

1 Q. It's a fact, though, that you went and spoke to
2 Donald Manes about this, didn't you?

3 A. No, sir. I spoke to him on the telephone.

4 Q. You had one or more than one conversation with
5 him?

6 A. I may have had one. I may have had two. I was
7 trying to find out how to assist the client.

8 Q. And Donald Manes finally relented and the log jam
9 was lifted, and Mr. Gurrell got at least one of those two
10 leases; isn't that a fact?

11 A. No. What happened was the borough presidents met
12 with the deputy mayor. I believe it was Mr. Bresnoff. And
13 they worked out their agreement, because they were fighting
14 with the mayor.

15 Insofar as stated to the boroughs, they worked out
16 -- Mr. Bresnoff or the mayor -- worked out a press release
17 as to what the City's plan was going to be vis-a-vis City
18 offices in Brooklyn and Queens and wherever. And then the
19 Board of Estimate released, took their thumb off all the
20 City leases in lower Manhattan, not just 40 Worth Street.

21 Q. Now, you got paid for the services that you per-
22 formed for Mr. Gurrell; isn't that correct?

23 A. Yes, I did.

24 Q. You got paid \$10,000?

25 A. I believe that's absolutely correct.

1 Q. And you got paid \$10,000 for making one phone call
2 to Mr. Lieberman and one phone call to Donald Manes?

3 A. I think it was just for calling -- one phone call,
4 because Lieberman was just to find out the state of the
5 lease. It had already been signed off, to my knowledge, by
6 Mr. Lieberman.

7 Q. So it's your testimony that you got paid the
8 \$10,000 for that one phone call to Donald Manes sometime in
9 1983?

10 A. I got paid \$10,000 for 10 or 20 years of ex-
11 perience in government that made me aware of how the Board
12 of Estimate works and made me aware who, you know, pulls the
13 strings, so to speak, and able to get a very valuable lease
14 for a client, who is a landlord taxpayer in the City of New
15 York. That's what I got \$10,000 for. It manifested itself
16 based on all my years of experience in government and
17 politics, with a phone call.

18 Q. How long did that telephone call take?

19 A. Oh, very, very short period of time.

20 Q. And this was approximately when, Mr. Friedman?

21 A. I don't recall the date. Probably you have my
22 checkbook. It's probably very, very shortly before I
23 deposited the \$10,000 check.

24 Q. In the late fall of 1983?

25 A. Is that correct? If you say so, I'll accept it.

1 Q. In November of 1983?

2 A. If you say so, I'll accept it.

3 Q. Now, when you were deputy mayor, Mr. Friedman, you
4 were holding a public office and you had public obligations.
5 You had a public trust; isn't that correct?

6 A. That's correct.

7 Q. And you were deputy mayor in the year 1977, among
8 other years?

9 A. That's correct.

10 Q. And you told us during your direct examination,
11 Mr. Friedman, that during the latter part of time that you
12 were deputy mayor, you had meetings with Roy Cohn and talked
13 about possibly joining his law firm; isn't that correct?

14 A. Roy Cohn told me sometime prior to that that,
15 "when you leave government, if you are ever interested in
16 coming with my firm, let's talk, and I'm interested in TRU";
17 words to that effect.

18 Q. And you left office in -- on December 31, 1977?

19 A. That's correct.

20 Q. That was your last day in office?

21 A. Yeah. I had explained that we lost the election,
22 and the new administration and new deputy mayor was going to
23 be in my office. So, we vacated.

24 Q. And you made your arrangements to join Mr. Cohn's
25 firm sometime before December 31, 1977; isn't that correct?

1 A. Obviously.

2 Q. A month before?

3 A. It was sometime between election day, which is the
4 first Tuesday in November, and December 31st.

5 Q. Now, isn't it a fact that in your last week to ten
6 days in office, you signed for the very profitable deals
7 with one of Roy Cohn's major clients, Donald Trump, multi-
8 million dollar deals? You signed while you were deputy
9 mayor, and you were going to his law firm a couple of day,
10 if not a week later? Isn't that a fact, Mr. Friedman?

11 A. It's partially correct. I don't think that Donald
12 Trump was one of the law firm's major clients. Donald Trump
13 has 20 lawyers, maybe, on any one occasion.

14 What I did was effectuating and concluding and
15 consummating a five-year or a three-year experience of
16 Donald Trump with the City Government. Between dealing with
17 the Urban Development Corporation, corporation counsel, tax
18 abatement situations, everything was done. Common wisdom in
19 Government generally dictates that administration that's
20 leaving December 31st should complete and wrap up all the
21 major things that they were working on so that the new ad-
22 ministration doesn't have to first start from day one and
23 want to re-examine it and evaluate something for another
24 three years.

25 This was an accomplishment that Mayor Beam wanted

1 to have during his administration, so that the grand central
2 area, 42nd Street, which was becoming blighted with the
3 bankruptcy and the Chrysler Building across the Street, and
4 was fast becoming seedy, like Time Square, during this
5 period, a fiscal crisis where nobody was investing in New
6 York City, we wanted this to be an anchor, and the mayor
7 wanted -- Mayor Beam wanted it to be done in his term of of-
8 fice.

9 As it turned out, we thought we completed every-
10 thing, but then we -- when Koch came in, it was not really
11 completed, and the Koch administration had several things to
12 do to effectuate the final disposition.

13 [Next page follows; nothing has been
14 omitted.]

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1 Q. Mr. Friedman, on December 21, 1977, just a few
2 days before you left office, you signed an escrow agreement,
3 did you not

4 A. If you have it, then I signed it.

5 Q. And that escrow agreement was signed because Mr.
6 Trumble was unsure of whether he could get financing before
7 December 31; isn't that a fact?

8 A. I really don't recall the details. It's nine
9 years ago and a lot has happened in the nine years. But if
10 that's what you represent as a fact, that I signed an escrow
11 agreement on a certain date, I'll accept that.

12 Q. And isn't it also a fact --

13 A. I'm sure on December 31 there may have been a
14 lot of last-minute things to do.

15 Q. Well, December 21 was the date.

16 A. Whatever date you say. I have no recollection.

17 Q. Isn't it also a fact that on December 29, 1977,
18 eight days later, you signed a franchise agreement with Mr.
19 Trumble permitting him to build a garden restaurant at the
20 Commodore Hotel; isn't that a fact?

21 A. Was that part of the whole transaction of the
22 Commodore which became the Grand Hyatt?

23 Q. That is part of that transaction.

24 A. Then I obviously did it.

25 Q. And at the time, you knew that Donald Trumble

1 was a client of Roy Cohn?

2 A. Yes, I did.

3 Q. You knew he was a client of the law firm that
4 you were about to join, a couple of days later?

5 A. Yes, I did. My signing those papers was part of
6 my official duties in a representative capacity of the
7 mayor.

8 Q. Did you ever tell anyone --

9 A. I must have signed thousands of those documents.

10 THE COURT: Wait a minute. Don't forget,
11 you're a member of the tribe.

12 Q. Did you ever tell anyone, Mr. Friedman, that at
13 the time that you signed those documents, you did not know
14 that Donald Trumble was a client of Roy Cohn's law firm, or
15 of Roy Cohn?

16 A. I don't recall saying that.

17 Q. When this became an item of interest, and there
18 were newspaper articles about it, did you say, did you deny
19 that at the time that you signed those agreements on Decem-
20 ber 21 and December 29, did you deny that you knew that
21 Donald Trumble was a client of the law firm you were about
22 to join?

23 A. I don't recall saying that.

24 Q. Mr. Friedman, when you left government service
25 in 19 -- at the end of 1977, you did not have the 15 years

1 of government service that's needed for a pension to vest,
2 did you?

3 A. No, I did not. I was about a year and three
4 months short.

5 Q. You had 13.8 years?

6 A. That's correct.

7 Q. Precisely, isn't that right?

8 A. That's correct.

9 Q. And while you were Democratic Chairman of the
10 Bronx, you arranged with Leeman College, with the president
11 of Leeman College, to take on a teaching position so that
12 you would be able to get those extra years and you would be
13 switched over to the teachers' retirement --

14 MR. PUCCIO: Your Honor, I object to this
15 unless a proffer can be made on this by the prosecutor
16 at the side bar. I have my own views on this matter.
17 What I'm saying, Judge, is I don't know where we're
18 going in terms of -- is there something that's going
19 to be claimed to be violated here by Mr. Friedman? I
20 would like to know if that's the case.

21 THE COURT: Well, if there's nothing im-
22 proper, I'll assume it's material, so far as there's
23 been nothing improper.

24 MR. PUCCIO: Then my question is
25 relevance.

1 Q. Do you remember the question, Mr. Friedman?

2 A. No. Could you repeat the question?

3 Q. Mr. Friedman, while you were Democratic chairman
4 in the Bronx, did you arrange with the president of Leeman
5 College to take on a teaching position representing that you
6 would take on a teaching position at Leeman College, in or-
7 der to have your pension transferred to the New York State
8 Teacher's Retirement System, so that you could get the addi-
9 tional year, year and a half that you needed, so that your
10 pension would vest?

11 A. The answer is yes, but I had --

12 Q. Well --

13 THE COURT: That's enough.

14 THE WITNESS: The answer is --

15 Q. Thank you, Mr. Friedman.

16 A. The answer is, it was not with the president --
17 I don't want to be technical and say no. The answer is yes,
18 I did arrange to teach at Leeman, but the original arrange-
19 ments were not with Mr. Lief, the president of the college.

20 Q. They were with the comptroller or some other of-
21 ficial of Hunter College?

22 A. They were with Dean Alstein, who is a vice-
23 chancellor of the City University, who I would have lunch
24 with almost regularly once every, you know, month or two
25 months or three months, who I knew worked during the Wagner

1 administration.

2 Q. And the representation was that you would teach
3 a course at Leeman College and therefore, you would be
4 eligible for the New York State Teacher's Retirement System;
5 is that correct?

6 A. The representation, and my intention was to
7 teach one night a week at Leeman College, and teach a course
8 in government and civics and politics, which I enjoyed
9 doing, by the way.

10 Q. And the fact is that you never taught such a
11 course; the fact is that you at most showed up once for a
12 three-hour lecture, and the corporation counsel found in his
13 whole New York City, found this whole arrangement was --

14 MR. PUCCIO: Objection.

15 [Next page follows; nothing has been
16 omitted.]

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1 Q. Well, the fact is, Mr. Friedman, that you never
2 taught a class at Leeman College, and at most, you showed up
3 for a guest lecture for three hours on one occasion; is that
4 correct?

5 A. I showed up on the one occasion when I was sup-
6 posed to. I lectured the class. And then I told the offi-
7 cials at the college, or Mr. Adelstein that I really can't
8 commit myself. I wanted to do it. I couldn't commit myself
9 to the schedule of the same night every week because had a
10 very busy schedule, and as a result of that, I did not do
11 anything. And I received no financial benefit for it, other
12 than, I think, a check for the three hours, whatever the
13 standard pay is.

14 Q. But you didn't withdraw from the retirement
15 system; you were, in essence, dismissed from the retirement
16 system; you were taken off the rolls; is that correct?

17 A. Well, if you don't have the 15 years, whether
18 you're on the rolls or off the rolls, you're never eligible
19 to get a pension. As a result of what happened since this
20 case started, I've since withdrawn from the pension system,
21 received my contributions back, and my pension system is
22 closed.

23 Q. Well you didn't do that voluntarily, Mr.
24 Friedman; there was a determination by the corporation coun-
25 sel and a finding by the New York State Retirement System --

1 MR. PUCCIO: I would object.

2 Q. -- that took you off the rolls. It was found
3 that it was a nullity; is that correct?

4 MR. PUCCIO: Object to the finding of cor-
5 poration counsel. He hasn't given his reasons.

6 Q. Let's take it one step at a time, Mr. Friedman.
7 It is a fact that the corporation counsel found -- concluded
8 that your arrangement was a nullity; isn't that the word
9 that was used?

10 A. The answer is yes. The corporation counsel,
11 after this case, after this case --

12 Q. Thank you, Mr. Friedman.

13 A. I would like to complete the answer.

14 After this case started, this was another ex-
15 ample of the City looking, and if not for the fact that I
16 was in the middle of this case and on trial, the
17 corporation's opinion would have been challenged in Court --
18 because I still am not convinced that he's correct, just be-
19 cause he said it.

20 Q. And then, based on that opinion, the New York
21 State Teacher's Retirement System removed you; is that
22 correct? Based on that opinion that you just described to
23 us?

24 A. They forwarded back to the New York City
25 Employees' Retirement System -- from which I received my ac-