customers. Bankruptcy filings from the eastern and southern districts of New York are listed alphabetically. Stock transactions are insider transactions at New York companies obtained from Thomson Reuters and listed by size. Real estate listings are in order of square footage.

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PUBLIC & LEGAL NOTICES

Notice of Formation of 50 BOND STREET THREE LLC Arts. of Org. filed with Secy. of State of NY (SSNY) on 09/14/18. Office location: NY County. SSNY designated as agent of LLC upon whom process against it may be served. SSNY shall mail process to c/o DMSimon CPA LLC, Attn: Debra M. Simon, 800 B Lake St., Ramsey, NJ 07446. Purpose: Any lawful activity

Notice of Qualification of SOY PARK VIEW LLC Appl. for Auth. filed with Secy. of State of NY (SSNY) on 10/05/18. Office location: NY County. LLC formed in Delaware (DE) on 10/02/18. Princ. office of LLC: 888 Seventh Ave., 3rd Fl., NY, NY 10106. SSNY designated as agent of LLC upon whom process against it may be served. SSNY shall mail process to Corporation Service Co. (CSC), 80 State St., Albany, NY 12207-2543. DE addr. of LLC: CSC, 251 Little Falls Dr., Wilmington, DE 19808. Cert. of Form. filed with DE Secy. of State, Div. of Corps., John G. Townsend Bldg., 401 Federal St., Ste. 4, Dover, DE 19901. Purpose: Any lawful activity

Notice of formation of We Sing For The World, LLC. Arts. of Org. Filed with Secy of State of NY (SSNY) on 4/2/18. Office location: NY County. SSNY designated agent upon whom process may be served and shall mail copy of process against LLC to 3200 Broadway, 3E, NY, NY 10027. Purpose: any lawful act.

NOTICE OF FORMATION of Imian 128-130 LLC. Art. of Org. filed with the Secy of State of NY (SSNY) on 9/12/18. Off. Loc.: New York County. SSNY has been desig. as agent upon whom process against it may be served. The address to which the SSNY shall mail a copy to is: c/o Imian Management LLC, 14 West 23rd St., 4th Fl, New York, NY 10075. Purpose: Any lawful act .



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CRAIN'S

Notice of Formation of CARNEGIE RE-PURCHASE LLC Arts. of Org. filed with Secy. of State of NY (SSNY) on 09/07/18. Office location: NY County. Princ. office of LLC: 60 Columbus Circle, NY, NY 10023. SSNY designated as agent of LLC upon whom process against it may be served. SSNY shall mail process to Corporation Service Co., 80 State St., Albany, NY 12207-2543. Purpose: Any lawful activity.

Food Stitch, LLC Arts. of Org. filed w/ SSNY on 9/1/17 Off. in NY Co. SSNY desig. as agt. of LLC whom process may be served. SSNY shall mail process to Steven Beltre, 244 Madison Ave, NY, NY 10016. The reg. agt. is Steven Beltre at same address. Purpose: any lawful activity.

Notice of formation of off-vintage, LLC. Arts. of Org. filed with Scy of State of NY (SSNY) on 8/20/18. Office location: NY County. SSNY designated agent upon whom process may be served and shall mail copy of process against LLC to 180 Water St., NY NY 10038. RG Agent: US Corp Agents Inc. 7014 13th Ave, #202, BY, NY 11228. Purpose: any lawful act.

Notice of Formation of Limited Liability Company (LLC). NAME: Aliyah Group LLC. - Articles of Organization filed with the Secretary of State of New York (SSNY) on 12/22/2017. Office location: Bronx County. SSNY shall mail a copy of process to: The LLC, 2507 Lodovick Ave, Bronx NY 10469. Purpose: Any lawful purpose.

Notice of Qualification of 812 Amsterdam Member LLC. Authority filed with NY Dept. of State on 9/6/18. Office location: NY County. Princ. bus. addr.: 511 Canal St., 6th Fl., NY, NY 10013. LLC formed in DE on 8/31/18. NY Sec. of State designated agent of LLC upon whom process against it may be served and shall mail process to: Co-gency Global Inc. (CGI), 10 E. 40th St., 10th Fl., NY, NY 10016. DE addr. Of LLC: CGI, 850 New Burton Rd., Ste. 201, Dover, DE 19904. Cert. of Form. filed with DE Sec. of State, 401 Federal St., Dover, DE 19901. Purpose: any lawful activity.

This is notice of formation of DN Daniele Nunes LLC with Article of Organization filed with the Secretary of State NY on 09/06/2018. Office location in New York County. The principle address of the business and of registered agent is 239 E 58th Street, 3H, New York, 10022.

Notice of Formation of Analytics Hall of Fame LLC. Arts of Org. filed with Secy of State of NY (SSNY) on 9/5/18. Office location: NY County. SSNY designated agent whom process may be served and shall mail copy of process against LLC to 319 W 18th St, Apt 5C, NY, NY 10011. RG Agent: US Corp Agents, Inc. 7014 13th Ave, #202, BK, NY 11228. Purpose any lawful act.

Notice of formation of Teabags for Teacups, LLC. Arts. of Org. filed with the Secy of State of NY (SSNY) on 08/17/2018. Office location: NY County. SSNY designated as agent of LLC upon whom process against it may be served. SSNY shall mail any process to: THE LLC, 250 East 73rd Street, Ste. 12E, New York, New York 10021. Purpose: any lawful activity.

Notice of Formation of 50 BOND STREET FOUR LLC Arts. of Org. filed with Secy. of State of NY (SSNY) on 09/14/18. Office location: NY County. SSNY designated as agent of LLC upon whom process against it may be served. SSNY shall mail process to c/o DMSimon CPA LLC, Attn: Debra M. Simon, 800 B Lake St., Ramsey, NJ 07446. Purpose: Any lawful activity.

Notice of Formation of Limited Liability Company (LLC). NAME: Shingo Property LLC. - Articles of Organization filed with the Secretary of State of New York (SSNY) on 08/15/2018. Office location: Bronx County. SSNY shall mail a copy of process to: The LLC, 2851 E195 Bronx, NY 10461. Purpose: Any lawful purpose.

Glass Door Capital 718, LLC. Art. of Org. filed with the SSNY on October 10, 2018. Office: New York County. SSNY designated as agent of the LLC upon whom process against it may be served. SSNY shall mail copy of process to the LLC, 152 Marion Street, Staten Island, NY 10310. Purpose: Any lawful purpose.

Notice of Qualification of 303 WEST 42ND STREET REALTY, L.L.C. Appl. for Auth. filed with Secy. of State of NY (SSNY) on 09/07/18. Office location: NY County. LLC formed in Delaware (DE) on 09/04/18. SSNY designated as agent of LLC upon whom process against it may be served. SSNY shall mail process to the LLC, 300 W. 43rd St., Ste. 400, NY, NY 10036. DE addr. of LLC: c/o Corporation Service Co., 251 Little Falls Dr., Wilmington, DE 19808. Cert. of Form. filed with State of DE, Secy. of State, Div. of Corps., 401 Federal St., Ste. 4, Dover, DE 19901. Purpose: Any lawful activity.

Notice of Formation of 114 EAST 62ND, LLC Arts. of Org. filed with Secy. of State of NY (SSNY) on 09/25/18. Office location: NY County. SSNY designated as agent of LLC upon whom process against it may be served. SSNY shall mail process to c/o Margot Berg, 215 E. 80th St., Apt. 7J, NY, NY 10075. Purpose: Any lawful activity.

Notice of Formation of CanaCover LLC Arts. of Org. filed with Secy. of State of NY (SSNY) on 10/09/18. Office location: NY County. Princ. office of LLC: Mark E. Freitas, c/o Mark Edward Partners LLC, 505 Park Ave., NY, NY 10022. SSNY designated as agent of LLC upon whom process against it may be served. SSNY shall mail process to the LLC at the addr. of its princ. office. As amended by Cert. of Amendment filed with SSNY on 10/12/18, name changed to SBMEP LLC. Purpose: Any lawful activity.

Notice of Qualification of ARE-PROJECT MANAGER, LLC Appl. for Auth. filed with Secy. of State of NY (SSNY) on 10/09/18. Office location: NY County. LLC formed in Delaware (DE) on 09/28/18. SSNY designated as agent of LLC upon whom process against it may be served. SSNY shall mail process to c/o Corporation Service Co. (CSC), 80 State St., Albany, NY 12207-2543. DE addr. of LLC: c/o CSC, 251 Little Falls Dr., Wilmington, DE 19808. Cert. of Form. filed with Secy. of State of State DE, 401 Federal St., Dover, DE 19901. Purpose: Any lawful activity.

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PUBLIC & LEGAL NOTICES

Notice of Qualification of CCMP CAPITAL ADVISORS, LP Appl. for Auth. filed with Secy. of State of NY (SSNY) on 09/26/18. Office location: NY County. LP formed in Delaware (DE) on 01/26/06. Duration of LP is Perpetual. SSNY designated as agent of LP upon whom process against it may be served. SSNY shall mail process to Corporation Service Co. (CSC), 80 State St., Albany, NY 12207-2543. Name and addr. of each general partner are available from SSNY. DE addr. of LP: CSC, 251 Little Falls Dr., Wilmington, DE 19808. Cert. of LP filed with Secy. of State of DE, 401 Federal St., Ste. 4, Dover, DE 19901. Purpose: Any lawful activity.

Notice of Formation of ROCKAWAY SOUTH CLASS B, LLC Arts. of Org. filed with Secy. of State of NY (SSNY) on 10/10/18. Office location: NY County. Princ. office of LLC: 60 Columbus Circle, NY, NY 10023. SSNY designated as agent of LLC upon whom process against it may be served. SSNY shall mail process to Corporation Service Co., 80 State St., Albany, NY 12207-2543. Purpose: Any lawful activity.

Small Agency LLC. Art. of Org. filed with SSNY 10-01-18. Office Location: NY County. SSNY designated as agent of the LLC for service of process. SSNY shall mail a copy of any process to c/o The LLC, 75 Wall St., 24M, NY, NY 10005. Purpose: Any lawful act or activity.

Notice is hereby given that a license, number (PENDING) for winter seasonal on-premises Liquor has been applied for by the undersigned to sell liquor at retail in a Restaurant under the Alcoholic Beverage Control Law at Bryan Park, near 42nd Street & 5th Ave., New York, NY 10017 for on-premises consumption. STOUT NYC POP UP, Inc d/b/a The Lodge

ELEV8 CONCEPTS, LLC. Art. of Org. filed with the SSNY on 10/2/2018. Office: New York County. SSNY designated as agent of the LLC upon whom process against it may be served. SSNY shall mail copy of process to the LLC, 105 Chambers Street, Unit 3A, New York, NY 10017. Purpose: Any lawful purpose.



Actress and author **Harriette Mandeville** and Dr. **Wayne Riley**, president of SUNY Downstate Medical Center, were among the 500 in attendance.

Honoring decades of public service

United Hospital Fund, a 139-year-old organization that supports nonprofit hospitals, raised nearly \$1.3 million at its annual gala Oct. 1. The event at Cipriani 42nd Street honored Stanley Brezenoff, who came out of retirement in April to become interim chairman and CEO of the New York City Housing Authority; Danielle Butin, who founded Afya Foundation to rescue usable medical supplies for use abroad, such as in Puerto Rico in the aftermath of Hurricane Maria; and Revlon CEO Debra Perelman, who co-founded the Child Mind Institute to improve children's mental health care.



Stanley Brezenoff; Dr. **Anthony Shih**, UHF president; **Danielle Butin**; **Debra Perelman**; and **J. Barclay Collins II**, UHF chairman.

Mentoring in a safe space



The Police Athletic League hosted its 46th annual dinner, bringing in more than \$1.3 million to help provide recreational, educational and social activities for 30,000 boys and girls. Cardinal **Timothy Dolan**, archbishop of New York, and **Katy Knox**, president of private wealth management at U.S. Trust, Bank of America, were among the 300 guests at the Plaza Hotel.

New York City Police Commissioner **James O'Neill**, second from right, is flanked by former NYPD Commissioners **William Bratton**, **Robert McGuire** and **Raymond Kelly** at the Oct. 2 dinner.



Helping families

The Gay Men's Health Crisis held its annual gala Oct. 9. Nearly 400 guests raised more than \$600,000 for services to help thousands of men, women and families living with and affected by HIV/AIDS. **Phillip Picardi**, who will become editor in chief of *Out* magazine Nov. 1; Tony Award-winning actor **Billy Porter**; GMHC CEO **Kelsey Louie**; and honoree **Nathan Coyle**, CEO of Pride Media, which owns *Out*, at the event at the Plaza Hotel.



Jonathan Tisch, co-chairman of Loews Corp., with his wife, **Lizzie Tisch**, founder of LTD by Lizzie Tisch. He was presented with the inaugural Joan H. Tisch Award for community service and philanthropy by Oscar Award-winning actor **Michael Douglas**.

ELLEN WALLOP, TIFFANY SAGE/BFA.COM, JILL NELSON

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HENRY sold his first company when he was 20.

Building a dynasty

An enterprising Harlemiter looks to diversify entrepreneurship

A doorman turned venture capitalist wants to create intergenerational wealth in minority communities. And he's just 25 years old. Even in a city full of rags-to-riches stories, John Henry stands out. The son of immigrants who came to the United States from the Dominican Republic, he grew up in the projects in Washington Heights. Henry dropped out of community college after one semester and worked as a doorman in Williamsburg, making \$14 per hour.

A tenant who owned a chain of dry cleaners became impressed with Henry's hustle. He offered Henry the use of his facilities at wholesale prices. Henry started a pickup and delivery service and, through another tenant, who was in the film industry, was hooked up with movie wardrobe crews who needed a fast turnaround during off-hours. *The Wolf of Wall Street* was his first big client. He launched Mobile City, an on-demand concierge app, in 2012. In late 2014 he sold the company (he declined to reveal the price).

Flush with cash and big ideas, Henry started Cofound Harlem, a nonprofit startup incubator that offered mentoring and coworking space. The only requirement: Companies had to put down roots in Harlem. Then he was offered a job running Area, an \$8 million early-stage real estate

tech accelerator created by members of the Rose family. "I had a front-row seat into how a multigenerational dynasty works," he said. "My life's work is to build multigenerational wealth in my community."

Last year he put his incubator on hold and joined Harlem Capital Partners, a minority-owned venture capital firm whose mission is to "change the face of entrepreneurship" by investing in 1,000 diverse founders in the next 20 years. The fund earmarks half its capital for women and minority groups. To date, the firm's four partners have invested \$350,000 of their own money in 10 companies. They were early investors in Blavity, a Los Angeles media firm, and Beauty Bakerie, a San Diego cosmetics company. In

New York, the firm invests in Paladin, an online platform that matches lawyers to pro bono work, and custom men's shirtmaker Stantt.

Now Harlem Capital Partners is creating a \$25 million fund from outside investments. In the meantime, the partners do not take a salary. Henry supports himself via social media, speaking engagements and hosting podcasts such as *Disrupt or Be Disrupted* from *The Washington Post*.

"We all make it work," Henry said. "A lot of people our age could also be doing this." — AMY CORTESE

"My life's work is to build generational wealth in my community"

JOHN HENRY

BORN Washington Heights

RESIDES Harlem

EDUCATION Dropped out of Borough of Manhattan Community College after one semester

DISRUPTER Henry owns three residential apartment properties in Allentown, Pa.—his first real estate investments. "My family has been living paycheck to paycheck their whole lives. I've been really fierce about wanting to change that for my family. When I closed on the first property, I just cried. I felt like I broke a vicious cycle."

DIVERSITY MATTERS "There's an acute lack of diverse founders getting venture capital because there are even fewer diverse fund managers—the people who are gatekeepers of capital. There are just a handful of black general partners."

AFFIRMATION "Your disadvantages are really your blessings in disguise."

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Anticipate tomorrow. Deliver today.

