



THE COUNCIL
OF
THE CITY OF NEW YORK
CITY HALL
NEW YORK, N.Y. 10007

January 27, 2025

Maria Torres-Springer, First Deputy Mayor
City Hall
New York, NY 10007

Andrew Kimball, President & CEO
NYC Economic Development Corporation
One Liberty Plaza
New York, NY 10006

Dear Deputy Mayor Torres-Springer and Mr. Kimball:

As chairs of the Council's Oversight & Investigations and Economic Development Committees, we write to express our serious concerns about issues recently raised about a proposed transfer of city-owned property at 455 First Avenue in Manhattan to a private entity for development. There have been reported allegations of a potential conflict of interest involving the City's decision to transfer and develop this property that previously housed the world's first municipal bacteriological laboratory, which was involved in clinical work related to the response of many high-profile public health crises – from tuberculosis and Ebola to Legionnaires, COVID-19, and Mpox. The Council recently held a required public hearing on this proposed New York City Economic Development Corporation project, known as "Innovation East," and we are seeking further information on significant questions raised by these reports about the contracting process by February 1.

Whenever the City shifts control of its property to a private entity, there must be transparency on the decisions associated with them. The reported involvement of Nathan Bliss, chief of staff to Deputy Mayor Torres-Springer since January 2022 and Chairperson of the NYC Local Development Corporation (LDC), is at the core of the City Council's questions about the contracting process for this project. Mr. Bliss was previously employed by, and appears to maintain financial ties to, the private business entity awarded this development project by the Administration.

Before joining the Administration, Mr. Bliss was a Vice President at Taconic Partners, where he worked from October 2019 up until January 2022.¹ In April 2022, three months after Bliss joined the Administration, Taconic Partners was announced by EDC as the developer for Innovation East. NBC 4 New York News reported² that Bliss' financial disclosures filed with the Conflicts of Interest Board (COIB) indicate that he received income payments between \$100,000 and \$250,000 in the final three

¹ Chris Glorioso, *Conflicted? City Hall chief of staff lobbied by his former employer on lucrative lab deal*, NBC News (Jan. 16, 2025), <https://www.nbcnewyork.com/investigations/i-team-mayor-adams-wants-to-turn-a-historic-city-property-over-to-a-private-developer/6109941/> [hereinafter *Conflicted?* Article].

² *Id.*

weeks of his employment with Taconic, leading up to his role in the Administration.³ Additionally, Mr. Bliss disclosed an ongoing financial interest in a real estate investment trust (REIT) named the NYC Property Fund II, from which he stands to receive future payments, and which possesses the same name as a fund co-managed by Taconic Partners.⁴

Under New York City ethics laws, City employees are prohibited from working on matters involving entities with which they maintain financial ties.⁵ Furthermore, Mr. Bliss has been listed in Taconic's required public disclosures filed with New York City as a "target" of its lobbying related to this project.⁶ The overlap between Mr. Bliss' financial ties to Taconic, his roles at City Hall overseeing EDC and at LDC, and his involvement in projects like Innovation East raise significant concerns about potential conflicts of interest. This seemingly complicates the distinction between his roles as a private-sector executive and a public official, which must be clarified.

To gain a better understanding of Mr. Bliss' involvement in decisions related to the 455 First Avenue site and any other projects associated with Taconic, we request responses to the following questions and records requests by February 1.

The 455 First Avenue Project

1. When, and by whom, was the decision made to repurpose the 455 First Avenue site from its current use as the DOHMH Public Health Laboratory? What were the considerations and the prevailing determinations in the decision?
2. What was the deadline to respond to EDC's 2018 Request for Expression of Interest (RFEI) for the 455 First Avenue site?
3. How many responses to the RFEI did EDC receive and evaluate? Please provide the list of all respondents.
4. How many RFEI responders did EDC actively engage in negotiations for the development of the site, and when did those negotiations take place?
5. What were the determinant factors in gauging responses to the RFEI, how were responses assessed, and by whom? What communication occurred between EDC and the Mayor's Office about the evaluation process? Please provide all relevant records.
6. When did EDC designate the Taconic entity as the proposed developer of the site, and how and why did it make the decision? What communication occurred between EDC and the Mayor's Office in making such a decision? Please provide all relevant records.
7. Is there an executed Predevelopment Agreement (or any other kind of agreement) for this site between EDC and the Taconic entity?

³ *Id.* According to reporting, Mr. Bliss initially disclosed between \$250,000 and \$500,000 for this period, though the figure was amended following receipt of a list of questions from NBC New York I-Team. *Id.*

⁴ In COIB filings, as reported by NBC New York 4, Mr. Bliss described the fund, which he states closed in 2021, as including "investments in six properties in the New York City area" and further states that "[u]pon future distributions from the Fund, based on the Fund structure, [he is] entitled to a Special Distribution as a percentage of the Promoted Interest." *Conflicted?* Article; see also Taconic Partners, *Nuveen Close on \$260M Fund to Buy NYC Real Estate* (Jul. 21, 2021), <https://taconicpartners.com/taconic-partners-nuveen-close-on-260m-fund-to-buy-nyc-real-estate/>.

⁵ *Conflicted?* Article ("A public servant is prohibited from working on matters involving a firm in which the public servant has a financial relationship," [NYC Conflicts of Interest Board Executive Director] Miller wrote to the I-Team."); see also City Charter Section 2604(b)(1) ("A public servant who has an interest in a firm which is not prohibited by subdivision a of this section, shall not take any action as a public servant particularly affecting that interest").

⁶ Press Release, Mayor Adams Outlines Bold Vision for New York City's Recovery in First State of the City Address, (Apr. 26, 2022), <https://www.nyc.gov/office-of-the-mayor/news/250-22/mayor-adams-outlines-bold-vision-new-york-city-s-recovery-first-state-the-city-address#/0>.

- a. When was that agreement signed?
 - b. Please provide a copy of the agreement with the Taconic entity.
8. Did EDC negotiate with Taconic after the agreement was signed?
- a. When did that negotiation occur and what was its focus?

Nathan Bliss and Taconic Partners

9. Please provide a list of all properties in which the NYC Property Fund II, including the six referenced in Mr. Bliss' COIB filing, is currently invested or has previously invested.
10. Please confirm whether or not Mr. Bliss' payouts from the NYC Property Fund II refer to payments from the REIT NYC Property Fund II run by Taconic and Nuveen Real Estate.
 - a. If so, please provide a detailed timeline of Bliss's investment in the REIT NYC Property Fund II and the specific structure of any payouts that Mr. Bliss has or will receive.
11. What measures, if any, have EDC and the Mayor's Office implemented to prevent potential conflicts of interest arising from Mr. Bliss' role and his investment in this real estate fund?
 - a. Please provide any supporting documentation.
 - b. Did EDC, the Mayor's Office, or Mr. Bliss seek guidance from COIB regarding his with Taconic and/or his investment in the NYC Property Fund II? Please describe.
12. Please provide details of any communications Mr. Bliss had with the Mayor's Office or EDC staff regarding Innovation East during his employment at Taconic.
13. Does EDC or the Mayor's Office have any documentation related to Mr. Bliss's recusal from projects due to his prior employment with Taconic? If so, please provide.

Please let us know if you have any questions. We greatly appreciate your cooperation in this matter.

Sincerely,



Council Member Gale A. Brewer
Chair, Oversight & Investigations
Committee



Majority Leader Amanda Fariás
Chair, Economic Development Committee

cc: Tiffany Raspberry, Deputy Mayor for Intergovernmental Affairs
Allison Stoddart, Chief Counsel to the Mayor
Milton L. Williams, Jr., Chair of NYC Conflict of Interest Board
Carolyn Miller, Executive Director of NYC Conflict of Interest Board
Jocelyn E. Strauber, Commissioner of NYC Department of Investigation