

Malkin's Mission

**An Interview with Peter L. Malkin,
Chairman, Malkin Holdings LLC and Malkin Properties**

EDITORS' NOTE Peter Malkin is the leader of investment entities that own and operate approximately 11,400,000 square feet of office, showroom, and retail space; a collection of mezzanine finance pools and industrial properties; and 2,700 apartment units. Malkin is the Founding Chairman of the Grand Central Partnership, Inc. and of the 34th Street Partnership, Inc., and a founder and Director of the Fashion Center Business Improvement District. He is



Peter L. Malkin

Co-Chairman of the Emeriti Board of Lincoln Center and Co-Chairman Emeritus of the Real Estate Council of The Metropolitan Museum of Art; Chairman of the Dean's Council of the Harvard Kennedy School of Government; Co-Founder and Honorary Co-Chair of the Committee Encouraging Corporate Philanthropy; a Vice President and Director of the Realty Foundation of New York and a partner in the Partnership for New York City; and a Governor Emeritus of the Real Estate Board of New York. Malkin received his B.A. Degree *summa cum laude*, Phi Beta Kappa, from Harvard College in 1955 and his law degree *magna cum laude* from Harvard Law School in 1958.

COMPANY BRIEF Malkin Holdings and its affiliate Malkin Securities Corp. (<https://malkinsecurities.com>) is recognized as the original and preeminent real estate syndicator in the United States. Lawrence A. Wien, the firm's Co-Founder, with son-in-law Peter L. Malkin, assembled a portfolio of syndicated properties, including the Empire State Building. Malkin Securities sponsors investments exclusively with its affiliate Malkin Properties, an established leader in property acquisition, financing, asset and property management, marketing and leasing, and construction services. The firm's investments are led by Peter L. Malkin and his son, Anthony E. Malkin.

Are you surprised at how resilient the New York market is?

New York is as great as it is because it has always been open to new people and creates tremendous opportunity for innovation and launching new ideas that could not be done elsewhere.

Perhaps the greatest contribution that Mayor Mike has made was the creation of the technology center on Roosevelt Island, which is going to be enormously important. It explains why Google and others are here.

LinkedIn has its headquarters in the Empire State Building. When it arrived, it leased 10,000 square feet of space; now, it occupies 150,000 square feet and is growing. FDIC, Coty, and Skanska also have their New York headquarters in the Empire State Building.

New York has not only continued to be the financial center but it is the national media center and cultural center, as well as the center for the most innovative legal and accounting services.

It's important that New York City is diversifying with technology but also with tourism: in 2012, we had the largest number of visitors to the Empire State Building observatory in the history of the building, and 2013 is running ahead of 2012.

A lot of this new strength goes back to what we started with the Business Improvement Districts, which enhanced the security of the city of New York, now the safest major city in the world, a distinction that has been carried forward by Mayors Giuliani and Bloomberg. We also have the best Police Commissioner anywhere in Ray Kelly and the best police force in the world.

When people feel secure, they are willing to live in outlying districts. It's the safety factor in New York that has been responsible for what is going on in Brooklyn. Young people want to live there and areas like the Lower East Side, which were previously undesirable.

Is real estate truly the backbone of New York City?

In terms of philanthropy, a lot has to do with the history of the people, who have traditionally been the real estate developers and owners – the families in New York – all of whom are not more than third generation, immigrant families who now have enormous holdings.

Even the real estate investment trusts that are succeeding some of the families still are led by those who recognize that New York and America have been unique in creating opportunities for people to build wealth and feel that it's their duty to share that wealth.

I was privileged to co-found the Committee Encouraging Corporate Philanthropy (CECP) with actor Paul Newman, who set an incredible example by donating 100 percent of the profit of his company, Newman's Own.

We now have 170 current and former CEOs of major Fortune 500 companies as members of CECP who have adopted the mission that

corporations have a responsibility to their stakeholders, which include not only their shareholders and employees but also the communities in which they operate and society in general. They believe that a best practice of corporate life is giving back and providing leadership.

IBM focuses on enhancing schools; GE works on inner-city districts and job training; CitiCorp set up a school to train people to become competent to work for financial institutions; Nestle set up programs for Pure water; Merck gives pills that cure river blindness in Africa – these are examples of cause-related philanthropy where a company can do well by doing good.

Member companies have established programs where their employees get a certain number of days per year to work in nonprofit organizations and they make clear that advancement in the company will be enhanced by public service.

How do you define the purpose of CECP?

When we started CECP 13 years ago, our goal was to encourage corporations to increase their cash contributions. As CECP developed, it grew beyond that. We have created a way of measuring what comparative companies do – 150 companies submit their corporate contribution information to CECP every year and CECP publishes an annual report that provides metrics and an incentive for companies to meet the standard.

CECP also identifies large and small corporations that create innovative public service ideas and presents awards to recognize them each year.

In addition, CECP hosts an annual conference at which the newest philanthropic ideas are presented – recently, over 250 corporate giving officers from major corporations gathered, networked, learned what others were doing, and attended break-out sessions on issues such as improving public education.

CECP also conducts an annual board of boards meeting where last year, 40 CEOs of major corporations attended; this has set a standard. A number of companies based in Europe, Asia, and the Middle East participate and CECP has sponsored a similar program at the U.N.

Will you be more recognized for business or philanthropy in the future?

Perhaps my greatest contribution has been founding the major Business Improvement Districts (BIDs) in New York: the Grand Central Partnership, the Fashion District, and the 34th Street Partnership. These BIDs helped to take New York from a city that was suffering to a city that is now the safest and most exciting large city in the world. ●