

# Spending records indicate Pyramid gave \$33,000 to Carey campaign

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ALBANY — A company needing key state permits to build what would be the largest shopping mall in New York State contributed \$33,000 to the election campaign of Gov. Hugh L. Carey.

The contribution was the second largest the Carey campaign received from an individual donor, an examination of election spending records by Binghamton Evening Press and Gannett News Service reporters has revealed.

Pyramid Crossgates Corp., developers of several shopping malls in New York and Massachusetts, plans to build an \$85 million, 200-store suburban Albany complex.

Crossgates apparently got around the state Election Law which limits corporate contributions to \$5,000 a year by making its donations in the name of the Crossgates Group, a partnership, rather than through Pyramid Crossgates Corp., the parent firm.

A spokesman for the state Board of Elections said partnerships are not subject to the \$5,000 corporate limitation.

Crossgates is seeking state approval of its transportation plan and must prove to the state that the project will not have adverse impact on the environment.

CROSSGATES IS PART of the Syracuse-based Pyramid Companies which already have shopping centers in Plattsburgh, Glens Falls, Saratoga Springs, Ithaca and Holyoke, Mass., with projects underway in New Hartford, near Utica, and Auburn. Other projects have been proposed, and

strongly opposed, in Burlington, Vt. and Pittsfield, Mass.

The New Hartford project, fought bitterly by environmental groups, last June won a state Department of Environmental Conservation permit to build in a wetland area after several weeks of hearings.

An EnCon source familiar with the New Hartford project said the governor's office was "interested" in its go-ahead because of its economic development implications, and apparently convinced City of Utica officials to drop opposition to the project. The city originally opposed the center claiming that it would harm downtown Utica's struggling retail businesses.

James Vlasto, a former press secretary to Carey, and now public relations counsel for Pyramid Crossgates, denied that the campaign contributions were intended to influence state decisions on the Albany suburb project permits. He said the process the state follows in granting environmental and transportation permits for major projects is so intricate that anyone seeking them "must prove his case."

"The permit process can't be influenced because it's based on factual data and extensive public hearings," he said. "Any little thing can bounce the project."

Carey's communications director Charles Holcomb, said that while he is aware of the Crossgates contributions, "they would have nothing to do with any decisions we (the state) make."

"NOBODY WOULD CHANGE a decision because of it," he said.

He said the applications for permits would be judged on the merits of the case.

Whether those permits will be granted is still up in the air. Community opposition to the Crossgates project has been strong, and a bitter battle is expected when environmental hearings begin in January. Should the permits be denied, the project would be dead and Crossgates investors would lose millions of dollars.

Vlasto said the Crossgates contributions to Carey in Oct. 1978, and last April were to purchase \$500-a-plate dinner tickets to fund-raisers put on for the governor in New York City by Frank Sinatra. He said the tickets were given to Crossgates clients who intend to put stores in the giant shopping complex.

He said he recommended that the contributions be made to the Sinatra dinner after Crossgates officials asked Vlasto his advice on making campaign contributions to the gubernatorial race.

"They hadn't done much (political contributing) before except in local races," he said.

The first contributions, \$23,000, before Election Day, he said, were to support an incumbent governor.

"That was an intelligent investment," Vlasto said. "He (Carey) had been there four years and looked like he'd be successful."

He characterized the second contribution, \$10,000, after Carey won re-election, as a "prudent" investment.

(The largest single contribution to the Carey campaign was \$40,000 by Edward Bronfman, a New York city liquor magnate).

Carey's campaign finances have been the focus of a number of press reports.

Disclosures by the Evening Press-GNS team found major contributors to Carey were the beneficiaries of million of dollars in unbid consulting and leasing contracts with the state. In addition, recent testimony in the racketeering trial of Brooklyn dock boss Anthony Scotto alleged that the Carey campaign received an illegal \$25,000 cash donation arranged by Scotto.

Carey has denied knowledge of the Scotto cash contribution and said contributions do not influence the awarding of state contracts.

## Six-month figures show increase in violent crimes

NEW YORK (AP) — In the six months of 1979, more than four-fifths of the murders in the state occurred in New York City, according to new statistics that show reports of violent crime rose sharply state-wide in that time.

The state Division of Criminal Justice Services said the state's 4.8 percent rise in violent crime during the first

ment emphasizing that the reports of violent crimes dipped last year, said the figures for this year show that law enforcement agencies and New Yorkers "must redouble" efforts to stop crime.

The report said 62.3 percent of the killings were committed by a relative, friend or acquaintance of the victim.