

## **STANTEC, ROY DON PEEBLES, & RFP/MWBE FRAUD**

### **Roy “Donahue” Peebles Helps Firms Steal MWBE Bids ... then takes a cut and slithers away to a new location**

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Can't y'all, see that he's fake, the rap version of TD Jakes, Prophesying on your CDs and tapes,  
Won't break you a crumb of the little bit that he makes, And this is with whom you want to place your  
faith? - Jay-Z

STANTEC (NYSE:STN) is a publicly traded company and all disclosures must be factual. Stantec cannot issue public statements that are untrue. If they do, as they are doing here, then they are in violation of securities laws prohibiting materially false disclosures or omissions. This is a violation of SEC rules requiring full and fair disclosure. Alternatively, Stantec is actively participating in a fraudulent scheme against the people of Mecklenburg County and Charlotte, North Carolina. Because Roy Donahue Peebles' scheme relates to a public competitive bid process, it is especially egregious, and Stantec is liable for Peebles misrepresentations and lies. Roy Donahue Peebles is the single largest threat to any business owned by a minority, woman, or disabled person; Peebles lies, sues, complains, and bribes... all to avoid being a real businessman and to steal every MWBE opportunity and pocket taxpayer dollars for just being there. This is a warning to Stantec to do research. If you're a Stantec shareholder, and you see losses....



“That is how American society is comfortable defining black men, unfortunately,” Don Peebles said. “And we perpetuate it, because we as a community will hold them up as role models. We will buy into that. It’s a safe example for white America to see black men doing this as opposed to running a business like I am or being Robert Smith, Vista. That’s different. That doesn’t fit the box. Jay Z fits the box. And [Jay-Z] fits the code...” – Roy Don Peebles

## 1 – Peebles’ Bankruptcies and Foreclosures

Although the County Manager, Dena R. Diorio and her staff insisted that “The Peebles Corporation has never filed for bankruptcy”<sup>1</sup>, Peebles has, several times and with several companies (e.g., PADC Marketing LLC) and has been foreclosed on several times (e., Royal Palm, Pacifica Quarry). This is not debatable. The only question is why would the County Manager lie, prohibit Commissioners from reading their emails, and then force-feed the County the Peebles Stantec team when there were two other local, honest, and reputable teams? (“Six years after opening the Royal Palm, developer R. Donahue Peebles has put the entity that owns the South Beach hotel into bankruptcy protection amid a dispute with a lender trying to foreclose on the property.”)

## 2 – Peebles Track Record Bears No Relationship to Reality

On the website BK Partners set up to pretend that the community will have a say in anything, BK Partners specifically represents that The Peebles Corporation "has become an industry leader with a portfolio of completed and current developments totaling 6 million SF and more than \$5 billion in key markets including New York, Philadelphia, Washington D.C., Boston, Miami and Miami Beach." This is a demonstrably false misrepresentation of fact, and is easily disproven with even a cursory evaluation of The Peebles Corporation's projects. Peebles has not developed anywhere near 6 million square feet of space. The representation of millions of square feet cannot be reconciled with any interpretation of the phrase, nor can the value of these phantom projects.

The misrepresentations are numerous: "The Peebles Corporation has developed countless urban hotel projects throughout the country." This is not only false, it is a deliberate exaggeration. The Peebles Corporation has developed EXACTLY TWO HOTELS. Not exactly "Countless".

Peebles representation that The Peebles Corporation has developed "the top-performing Courtyard by Marriot in the nation." is false. Peebles has never won a "Platinum Circle Award, given to only a select number of hotels based on performance, one of the highest honors given by the Courtyard by Marriott brand." Peebles own RFP submissions show his knowledge of this lie; in an RFP response submitted to Pacifica, CA., Peebles states the hotel is merely "a top-performer among Courtyard Hotels".... although Peebles returns to state that "The conversion into the 188-key Courtyard by Marriott Hotel and

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<sup>1</sup>This statement was designed to intentionally mislead the Board of County Commissioners by specifying a specific corporate entity to avoid disclosing that Roy Donahue Peebles has filed for multiple bankruptcies, for example, “ Developer R. Donahue Peebles filed for bankruptcy protection for the Royal Palm Hotel” (Royal Palm Senior Investors, LLC, Florida Southern Bankruptcy Court, Case No. 09-10105, Mar 2009)

Convention Center has resulted in the Center being ranked #1 in performance for two consecutive years among Courtyard Hotels worldwide."<sup>2</sup> Peebles' Courtyard accomplishments are uncorroborated by any information, awards, or recognition by Marriot, Inc. Coupled with the fact that Donohoe Construction lists it as a project of its own, Donohoe Construction has developed numerous projects with Marriot (Peebles only 1), and the owner, "900 F STREET ASSOCIATES LLC" is located in Donahoe's offices, the LLC's mail is sent directly to Marriot Corporate headquarters, and Peebles has not done any projects with either of these companies since, it is likely Peebles is pretending he was involved when Peebles was really only there to give the project its "Minority Owned Business, "DOT Certified DBE", and "Black American Owned". This is the earliest instance of Peebles fraudulently misrepresenting himself to take a cut from MWBE projects that he immediately sells to non-MWBE firms.

### 3 – There Never Was a Peebles Entrepreneurial Academy

Peebles flatly lies about a comically ironic, "Peebles Entrepreneurial Academy" within a D.C. charter school. This is entirely a figment of Peebles' imagination. The high school no longer exists, lost its private charter, and there never was a "Peebles Entrepreneurial Academy". Hospitality High School is considered a mid-performing (Tier 2) public charter school by the DC Public Charter School Board.



Katrina Peebles, Roy Don Peebles, at a Hamptons Polo Match

The only affiliation the school had with Peebles, was a single address to graduates he gave in 2010, while publicly leveraging a mayoral bid into concessions on a real estate deal (that went bad). In fact, there has been no Hospitality High School since 2014, when "April 29, 2014 - Today, the District of Columbia Public Charter School Board voted to accept the Hospitality High School (HHS) request to not renew its' charter—the first time in the history of the charter school system in DC that a school has relinquished its' charter to merge with DCPS."<sup>3</sup>

<sup>2</sup> [http://www.pacifica.city/forms/PAC\\_BEACH\\_PEEBLES\\_rfp\\_response\\_032816\\_FULL](http://www.pacifica.city/forms/PAC_BEACH_PEEBLES_rfp_response_032816_FULL)

<sup>3</sup> <http://www.ramw.org/blog-tags/hospitality-high-school-hhs>

Peebles expressly and intentionally misrepresents the meaning of the National Academy Foundation's 'model' designation. It is actually a lower tier of scholastic accomplishment than the NAF's "distinguished" tier. Peebles intentionally lies that BK Partners "Entrepreneurship Institute" would be based on Peebles fictitious D.C. entrepreneurial academy because it has been adapted as a standard for all NAF hospitality schools. This is a lie. And it is confused about what NAF's "model" designation actually means.<sup>4</sup>

Peebles also misrepresents the status, standing, and importance of his so-called "Peebles Entrepreneurship Academy". The school regularly failed its own students, "Hospitality had failed to meet its academic goals, citing standardized test scores below the city average: Thirty-five percent of its students were proficient in math last year and 31 percent were proficient in reading." and "The school's 15-year charter is to expire in September, and it appeared unlikely to meet the legal standard for renewal, charter board staff member Sarah Medway said Tuesday."<sup>5</sup>).

Also see, "D.C.'s Hospitality High School to be sold, converted to condos" (May 20, 2015)<sup>6</sup>; "A developer's bid to turn a former Shaw high school into a 29-unit condo project was met with opposition by ANC 1B's zoning committee on Monday night. Hospitality High School at 1851 9th Street NW (map) graduated its last class this spring."<sup>7</sup> Despite its closure, BK Partners represents that it "has been adopted as the hospitality model (?) by the National Academy Foundation." The ONLY evidence to support this erroneous contention are four (4) search results, all referencing BK Partners Brooklyn Village bid.



Don Peebles, during the Nov. 2014 riots in Ferguson, Missouri, attending the 58th Annual Vizcaya Ball, Themed "Vizcaya, The Jewel of South Florida"

<sup>4</sup> [www.naf.org](http://www.naf.org)

<sup>5</sup> [https://www.washingtonpost.com/local/education/dcs-hospitality-high-to-convert-from-charter-to-traditional-school/2014/04/29/76087bd8-cfc3-11e3-a6b1-45c4dffb85a6\\_story.html?utm\\_term=.d3fa2f6c3f3a](https://www.washingtonpost.com/local/education/dcs-hospitality-high-to-convert-from-charter-to-traditional-school/2014/04/29/76087bd8-cfc3-11e3-a6b1-45c4dffb85a6_story.html?utm_term=.d3fa2f6c3f3a)

<sup>6</sup> [http://www.bizjournals.com/washington/breaking\\_ground/2015/05/d-c-s-hospitality-high-school-to-be-sold-converted.html](http://www.bizjournals.com/washington/breaking_ground/2015/05/d-c-s-hospitality-high-school-to-be-sold-converted.html)

<sup>7</sup> <http://dc.urbanturf.com/articles/blog/29-unit-condo-conversion-shaw-high-school-back-to-drawing-board/10006>

## 4 – Peebles Doesn't Help Minorities, Youth, Entrepreneurs, or Communities

The Peebles Corporation is 60% Peebles family and 40% non-minorities. The Peebles Corporation sold its entire interest in 108 Leonard Street before closing on the contract. Despite promising MWBE involvement, hotel development, community space, and special treatment of a landmarked clocktower, Peebles went back on every commitment during the closing period and sold a 100% interest to ElAd Holding, an Israeli based real estate firm. Peebles only remaining interest was that of a passive minority investor. This hasn't stopped Peebles from pretending that Peebles obtained a \$411,000,000 financing package (it was actually El Ad who got the financing), or pretending that Peebles is involved in the development of the project (Peebles interest is non-voting, non-majority), or Peebles trying to use it to expand his "portfolio" as a developer.

## 5 – Peebles Agreements with White Owned Firms Tasks Peebles to Eliminate MWBE Goals

In Broward County, Peebles specifically sought to strike the MWBE participation component from his agreement with Broward County. The Commissioners who Peebles accused of being racist, actually argued with Peebles to keep the provisions for minority contracting in place. Peebles wanted no minority requirement!

### MINORITY BUSINESS ADVOCATE BATTLE ROYALE

Suzanne "Gunz" Gunzburger



Roy "Please Call me Don" Peebles



V.

Born 1939

White

Vocally opposed Bush's 2000 election

Supports strict ethics in government

Supports LGBT rights

Supports environmental protection

Former Public School Teacher

Born 1960

Black (but really very white, kind of racist)

Donated \$10,000 to Florida Republican Party in 2000

Supports no ethics in Government (see de Blasio donations)

Horrible lisp, sounds like a bad impersonation of a gay man

Supports his own inflated sense of accomplishments

Almost made it 1 year at Rutgers, claims he was "pre-med"

August 26, 1997<sup>8</sup> “Commissioner Gunzburger asked Mr. Peebles if he would meet the county's minority goals in terms of construction. Mr. Peebles responded that is an important point, and expressed his commitment to meet the goals.<sup>9</sup> Commissioner Gunzburger stated that was not included in the contract, and directed that Mr. Peebles commitment is included in the contract.” –

June 26, 2001 Commissioner Gunzburger: “If anything is opened up, because I had really understood that we were to finalize the deal as we agreed to today, and if there were problems, that’s what the two-week window was for. To solve the problems between PADC and Broward County. Without Mr. Peebles here, there is no one that can agree to anything. As far as I know, in the past his representatives have not agreed on his behalf. They always have to take it back to him. Which is a problem. **And, if anything is opened, I have a very important issue that has to be reopened.** And, the issue I have that has to be reopened is the fact that – now that we are contributing between 8 and \$11,000,000 to this project, **there are no minority construction goals for this project.** And, if we reopen it – that’s going to be very important to this Commission that there are minority construction goals and that had never before been agreed to.”

## 6 – Peebles is Not the Country’s Largest Black Firm, and Doesn’t Employ a Single Minority

Peebles represents that his company is "passionate about creating economic opportunities for youth and entrepreneurs." **There is no evidence of Peebles ever advancing the career of a subordinate, minority, woman, or the like.**

The Peebles Corporation does not employ a single minority (outside of Peebles and his own son). Peebles has not developed a single SF of affordable housing in his career, and in Washington DC received a 2 year extension to move 61 affordable units away from town onto a parking lot owned by Peebles. Peebles is currently suing two minority collaborators in two states; one for pursuing outside opportunities<sup>10</sup> and one as a counterclaim for a breach of contract lawsuit. Peebles specifically states in press reports that it is "absurd" that he would give an opportunity to such a young person<sup>11</sup>. Peebles was also sued by his only

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<sup>8</sup> Broward County Electronic Minutes,

[https://www.municode.com/library/fl/broward\\_county/munidocs/electronic\\_minutes?nodeId=M714AUGUST-26-1997HTML](https://www.municode.com/library/fl/broward_county/munidocs/electronic_minutes?nodeId=M714AUGUST-26-1997HTML)

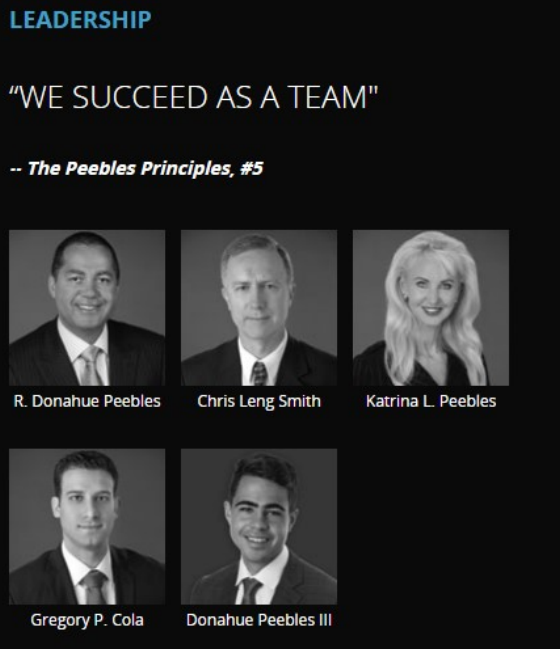
<sup>9</sup> Peebles is always “committed” and “optimistic” that he will meet goals: he *never* does and *never* will. Peebles has adopted a different tact in Mecklenburg though: while he clearly plans to reduce a park commitment from 5 acres to less than 1.7 acres, Peebles has begun saying, “Who knows? Maybe we’ll decide the park needs to be bigger.” That’s a weak dodge, Peebles is clearly not going to try to maximize the park space, Mecklenburg, we made a big mistake.

<sup>10</sup> <https://therealdeal.com/2016/04/27/tawan-davis-jumps-to-re-investment-firm-after-messy-break-with-peebles/>

<sup>11</sup> <https://commercialobserver.com/2015/09/don-peebles-hit-with-50m-suit-for-shafting-partner-in-lower-manhattan-deal/>

RFP Fraud + Taxpayer Fraud + MWBE Fraud + Minority Business  
Every dollar Peebles makes comes directly from taxpayers: Peebles

employee in NYC after winning a large RFP and refusing to pay the employee, relying on legal language to undermine his promises to the employ.<sup>12</sup>



bles is also the Chair of the Congressional Black Caucus Foundation #trololol ... but, no, seriously, he is.

## 7 – Peebles is not a hotel developer (or is at best, a terrible one)

First, Peebles sold the Royal Palm before it became stabilized, defeating any expectation for black communities to have a “black owned hotel”. Second, Peebles retained a 12.5% interest, so that the Royal Palm could misleadingly retain some black ownership. Third, when it went broke, Peebles tried to avoid foreclosure and a \$30,000,000 loan from Carbon Capital, by filing for bankruptcy immediately before the foreclosure sale.<sup>13</sup>

“The hotel's developer, R. Donahue Peebles, in 2005 sold a controlling stake in the property to a venture of Falor Cos. of Chicago and Guy Mitchell. The venture had planned to convert a portion of it to condominiums. But a court ruling in 2008 said that Mitchell committed fraud against the hotel's interests, ultimately leading to Peebles regaining majority control of the property. The Royal Palm Resort has been in receivership with GF Management of Philadelphia. It had an average occupancy of 55 percent and average daily rate of \$157.51, as of May. **Two years ago, its last full year of operation before the Credit Suisse bond initiated foreclosure proceedings, the property was 71 percent occupied and recorded a loss of \$665,633, according to servicer data from Realpoint.**”

Peebles, being a two-bit scam artist, tried to avoid debt owed to Carbon Capital II, which was a fund tied to Blackrock. Blackrock is the largest manager of capital in the world. Peebles got blacklisted from the investment community because he is a sleazy, incompetent, lying breaker-of-contracts, not because he is black. However, before the Royal Palm, when Peebles was quick to distance himself from the black

<sup>12</sup> <https://therealdeal.com/2015/08/26/ex-peebles-exec-withdraws-appeal-in-compensation-case/>

<sup>13</sup> “Investment Fund Managed by Blackrock Claims The Royal Palm Hotel in South Beach Has Defaulted on a \$25 million Loan”, [http://www.hotel-online.com/News/PR2008\\_2nd/Apr08\\_RoyalPalm.html](http://www.hotel-online.com/News/PR2008_2nd/Apr08_RoyalPalm.html)

community, now Peebles needs the black community so that when Peebles can't get a loan for building anything bigger than a two-car garage, he can cry racism. Peebles is bad for black business.

Peebles is apparently also confused as to why he hasn't been able to raise money for his 20 year old fund, Peebles Capital Partners; the track record, lawsuits, lies, experience, and his ever-present greasy sheen not being enough to convince him. Despite Peebles claiming he was looking at starting a fund in 2014<sup>14</sup>, Peebles was clearly trying to start the same fund for years, because offering documents for Peebles Real Estate Fund I were exhibits Daniel Newhouse's publicly filed breach of contract complaint against Peebles.<sup>15</sup> Let's take some time to laugh at Peebles' pathetic and imaginary fund's overnumerousness. And yes, he sued Daniel Newhouse in Miami, Florida for "breach of confidentiality" for disclosing these documents in Newhouse's legitimate breach of contract lawsuit.

Peebles Royal Palm hotel was not a black owned hotel for long, it sold within two years of its much delayed completion. And the Courtyard brand of Marriot hotels is considered a "North American Limited-Service" brand hotel. This is a hotel brand that creates a limited number of jobs, has little economic impact, and does not incite economic activity. Nor was it a successful development and Peebles was ordered to pay Clark Construction \$12,000,000 (See RDP Royal Palm Hotel, L.P. v. Clark Construction Group Nos. 04-16203 and 05-11713, 2006 U.S. App. LEXIS 3815 (11th Cir. Feb. 17, 2006, where Peebles lost a \$20,000,000 claim and was ordered to pay \$12,000,000). "In lawsuits, RDP Royal Palm also blamed contractors, architects and engineers for delays. The contractors, including lead builder Clark Construction, said the delays were the developer's responsibility. 'How were we supposed to finish on time when we were supposed to be remodeling a building we ended up tearing down?' Sid Jordan, a Clark division president, said in an interview."<sup>16</sup>

"On August 4, 2004, the district court entered a final judgment denying RDP's claims against Clark in their entirety, denying Clark's claims against ARQ and Cornerstone in their entirety, granting Clark's claims against RDP in the amount of \$5.5 million, and granting Clark's pass-through claims against RDP in the amount of \$5.9 million."

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<sup>14</sup> Peebles Planning to Launch \$350M Investment Fund, <http://rew-online.com/2014/11/19/peebles-planning-to-launch-350m-investment-fund/>

<sup>15</sup> Daniel Newhouse v. The Peebles Corporation, R. Donahue Peebles, Page 82, <http://bit.ly/2k6OAwH>

<sup>16</sup> [http://www.hotel-online.com/News/PR2004\\_2nd/May04\\_ContractorAwards.html](http://www.hotel-online.com/News/PR2004_2nd/May04_ContractorAwards.html)



## 8 – Peebles is a small time con, pretending to be a bigtime developer

Peebles represents himself as the "chairman" of his corporation; he is also the CEO and President and sole shareholder. This is a corporate mirage. Combined with the "35% participation" projected, it is unlikely that this statistic refers to anybody other than The Peebles Corporation.

The CharMeck BOCC should be very grateful that CharMeck did not accept Peebles unsolicited offer to buy the CMS site. Because that is the exact technique that Peebles used to force himself into Miami and win the Royal Palm deal:

"After the city requested proposals in December 1995, Peebles submitted one and soon became a frontrunner. The city commission appointed a selection committee to evaluate the hopeful developers. At the same time, Peebles began negotiating with the owner of the adjacent Shorecrest Hotel, a move that infuriated some commissioners and then-mayor Seymour Gelber...

Peebles admits that the purchase was a tactic to snag the Royal Palm deal but that there was nothing wrong in doing so. "The [request for proposals] for Royal Palm stated it would look more favorably on proposals that included the development of both Royal Palm and Shorecrest but that the latter had to be privately acquired. It was a loophole, a little crack in the door, and I walked in it."

The selection committee recommended another developer, a team that included Hyatt hotel corporation and cable television entrepreneur Eugene Jackson. But Peebles turned on his considerable charm in courting commissioners -- who had the final say in choosing a developer -- and in seeking support from area business leaders. The city commission chose Peebles by a narrow margin in June 1996."<sup>17</sup>

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<sup>17</sup> <http://www.browardpalmbeach.com/news/peebles-power-6323577>

## **If this kind of fraud bothers you, tell someone about it.**

Criminals like Peebles go about because people read, but don't act. Please investigate the truth of this document, check the math, go over the details, then think about the communities you have been involved in that showed up for an engagement meeting with Peebles, or for an RFP you were excited about, or that a family member lost to Peebles.