



# San Fernando Valley NAACP Branch 1064

Post Office Box 922092 - Sylmar, California 91392 - Voice and Fax Center (877) 245-9381

April 29, 2021

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Dear Deutsche Bank Executives:

Delmont Neal

Deborah Neal

Michael Browning

Brenda Panel-Nash, Esq

Abiding by the suggestion that we seek to resolve the matter directly, this letter serves as formal notice to Deutsche Bank that **our coalition of civil rights, faith and business organizations intend to file a complaint against your bank before the United States Treasury Department’s Office of the Comptroller of the Currency for violating numerous laws in a clear pattern of discrimination against Black-led development teams and community-led development teams that have offered to buy the Baldwin Hills Crenshaw Plaza (“Crenshaw Mall”).** For some reference, see the attached two letters to the Attorney Generals of California and New York State, and the Chair of the House Financial Services Committee Congresswoman Maxine Waters. **As an agent of Capri Urban Investors, Deutsche Bank subsidiary DWS has conducted itself in a manner that is clearly racist and discriminatory in its attempt to sell the most critical commercial space in all of Black Los Angeles.**



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The presidents/leaders of the organizations in our coalition filing the complaint, which includes but is not limited to, Black Lives Matters Los Angeles, Clergy for Black Lives, Congress of Racial Equality-California, Southern Christian Leadership Conference of Greater Southern California, and Los Angeles South Chamber of Commerce, have closely monitored the process. We have researched and been in communication with at least six qualified development teams that submitted offers to buy the Crenshaw Mall over the past year, four that were Black-led. While we all now proudly remain united behind the fully financed, Black-led community membership-based nonprofit Downtown Crenshaw Rising (DCR), which has earned the trust and support of over 300 community groups and over 27,000 petition signatures, the record clearly shows that Deutsche Bank's DWS has consistently discriminated against Black developers, given preference and special treatment to not-Black developers, and each time selected not-Black developers: first Hackman Capital Partners-DJM, then CIM, then LivWrk-DFH Partners and now Harridge Development Group. Astonishingly, Deutsche Bank/DWS twice awarded the bid for the iconic Black mall in a Black community fighting displacement to development partners of family members of Deutsche Bank's infamous client, former president Donald Trump (CIM and LivWrk).

Deutsche Bank/DWS' most recent decision to not sell to Downtown Crenshaw Rising is perhaps the most egregious and obviously discriminatory. DCR presented a fully financed offer of \$115 million dollars with a \$11 million nonrefundable deposit, the willingness to outbid any other team, displayed a with the backing from the vast majority of the community and multiple large philanthropic foundations, and has been the only team to openly meet for the past year. To reject DCR's fully financed and community backed offer in favor of the white gentrifiers (Harridge) is a clear-cut sign of racial discrimination that we will not let stand.

By discriminating against Black developers, nonprofit developers, and the Black people in the Crenshaw community and across the country for exercising and opposing Deutsche Bank/DWS' idiotic selection of corrupt, unqualified, and culturally-insensitive white gentrifying developers, including not one, but two, Donald Trump and Jared Kushner development partners, it is apparent that your bank is violating numerous laws that regulate securities, real estate transactions,



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foreign banks and civil rights laws, including 42 USC §1981, which prohibits discrimination in contracting.

We hope that you will contact us by the close of business April 30, 2021 to resolve the matter by canceling the contract with Harridge, otherwise we will be filling our complaint as the first in a series of legal actions we intend to take to enforce the civil rights laws of our country and defend the Crenshaw community from predatory gentrifying developers and their bankers.

Sincerely,

Rev. Dr. James M. Thomas, President  
San Fernando Valley NAACP  
drjamesnaacp@gmail.com

Enclosed:

October 29, 2020 Letter to California and New York State Attorney Generals

March 23, 2021 Letter to Congresswoman Maxine Waters

CC: Senator Diane Feinstein

Senator Alex Padilla

Congresswoman Maxine Waters

Congresswoman Karen Bass

Blake Paulson, Acting Comptroller of the Currency

Quintin Primo III, Capri Urban Investors

David Schwartzman, Harridge Development Group

Jarold Neuman, DLA Piper

Tim Ellsworth, DWS



**NAACP**LA



**SC|C**  
Southern Christian Leadership Conference  
of Southern California



October 29, 2020

The Honorable Xavier Becerra  
Office of the Attorney General of California  
1300 "I" Street  
Sacramento, CA 95814-2919

The Honorable Letitia James  
Office of the Attorney General of New York  
The Capital  
Albany, NY 12224-0341

**RE: Questions about the proposed sale of the Baldwin Hills Crenshaw Plaza by Deutsche Bank's DWS to LivWrk-DFH Partners, business partners of Trump's family**

Dear Attorneys General Becerra & James,

On behalf of the Black business, civil rights, and faith community, we ask that you help answer questions regarding the Baldwin Hills Crenshaw Plaza bidding process that was managed by Deutsche Bank's subsidiary DWS. As individual community leaders, we were in regular communication with several of the capable Black development teams that submitted offers, and have been in touch with them since LivWrk-DFH Partners was announced as the winning bidder. There are many inconsistencies and a lack of transparency. Questions exist as to why Deutsche Bank's DWS passed over multiple more experienced, capable, and culturally competent Black-led development teams in favor of LivWrk-DFH Partners, which has business dealings with Donald Trump's family members.

Some of us have also seen Eastdil's offering memorandum that markets the mall to bidders as an opportunity to gentrify the Black community, potentially through Donald Trump's opportunity zone tax benefit program for the wealthy. We, along with many in the community, are concerned about harm that could come to the mall's mom-and-pop merchants and the surrounding community of Black businesses and residents of color.

Our community and the public deserves answers to these important questions, especially since the major investors involved in the fund that will lose money in the sale of the mall to business partners of Donald Trump's family are public pension funds in California, New York, Texas and

possibly other states. It is in the fiduciary interest, public interest and Black community's interest for your offices to look into this timely matter.

**1. Is there foreign money involved in the deal?**

There have been suggestions that LivWrk-DFH Partners will be using foreign money to buy the mall from the public pension funds. However, the required disclosures for foreign purchases of American real estate have not been made.

**2. Who is DFH Partners and who is financing the deal?**

DFH Partners was announced as the financier of the deal, but they have no record of closing on a real estate acquisition of this size. The largest and only deal that we could find online was under \$9 million in August of this year. In fact, DFH Partners did not have a website when the award was announced, and the new website lists no office address. It is not clear whether DFH Partners is the Delaware company registered in April of this year or the company registered in Florida around 2016. Promises that all members of the winning team would be announced and that there would be no hidden partners appear to have broken.

**3. What conflicts of interest exist between Deutsche Bank and LivWrk-DFH Partners?**

DWS, which is a subsidiary company of Germany's Deutsche Bank, the lender and bank that has multiple business transactions with Kushner Companies and Donald Trump, managed the sale and awarded the opportunity to purchase the mall to LivWrk-DFH Partners. The many business connections of LivWrk-DFH Partners with Jared Kushner, the son-in-law of the president, senior advisor to the president and former CEO of Kushner Companies, appears to be a conflict of interest given the president and Kushner Companies loan obligations to Deutsche Bank.

**4. Why were several more qualified Black teams passed over in favor of a less qualified developer who is not Black?**

LivWrk is based in Brooklyn. The development team has no presence in Los Angeles, and has no history of leading a development of this size. They have no experience managing a large occupied retail center like the Baldwin Hills Crenshaw Plaza. They have no demonstrated history of working with a Black community. Since the ability to complete the redevelopment project was a factor in evaluating bidders, it is not clear how multiple more competent, capable, qualified and local Black teams were passed over in favor of an Brooklyn-based developer who is not Black, has less experience and has no connection to the Crenshaw community.

**5. Why were higher and credible bids by Black teams passed over?**

Black bidders who made higher offers than LivWrk were passed over. We are also aware that one of the Black bidders was backed by the company that raised the most amount of money for real estate in America last year, but they were not provided an opportunity to make a best and final offer. Deutsche Bank's DWS even passed over more experienced, capable, financially viable, non-Black local development teams that had Blacks in executive management positions.

**6. Why is there no Black ownership?**

During the bidding process the community was promised that there would be minority ownership in the project, a sensitive topic since the mall is currently Black-owned. The winning bidder was announced earlier this month without any Black ownership.

It has been reported in the media that LivWrk-DFH Partners is attempting to close the deal by the end of the year. Your urgent attention to this matter is greatly appreciated.

You can reach us through Mrs. Linda Morgan Sam at [lindalivinglegendsam@gmail.com](mailto:lindalivinglegendsam@gmail.com) and Rev. William D. Smart Jr at [sclc.losangeles@gmail.com](mailto:sclc.losangeles@gmail.com)

Sincerely,

Dr. Adrian Dove - President, Congress of Racial Equality of California

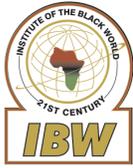
Minnie Hadley-Hempstead - President, NAACP Los Angeles Chapter

Rev. Jonathan Moseley - President, National Action Network Los Angeles and Western Region

Linda Morgan Sam - Leimert Park Ambassador, Los Angeles South Chamber of Commerce

Rev. William D. Smart, Jr. - President & CEO, Southern Christian Leadership Conference of Greater Southern California

Rev. K.W. Tulloss - President, Baptist Ministers Conference of Los Angeles and Southern California



**LEIMERT PARK VILLAGE MERCHANTS ASSOCIATION**

March 23, 2021

The Honorable Congresswoman Maxine Waters  
Chair, U.S. House Committee on Financial Services  
2221 Rayburn House Office Building  
Washington, DC 20515

**RE: Anti-Black Racism by Deutsche Bank’s DWS in the Sale of the Baldwin Hills Crenshaw Plaza**

Dear Chairwoman Waters:

Rising at the intersection of Martin Luther King Jr. Blvd and Crenshaw Blvd in the heart of a Black Los Angeles community fighting the displacement of Black residents and merchants and the erasure of Black culture, the Baldwin Hills Crenshaw Plaza (“Crenshaw Mall”) has been a hub of Black L.A. commerce and cultural events for decades. Prior to the 1948 Supreme Court decision *Shelley v. Kraemer*, which struck down racially restrictive covenants, Black people could not legally buy property in the Crenshaw community. We write because 73 years after the landmark decision, **Deutsche Bank/DWS has effectively painted a sign across the Crenshaw Mall bridge that spans MLK Blvd that reads “Black Buyers Need Not Apply.”** We understand that no contract to sell the mall to outside gentrifiers has been signed yet, but it could any day now. From our preliminary conversations with oversight bodies and civil rights attorneys it is clear that if Deutsche Bank/DWS continues down it’s current path and they fail to negotiate a good faith purchase and sale agreement with the Black community-led and community-supported Downtown Crenshaw Rising (“DCR”) nonprofit that there is sufficient cause for administrative, legislative and legal action. **Your immediate action is needed.**

The facts show that Deutsche Bank/DWS is attempting to thwart a Black nonprofit development team that endeavors to stabilize the Black and Brown small businesses in the Crenshaw Mall and redevelop the iconic center of commerce and culture in a manner that uplifts the Black community, not uproot it. For the past 10 months, DCR has engaged in a historic and radically-inclusive community organizing and community development effort that has attracted the support of the nation and broken fundraising efforts, effectively making Black history. DCR has submitted the best bid to purchase the mall to DWS.

The failure of Deutsche Bank/DWS to accept DCR’s bid, and the failure to take the DCR bid seriously, makes absolutely no sense to any real estate professional until one recognizes the stark reality that **Deutsche Bank/DWS is engaging in overt, intentional and illegal anti-Black racism.** DCR has the

money in the bank, the identified investors to close the deal, and is backed by an [unprecedented coalition](#)<sup>1</sup> of organizations and civic leaders that have collectively crafted a community vision for the mall's redevelopment and model of self-determination. Furthermore, DCR has assembled a dream team of accomplished local community development professionals, global award-winning real estate powerhouses, and the largest capital raise firm in America to make the Black community's vision for a 21st century reparative restorative and green urban village a reality.

In response to the opportunity to do right by the Black community for a change, Deutsche Bank/DWS is blatantly thwarting the effort that will allow Black people to be the literal collective owners and drivers of the development of our own community. They are trampling on the civil rights laws won through blood and sacrifice, violating their fiduciary duty to the private equity fund that owns the mall and the public pension funds who make up the fund's limited partners, making a mockery of the UN Principles for Responsible Investment to which DWS and most of the pension funds are signatories, and are operating counter to Deutsche Bank's anti-racism statement made [just months ago](#).<sup>2</sup>

In the most recent February 2021 round of bidding, to our knowledge, Downtown Crenshaw Rising was the only Black-led development team and **the only Black community-led nonprofit** development team that made an offer. DCR has submitted an offer to buy the Crenshaw Mall that is higher than the offer awarded to the previous bidder in price and terms, and we believe it is higher than the current white developer Deutsche Bank/DWS is attempting to enter a contract to sell. DCR has also repeatedly expressed that they are willing to outbid any other bidder. DCR's most recent generous offer has been met with silence from DWS.

DCR ended Black history month with a historic fundraising campaign that raised over \$28 million in philanthropy, \$6 million in letters of intent from accredited investors, \$20-37 million in letters of interest from philanthropists and mission-aligned investors, and a values-aligned equity partner willing to cover any amount not raised through philanthropy and socially responsive investors. Evidence of DCR's cash-on-hand and the letters from DCR's philanthropic and investment partners who make up a who's-who of California philanthropists and impact investors have been presented to DWS.

Despite the very generous offer and impressive assembly of ultra-high net wealth philanthropists and mission-aligned investors backing the DCR bid, DWS continues to violate its fiduciary duties by failing to treat DCR as a bona fide buyer. Instead, **DWS has exhibited a pattern and practice of separate and unequal treatment of DCR, as well as other Black-led development teams in the past. Our organizations are firmly opposed to racially restrictive covenants and redlining. The actions of Deutsche Bank/DWS on the Crenshaw Mall show that both remain alive and well.** Specifically:

1. Deutsche Bank/DWS has repeatedly refused to engage the Black community-led DCR team in the same professional manner in which it has engaged white-led development teams, both in this round of bidding and in the previous round.
2. Deutsche Bank/DWS has repeatedly only entertained and awarded the bid for the Black mall in the Black community to white-led development teams (Hackman Capital Partners-DJM, CIM and LivWrk), including completely unqualified white developers with no history whatsoever of

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<sup>1</sup> <http://www.downtowncrenshaw.com/supporters>

<sup>2</sup> [https://www.db.com/newsroom\\_news/2020/taking-a-stand-against-discrimination-en-11627.htm](https://www.db.com/newsroom_news/2020/taking-a-stand-against-discrimination-en-11627.htm)

managing a mall or massive redevelopment project anywhere, let alone in a Black community with mom-and-pop merchants of color (a la LivWrk).

3. Deutsche Bank/DWS has repeatedly provided white-led development teams more time to review critical financial data, bid and negotiate a deal, and longer contract periods to close. (And despite this advantage, none of the white-led development teams have been able to close).
4. Deutsche Bank/DWS has operated in an arbitrary and capricious manner, regularly moved the goalposts and engaged in gamesmanship, including, but not limited to, offering bidders only five (5) business days to submit more voluminous bids in February.

Additionally, **we are disturbed that Deutsche Bank/DWS refuses to directly engage with the Black principals and Black developers of DCR, and that they will only speak to DCR's white emissaries.** It again harkens back to a troubling racist past.

Furthermore, given the actions of Deutsche Bank/DWS on the Crenshaw Mall, we are concerned that a company that would engage in such overt anti-Black racism remains in direct or indirect control of any assets under any public pension plan. **The pension funds who decided to give Deutsche Bank/DWS the power to control the sale of the Crenshaw Mall should terminate the contract immediately as a start, as well as other Deutsche Bank contracts.**

We look forward to promptly meeting with you to discuss specific actions that Congress can and must immediately take to address this matter and remove the racially restrictive covenant Deutsche Bank/DWS has applied to the Crenshaw Mall.

Sincerely,

Baptist Ministers Conference of Los Angeles  
Black Community Clergy and Labor Alliance  
Black Lives Matter-Los Angeles  
Congress of Racial Equality-California  
Institute of the Black World 21st Century  
Leimert Park Village Merchants Association  
Los Angeles South Chamber of Commerce  
National Action Network-Los Angeles  
NAACP-San Fernando Valley  
National Association for Equal Justice in America  
Southern Christian Leadership Conference-Greater Southern California

CC:

United States President Joe Biden  
German Chancellor Angela Merkel  
United States Vice President Kamala Harris  
His Excellency António Guterres, Secretary-General, United Nations  
Hon. Merrick Garland, Attorney General, United States  
Mr. Gary Gensler, Chairman, Securities and Exchange Commission  
Mr. Mark Branson, President, Federal Financial Supervisory Authority (BaFin)  
Hon. Diane Feinstein, United States Senator (CA)  
Hon. Alex Padilla, United States Senator (CA)  
Hon. Karen Bass, United States Representative (CA-37th)

Hon. Betty Joyce Beatty, Chair of Congressional Black Caucus  
Governor Gavin Newsom (California)  
Office of California Attorney General  
Hon. Letitia James, Attorney General, New York  
Hon. Kathy Jennings, Attorney General, Delaware  
Hon. Sydney Kamlager-Dove, State Senator, 30th District  
Office of California Assembly District 54  
Hon. Steven Bradford, Chair, California Legislative Black Caucus  
Hon. Holly Mitchell, Supervisor, County of Los Angeles 2nd District  
Hon. Eric Garcetti, Mayor, City of Los Angeles  
Hon. Marqueece Harris-Dawson, Councilmember, City of Los Angeles 8th District  
Hon. Mark Ridley-Thomas, Councilmember, City of Los Angeles 10th District  
Hon. Curren Price, Councilmember, City of Los Angeles 9th District  
Mr. Quintin Primo, III, General Partner, Capri Urban Investors, LLC  
Mr. Keith Knox, Board of Investments Chair, Los Angeles County Employee Retirement Association  
Mr. Santos Kreimann, CEO, Los Angeles County Employees Retirement Association  
Hon. John Perez, Board of Regents Chair, University of California  
Dr. Michael Drake, President, University of California  
Ms. Debra Penny, Retirement Board Chair, Teachers Retirement System of the City of New York  
Ms. Patricia Reilly, Executive Director, Teachers Retirement System of the City of New York  
Mr. John Adler, Board of Trustees Chair, New York City Employees Retirement System  
Ms. Melanie Whinnery, Executive Director, New York City Employees Retirement System  
Mr. Jarvis V. Hollingsworth, Board of Trustees Chair, Teacher Retirement System of Texas  
Mr. Brian Guthrie, Executive Director, Teacher Retirement System of Texas  
Mr. Brian Pendleton, Board of Commissioners President, Los Angeles Fire and Police Pension  
Mr. Raymond Ciranna, General Manager, Los Angeles Fire and Police Pension  
Mr. Joe Bogdahn, Investment Committee Chair, Police & Fire Retirement System of the City of Detroit  
Mr. David Cetlinski, Executive Director, Police & Fire Retirement System of the City of Detroit  
Hon. Rachel Eubanks, Chair, State of Michigan Investment Board  
Mr. Jon Braeutigam, Chief Investment Officer, State of Michigan Bureau of Investments  
Mr. Deepak Raj, State Investment Council Chair, New Jersey Division of Investment  
Mr. Corey Amon, Director & Chief Investment Officer, New Jersey Division of Investment  
Dr. Paul Achleitner, Chair, Deutsche Bank Supervisory Board  
Mr. Christian Sewing, CEO, Deutsche Bank  
Mr. Karl von Rohr, President, Deutsche Bank  
Ms. Christiana Riley, CEO Americas, Deutsche Bank  
Mr. W. Todd Henderson, Chair & CEO, DWS  
Mr. Roy March, President, Eastdil Secured  
Ms. Fiona Reynolds, CEO, Principles of Responsible Investment  
Mr. Deryl Brewster, CEO, Chief Executives for Corporate Purpose