

January 17, 2017

<https://commercialobserver.com/2017/01/who-is-leading-rebny-and-how-are-they-going-to-keep-the-group-relevant/>

Who Is Leading REBNY and How Are They Going to Keep the Group Relevant?



JED WALENTAS, MARYANNE GILMARTIN AND MARC HOLLIDAY. ILLUSTRATION: ED MURAWINSKI

BY [TERENCE CULLEN](#)

If New York has been known for two constant things over the last 120 years, they are real estate and sports. This is a story about buildings and the people who run them, told through baseball.

It is 2013, and [Rob Speyer](#) at 43 has just become the youngest-ever chairman of the Real Estate Board of New York. His is an unpaid position previously held by his father, [Jerry Speyer](#), and paternal grandfather, [Robert Tishman](#). You could say REBNY is as much a part of Speyer's upbringing as Rockefeller Center and the *New York Daily News*.

Think of Speyer's new role as the general manager of an aging team, with elderly players, mostly men, who have played a game focused on Manhattan. But the city has changed forever following the worst recession in 80 years. An 11th-hour bid by the Bloomberg administration to rezone Midtown East is falling through; an affordable housing crisis and inequality are dominating the upcoming mayoral election; Brooklyn is attracting a heretofore unimagined slice of the workforce, which has some Manhattan landlords biting their nails.

Speyer decides that he has to call up some players to the starting line up of the executive committee, where most of the decision making happens. He needs players who have experience—and this is whom this story's really about.

He recruits power hitter [Marc Holliday](#), the co-architect of [SL Green Realty Corp.](#)'s massive expansion throughout the city. Across the bridge, he makes his case to [Forest City Ratner Companies'](#) [MaryAnne Gilmartin](#), a utility player who's built skyscrapers in Manhattan and entire neighborhoods in Brooklyn. [Jed Walentas](#) becomes his starting pitcher—a policy wonk whose company has a reputation of repurposing massive buildings in Brooklyn before it was cool.

“Their combined portfolio is defined by innovation and quality-of-life measures that are vital to our industry,” Speyer, now 47, said via a spokesman. “MaryAnne, Jed and Marc will help REBNY fulfill its primary goal to fully engage and expand our membership. They are also involved in refining our policy agenda, including promoting incentives for the creation of housing at all income levels.”

This is the roster for the 21st century incarnation of REBNY, one that has to deal with the rezoning of Midtown East, affordable housing and a changing office market. The industry views these three and their companies as the next wave in the 17,000-member organization's history as it focuses more on bona fide policy making.

“If you look at Marc, MaryAnne, Rob and Jed, do any of them look like what we used to think developers look like?” said [Mary Ann Tighe](#), the chief executive officer of [CBRE](#)'s New York tri-state region and the REBNY chair from 2010 to 2012. “With that group, the stereotype is no longer valid.”



WALENTAS HAS PLAYED A BIG ROLE ON REBNY'S EXECUTIVE COMMITTEE, ESPECIALLY WHEN IT COMES TO POLICY. PHOTO: FRANCESCO SAPIENZA/FOR COMMERCIAL OBSERVER

They've already gone to the playoffs together on the expiration of 421a—only for it to be an extra-inning game that is still going. But no longer rookies on the executive committee, they're forcing their colleagues and the trade group to take a fresh perspective on issues—one that reflects some of the most creative projects the city has seen since the advent of the skyscraper.

“Looking at things differently is something that we hear from those three in particular,” said REBNY President [John Banks](#), who took over as skipper in July 2015. “All three of them bring an energy to REBNY that drives some forward thinking on behalf of the organization.”

The Line Up

Walentas' time on REBNY's executive committee actually predates Speyer's tenure as chairman. Joining about six years ago, he was in his mid-30s and taking over [Two Trees Management Company](#), which his father founded in 1968.

“At the beginning it was pretty intimidating,” Walentas said last week. “Nobody knew who I was. I was like the kid who showed up without a suit and tie on. They were like, ‘Oh, that’s the Brooklyn guy.’ ” (Of course, nowadays many other company heads go business casual.)

He added, “After you speak up a few times and you conduct yourself with integrity and you say some somewhat intelligent things, pretty quickly you become known for who you are and how you act. And what things you have to say, as opposed to how old you are or how rich you are. From that standpoint I think it’s a pretty meritocratic group.”

The 42-year-old and his firm have gained fame for basically curating Dumbo into a highly sought after neighborhood with repurposed buildings. Others have since applied the Two Trees method to different parts of Brooklyn, putting the borough on the same level as Manhattan when it comes to where new creative-type companies might want to work.

Two Trees has even taken it to Williamsburg, where the company is turning the old Domino Sugar Refinery into a mixed-use community on the waterfront. Those who know Walentas say his ability to work with the city on the Domino project and repurpose a crumbling property is his strongest suit on the executive committee.

But Walentas has also gained the reputation as something of a policy wunderkind within the organization. Education is a particular passion of his, as is giving back to the community by way of parks and other public spaces.



THE REZONING FOR 1 VANDERBILT WAS USED AS A ROAD MAP FOR THE LARGER MIDTOWN EAST PLAN. PHOTO: COSTAR GROUP

On a citywide level, he helped craft the pitch for the BQX—a proposed streetcar that would connect Brooklyn and Queens along the waterfront. Championing the public transit option is not about Two Trees’ bottom line—it wouldn’t have the return on investment—but rather ensuring New Yorkers have a way to get around as the city focuses more on the outer boroughs, he said.

“A guy like Jed Walentas is someone who I can always count on to give me good advice and raise questions that I should be thinking of,” Banks said. “His focus on what is best for the City of New York comes through in everything that he and I talk about.”

Holliday’s succession to the board was two fold. The idea was for him to succeed SL Green Founder [Stephen Green](#) on the decision-making body, as well as to bring his unique expertise to the members.

“It was a natural transition for the next generation of leaders of which Rob is certainly a representative—as well as myself, [Ric Clark](#) [of [Brookfield Property Partners](#)], MaryAnne Gilmartin, Jed Walentas and others—making sure that there’s real diversity on that executive committee,” Holliday, 50, told CO. “Also generationally, because the business today is different from the way business was 10, 20 or 30 years ago.”

SL Green’s rise to the top of the market has been heavily chronicled since Holliday and President [Andrew Mathias](#) took over the firm in the early 2000s. Theirs has been a generation driven by constant success, according to the real estate mavens interviewed for this story. With 46.6 million square feet of office space in Manhattan, the company is the city’s largest

commercial landlord—owning tony properties such as [11 Madison Avenue](#), [220 East 42nd Street](#) and [3 Columbus Circle](#). Not to mention it's one of the most prominent mezzanine debt lenders in the city.

But where SL Green and Holliday specifically are playing a role at REBNY has a lot to do with 1 Vanderbilt, the 1.6-million-square-foot tower, which broke ground in October 2016. SL Green struck a deal with the city in which it got an upzoning in exchange for a \$220 million investment into the subway platforms below [Grand Central Terminal](#). A broader plan for Vanderbilt Avenue took the parameters of that deal into the five-block rezoning.

“It’s the leading edge in the initiative in Midtown East,” Kathryn Wylde, the executive director of the Partnership for New York City, said of 1 Vanderbilt. “Different kinds of relationships are being deployed to support a more efficient and accelerated modernization of our transportation infrastructure.”

Signing every player to the executive committee, however, was not the easiest task. Gilmartin, whose office is based in Downtown Brooklyn, described herself as a hard deal to close because she had concerns about the lack of diversity and what she at the time perceived as a bent toward Manhattan interests.

“[Speyer] came to me and said, ‘We need you,’ ” she recalled. “I talked about how I wasn’t so certain that it really was an organization that responded to the things I cared about and the things that were important to me and us as a company.”



GILMARTIN DESCRIBED HER JOINING THE EXECUTIVE COMMITTEE AS A HARD DEAL TO CLOSE.

Speyer told her that REBNY had to be an organization that *did* reflect the needs of her company, Gilmartin said. A whopping 60 percent of the company's executives are female; the company's vice president of leasing was born in Iran and raised in Canada. It had to be a group that represented the changes within the real estate industry, as well as one that was responsive to how the city was changing.

Gilmartin represents a certain change in the industry, so having her on the starting line-up for REBNY is crucial for the future, said [Carlo Scissura](#), the new president of the [New York Building Congress](#) and the former head of the Brooklyn Chamber of Commerce.

"She is in many ways the future of what a corporate executive in New York City will be," said Scissura, who has known Gilmartin for more than a decade.

What finally won Gilmartin over was the process in which Speyer eventually hired John Banks to replace longtime President [Steven Spinola](#), who retired from the organization in 2015 after leading it for 30 years. Gilmartin, 52, said she was impressed by the fact that Speyer hired a search firm, consulted with members and eventually hired Banks, who is African-American and had previously not worked in real estate.

"At that moment there were plenty of white males that went for the job," she said. "Rob probably knew that he had some work to do, but he could convince the membership organization to look at a diverse pool of candidates."

Extra Innings

Indeed, the layout of the city and REBNY are changing. And the facts about these three reflect some of those changes. One of them is a woman; two of their companies are based in Brooklyn; and another has diversified its business model beyond the traditional role of landlord. It's also worth noting here that for the first time in its history, the REBNY gala is black-tie optional.

"The collective achievements of MaryAnne, Jed and Marc represent the future of real estate," Speyer said, adding that each "has vast expertise about how to work with government to spur new housing, commercial activity and infrastructure investment."

Walentas, who said it wouldn't be right to compare the current REBNY to generations past because he wasn't there, noted there's a steady group on the executive board that's concerned with policy influencing the city, not just one's personal interests.

"There's a young group of people there that prides itself in being involved in things and thinking about things with the city's interest first," he said. "Or a sound policy interest first, and not just there to advocate for what's in their organization's interest on a couple of issues."

That's certainly been the case when it comes to housing, an issue dominating the urban policy agenda since before Mayor [Bill de Blasio](#) took office in 2014. Gilmartin, whose Pacific Park project in Brooklyn includes a swath of affordable housing, said the lengthy negotiations to revive 421a put REBNY in a position less as an advocacy group and more as an actual policymaker.

"Often it lobbies and advocates for things," she said. "But I don't know of a time when such a fundamental, critical issue for the development community has been put right on REBNY's lap and that they've been told to, asked to and compelled to play a significant role in resolving it. That's a relevant organization to play that kind of role."

To sum it up quickly, the tax abatement was renewed in June 2015. Gov. [Andrew Cuomo](#) left it up to REBNY and the [Building and Construction Trades Council of Greater New York](#) to negotiate on a prevailing

construction wage by Jan. 15, 2016—or 421a would expire yet again (which it eventually did). The two sides bartered for the next year and a half before reaching an agreement at the end of last year.



THE DECISION BY GOV. ANDREW CUOMO TO TIE A PREVAILING WAGE TO THE SURVIVAL OF 421A HAS LED SOME TO BELIEVE REBNY WILL PLAY A BIGGER ROLE IN POLICY. PHOTO: CHRIS HONDROS/GETTY IMAGES

“People have come to look at REBNY and look toward REBNY... as a producer of good policy, sound analysis and data in addition to an advocate,” said Banks, a former lobbyist for [Consolidated Edison](#). With 421a, REBNY “took on a public policy debate as opposed to just an advocacy for a sector.”

Some believe that this isn’t a fresh concept for REBNY, however. “That’s nothing new,” Wylde said. “REBNY wrote 421a in the 1970s. They’ve just expanded it.”

One insider, who spoke on the condition of anonymity, said REBNY’s stab at policy making fell flat when it came to 421a. That’s because some believe the trade group didn’t get enough out of the negotiations with organized labor.

“Clearly the deal that came out nobody seems to love,” the insider said. “The question is, Did REBNY go too far in policy making? I think they might have.”

But [Gary LaBarbera](#), the head of the Building Trades Council, said he envisions the two sides working together on the same policy goals—economic development and job creation—even if they might not always see eye to eye on the specifics. Gilmartin, Walentas and Holliday are key to that collaboration, he added.

“It’s a very important relationship,” LaBarbera said. “And yes, REBNY and the Building Trades will engage in policy issues, and I believe we will be able to influence outcomes in terms of policy.”

REBNY will get back into the policy making game this year with the 78-block rezoning of Midtown East. Holliday, whose 1 Vanderbilt agreement is a component of the larger rezoning, will likely step up to the plate in guiding the executive committee on the impacts of the plan.

“That’s an example of one critical item where Midtown, New York, holds the largest concentration of Fortune 500 companies,” he said. “But they have an aging office inventory that if zoning isn’t responsive to creating incentives for new development, over time that leadership position could lead to the detriment of New York City.”

Speyer also tapped Tighe, his predecessor as REBNY chair, to head the organization’s committee on the rezoning. She said it had been a major project that started under her leadership, adding that it was a “humble” move by Speyer to have someone else in charge. The new plan she and REBNY have worked to craft with the city is significantly stronger than the one nearly four years ago.

“The program that emerged under the de Blasio administration...is so much better of a program than what we started with,” she said. “[City officials] really listened to the industry, and I promise you’re going to see the results of it in Midtown East. It’s something that could be acted upon.”

That these leaders and their companies are relatively new (Two Trees, which was founded in 1968, is the oldest of the firms), speaks for the new life they breathe into the 121-year-old REBNY.

“They’re all with companies that have established themselves in different sectors of the city in the last 20 years as opposed to the last century,” Wylde said. “You can call them the next generation.”