SUPREME COURT OF THE CITY OF NEW YORK
COUNTY OF NEW YORK, IAS PART

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SAFE HORIZON, INC., BVRULZIN BLEU, CARDY BULLY, ARKIRA PITTMAN, LAUREN MILLER, AUSTIN MOORE, and CHRISTOPHER PORTALATIN-TRINIDAD,

Index No. ####-23

Plaintiffs,

SUMMMONS

-against-

3823 CARPENTER AVE LLC, ALEKSANDER KALAJ, and, LISA BOVA-HIATT, as chairperson of the NEW YORK CITY HOUSING AUTHORITY,

Defendants.

Premises: 3823 Carpenter Avenue, Bronx, NY 10467

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TO THE ABOVE NAMED DEFENDANTS:

YOU ARE HEREBOVE SUMMONED to answer the Complaint in this action, and to serve a copy of your answer, or if the Complaint is not served with this Summons, to serve a notice of appearance, on Plaintiffs' attorney within twenty (20) days after service of this Summons, exclusive of the day of service (or within 30 day after the service is complete if this Summons is not personally delivered to you within the State of New York), an in case of your failure to appear or answer, judgment will be taken against you by default for the relief demanded in the Complaint.

Plaintiffs designate New York County as the place of trial. The basis for this choice of venue is the defendant New York City Housing Authority's primary place of business is located at 90 Church Street, 11th Floor, New York, NY 10007 and the business address of Plaintiff Safe Horizon, Inc. is 2 Lafayette St, New York, NY 10007.

Dated: February 6, 2023
New York

The New York Legal Aid Society
By: Stephanie Rudolph, Esq.
199 Water Street, 3rd Floor
New York, NY 10038

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PRELIMINARY STATEMENT

1. Plaintiffs, Bvrulzin Bleu, Cardy Bully, Lauren Miller, Austin Moore, Arkira Pittman, and Christopher Portalatin-Trinidad, (collectively, "Tenant Plaintiffs") are participants in the U.S. Department of Housing and Urban Development ("HUD") Emergency Housing Voucher ("EHV") program. Each Tenant Plaintiff has a Section 8 voucher administered by Defendant New York City Housing Authority ("NYCHA"). Each Tenant Plaintiff also relies on the services and support of Plaintiff Safe Horizon, Inc. ("Safe Horizon"), a non-profit organization that assists homeless and unsheltered youth through its Streetwork Project. Tenant Plaintiffs, along with Plaintiff Safe Horizon, bring this case for declaratory and injunctive relief, as well as compensatory and punitive damages under the New York City Human Rights Law ("NYCHRL"), the New York State Human Rights Law ("NYSHRL") and the General Business Law ("GBL"). Additionally, Tenant Plaintiffs each seek a tolling of the expiration of their Section 8 vouchers during the pendency of this action.

JURISDICTION

2. This Court has jurisdiction pursuant to §§3001 and 6001 of the New York Civil Practice Laws and Rules ("CPRL"), §8-502 of the Administrative Code of the City of New York ("NYC Admin Code" or "NYCHRL"), and New York Consolidated Laws Service, NY Executive Law ("NY Exe. Law"), Article 15 § 297(9).

VENUE

3. Plaintiffs have designed New York County as the place of trial of this action pursuant to CPLR § 505 and § 509.

PARTIES

4. Plaintiff SAFE HORIZON, INC. ("SAFE HORIZON") is a non-profit organization that, through its Streetwork Project, supports unsheltered and homeless young people through the age of 25 with daily necessities, medical care, public benefit, emergency housing, permanent housing, and other vital support. Plaintiff SAFE HORIZON's Streetwork Project offers street outreach, staffs drop-in centers, and runs a crisis youth shelter. Plaintiff SAFE HORIZON assisted and continues to assist all Tenant Plaintiffs as well as hundreds of other similarly situated youth in applying for and locating permanent housing using the EHV program and other voucher programs. Plaintiff SAFE HORIZON's main business offices are located at 2 Lafayette Street, New York, NY 10007.

5. Plaintiff BVRULZIN BLEU[1] ("BLEU") is a 20-year-old homeless person who resides in a youth shelter. Plaintiff BLEU is a client of Plaintiff SAFE HORIZON and uses the services of the Streetwork Project. Plaintiff BLEU qualifies for the EHV program and has a Section 8 voucher administered by NYCHA. Plaintiff BLEU's studio voucher currently has a payment standard of $2,335 in zip code 10467.

6. Plaintiff CARDY BULLY ("BULLY') is a 21-year-old unstably housed person. Plaintiff BULLY is a client of Plaintiff SAFE HORIZON and uses the services of the Streetwork Project. Plaintiff BULLY qualifies for the EHV program and has a Section 8 voucher administered by NYCHA. Plaintiff BULLY's studio voucher currently has a payment standard of $2,335 in zip code 10467.

7. Plaintiff LAUREN MILLER ("MILLER") is 23-year-old unstably housed person. Plaintiff MILLER is a client of PLAINTIFF SAFE HORIZON and uses the services of the Streetwork Project. Plaintiff MILLER qualifies for an EHV program and has a studio Section 8 voucher administered by NYCHA. Plaintiff MILLER's studio voucher currently has a payment standard of $2,335 in zip code 10467.

8. Plaintiff AUSTIN MOORE ("MOORE") is 25-year-old unstably housed person. Plaintiff MOORE is a client of PLAINTIFF SAFE HORIZON and uses the services of the Streetwork Project. Plaintiff MOORE qualifies for an EHV program and has a studio Section 8 voucher administered by NYCHA. Plaintiff MOORE's studio voucher currently has a payment standard of $2,335 in zip code 10467.

9. Plaintiff ARKIRA PITTMAN ("PITTMAN") is a 24-year-old unstably housed person. Plaintiff PITTMAN is a client of PLAINTIFF SAFE HORIZON, Streetwork Project. Plaintiff PITTMAN qualifies for an EHV program and has a studio Section 8 voucher administered by NYCHA. Plaintiff PITTMAN's studio voucher currently has a payment standard of $2,335 in zip code 10467.

[1] Plaintiff Bvrulzin Bleu has legally changed their name since the time their Section 8 voucher was issued. The Section 8 voucher still bears their previous legal name "Kendra Alejo." Accordingly, Plaintiff Bleu's application to the Subject Building, and related documents bear the name Kendra Alejo.

10. Plaintiff CHRISTOPHER PORTALATIN-TRINIDAD ("PORTALATIN-TRINIDAD") is 23-year-old unstably housed person. Plaintiff PORTALATIN-TRINIDAD is a client of PLAINTIFF SAFE HORIZON, Streetwork Project. Plaintiff PORTALATIN-TRINIDAD qualifies for an EHV program and has a studio Section 8 voucher administered by NYCHA. Plaintiff PORTALATIN-TRINIDAD's studio voucher currently has a payment standard of $2,335 in zip code 10467.

11. Defendant LISA BOVA-HIATT is the Chairperson of the New York City Housing Authority ("NYCHA"), a public authority created by § 401 of the New York State Public Housing Law. NYCHA's main offices are located at 90 Church Street, 11th Floor, New York, NY 10007.

12. Defendant 3823 CARPENTER AVE LLC ("Defendant Carpenter LLC") is the corporate owner of a housing accommodation located at Carpenter Avenue, Bronx, NY 10467 ("Subject Building"). Defendant CARPENTER LLC's address is registered with the New York State Department of State as 1665 Williamsbridge Road, 2nd Floor, Bronx, NY 10461.

13. Upon information and belief, Defendant ALEKSANDER KALAJ ("KALAJ") is the head officer or an officer of Defendant CARPENTER LLC, and is the owner of a housing accommodation. Defendant KALAJ's address is 35 McKinley Avenue, Unit GF, Hawthorne, NJ 07506.

STATUTORY AND REGULATORY FRAMEWORK

I. *SECTION 8 HOUSING CHOICE VOUCHER PROGRAM*

14. Congress enacted the United States Housing Act of 1937 to remedy the acute shortage of decent, safe, and sanitary dwellings for families of low income. (42 USC § 1437).

15. 42 USC § 1437f *et seq*. authorizes a program commonly known as the Section 8 Voucher Program, "[f]or the purpose of aiding lower-income families in obtaining a decent place to live."

16. Pursuant to the Section 8 Voucher Program, the Secretary of Housing and Urban Development ("HUD") is authorized to enter into annual contribution contracts ("ACCs") with public housing agencies in order to administer the Section 8 Voucher program. (42 USC § 1437f[b][1]).

17. Pursuant to that authority, the Secretary of HUD has entered into an ACC with NYCHA to administer a Section 8 Housing Choice Voucher Program for tenant-based, subsidized low-income housing in New York City.

18. NYCHA's Section 8 Housing Choice Voucher Program provides federally-funded rent subsidies to enable low-income tenants to rent privately-owned units by paying what is generally the difference between the tenant's rent and 30% of the tenant's household income. (*See*, 42 USC §§ 1437a[a][1] and 1437f[o][2][A]; 24 Code of Federal Regulations ("CFR") § 982.505).

19. Participants in the Section 8 Housing Choice Voucher Program are responsible for selecting their own apartments.

20. Once an apartment has been selected, the Section 8 participant must submit to NYCHA a request for tenancy approval, commonly known as a "Landlord Packet." (24 CFR § 982.302).

21. Also, once an apartment has been selected, it must pass both an initial and an annual Housing Quality Standards ("HQS") inspection. (24 CFR § 982.405).

22. Upon approval of the apartment and the lease, NYCHA and the owner execute a housing assistance payments ("HAP") contract whereby NYCHA agrees to make payments to the owner on behalf of the family. (24 CFR § 982.305). Those payments represent the difference between the full monthly rent and roughly 30% of the family income.

23. Each Tenant Plaintiff was approved for a federal Section 8 voucher administered through NYCHA due to the Emergency Housing Voucher ("EHV") program.

II. EMERGENCY HOUSING VOUCHER PROGRAM

24. As part of the American Rescue Plan ("ARPA"), HUD awarded a limited number of Emergency Housing Vouchers ("EHV") to the New York City Housing Authority ("NYCHA") and the New York City Department of Housing Preservation and Development ("HPD").[2] HPD received approximately 2,050 vouchers while NYCHA received 5,738 vouchers.[3]

25. The EHV program operate under the same rules as Section 8 vouchers but, in New York City, come with specific incentives for brokers, landlords, and prospective tenants to ease the rental process. Such incentives include but are not limited to:

    a. A broker fee of 15% of the annualized rent;

    b. a housing navigator to assist EHV applicants in locating and applying for housing and to expedite move-ins for the benefits of both landlords and tenants;

    c. a security deposit voucher;

    d. the Exception Payment Standard ("EPS"), which allows the relevant Public Housing Authority to approve higher rents that better match the local market in higher income areas of New York City.

    e. a repair fund for landlords to help them make repairs and pass the federal Housing Quality Standard ("HQS") inspection; and

[2] EHV Program (nyc.gov) (retrieved February 6, 2023).
[3] https://www.hud.gov/ehv (retrieved February 6, 2023).

f. a payment to the owner equal to one month's rent while they wait for program paperwork to be processed.

26. HUD awarded several hundred EHVs to the New York City Department of Youth and Community Development ("DYCD"). Plaintiff Safe Horizon is a DYCD contractor and several hundred of their clients have qualified to received EHVs through NYCHA since mid-2021. Plaintiff Safe Horizon's Streetwork Project provides housing navigation services to their EHV clients.

27. EHV participants have 300 days as a "search period" after which they risk losing their housing voucher permanently if they do not find a suitable apartment.[4]

III. *LOCAL LAW 10 of 2008*

28. Local Law 10 of 2008 was passed on March 26, 2008 by the New York City Council amending Sections 8-101, 8-102, and 8-107 of Chapter One of Title Eight of the Administrative Code of the City of New York also known as the New York City Human Rights Law ("NYCHRL").

29. The NYCHRL makes it illegal for landlords to refuse to accept Section 8 vouchers from prospective and current tenants:

> The council hereby finds that some landlords refuse to offer available units because of the source of income tenants, including current tenants, plan to use to pay the rent. In particular, studies have shown that landlords discriminate against holders of section 8 vouchers because of prejudices they hold about voucher holders. **This bill would make it illegal to discriminate on that basis**.

Int. No. 61-A § 1 (emphasis added).

30. Local Law 10 of 2008 amends subdivision 5 of Section 8-107 of the NYCHRL by adding an additional category of persons protected from discrimination in securing housing accommodations. Section 8–107 of the NYCHRL prohibits landlords from "refus[ing] to sell, rent, lease … or otherwise deny … housing accommodation … because of the actual or perceived race, creed, color, national origin, gender, age, disability, sexual orientation, marital status, partnership status, or alienage or citizenship status … or because of any **lawful source of income**" of a person" (Emphasis added). (NYCHRL § 8-107[1][5][a][1]).

31. Section 8-107(5)(17) of the NYCHRL further prohibits a "covered entity" including the owner of a rental apartment from engaging in "policies or practices…" that results in "a disparate impact to the detriment of any group protected by the provision of this chapter."

32. The NYCHRL defines the term "lawful source of income" as inclusive of "income derived from social security, or any form of federal, state or local public assistance or housing assistance including section 8 vouchers." (NYCHRL § 8-102[25]).

[4] https://www1.nyc.gov/assets/nycccoc/downloads/pdf/EHV-search-period-waitlist.pdf (retrieved February 6, 2023).

33. Section 8-502 of the NYCHRL provides: "[An]y person claiming to be aggrieved by an unlawful discriminatory practice as defined in chapter one of this title … shall have a cause of action in any court of competent jurisdiction for damages, including punitive damages, and for injunctive relief and such other remedies as may be appropriate…".

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IV. New York State Human Rights Law, NYS Executive Law § 290 et seq.

34. In April 2019, New York State amended the New York State Human Rights Law ("NYS Exec. Law") § 296 to prohibit discrimination on the basis of lawful source of income.

35. Section 292(36) of the NYS Exec. Law defines lawful source of income by making explicit reference to the Section 8 program and similar rental subsidies.

> The term 'lawful source of income' shall include, but not be limited to, child support, alimony, foster care subsidies, income derived from social security, or any form of federal, state, or local public assistance or housing assistance including, but not limited to, **section 8 vouchers**, or any other form of housing assistance payment or credit whether or not such income or credit is paid or attributed directly to a landlord, and any other forms of lawful income. [Emphasis added].

36. Further, Section 296 (2-a)(a) of the NYS Exec. Law prohibits refusing to "sell, rent or lease or otherwise to deny or withhold from any person or group of person such housing accommodations because of…lawful source of income."

37. Any person claiming to be aggrieved by an unlawful discriminatory practice shall have a cause of action in any court of appropriate jurisdiction for damages, injunctive relief under Section 297(9) of NYS Exec. Law.

V. Certificates of Occupancy & Multiple Dwelling Law §§ 301 & 302

38. For an owner in New York City to rent any residential dwelling unit, the property must have a valid Certificate of Occupancy ("CO") pursuant to NYC Admin Code §§ -118.1 -28-118.15.

39. An owner must obtain a CO because it certifies that a residential building is fit for human habitation, including certifying the safety and completion of major building systems, including: completion of construction, plumbing, elevator (if applicable), and electrical systems.[5]

40. As already described, once an apartment has been designated for lease by a Section 8 participant, it must pass both an initial and an annual Housing Quality Standards ("HQS") inspection. (24 CFR § 982.405).

[5] https://www.nyc.gov/site/buildings/property-or-business-owner/certificate-of-occupancy.page (Retrieved February 6, 2023).

41. A rental apartment in a building without a valid CO cannot pass the HQS inspection because operating a building without a CO is a Class "1" Department of Building ("DOB") violation. This violation is characterized as "altered/changed building occupied without a valid certificate of occupancy as per §§ 28-188.31-28-118.32 of the NYC Admin. Code, and results in an automatic HQS failure.

42. It is unequivocally illegal for an owner to rent units in a building without a CO as per Multiple Dwelling Law ("MDL") § 301(2).

43. Further, MDL § 302 makes it illegal to collect rent from tenants if an owner lacks a valid CO for the premises in question.

44. Because a NYCHA HAP contract requires NYCHA to pay the owner directly, NYCHA also cannot process a rental in a building without a valid CO due to the prohibitions outlined in MDL § 302.

FACTS

Plaintiff Safe Horizon, Inc.

45. Plaintiff Safe Horizon, Inc. ("Safe Horizon") is a non-profit organization that serves under resourced and vulnerable New Yorkers, including those who are unsheltered, unstably housed, or homeless due to violence stemming with abuse, domestic violence, and racism.[6] Safe Horizon's Streework Project serves homeless, unsheltered, and unstably housed youth through the age of 25 by offering a variety of services, including counseling, access to public benefits, food items, hygiene items, clothing, legal assistance, housing & shelter advocacy, and other basic needs.

46. Streetwork Project assists homeless clients in crisis by offering two "drop-in" centers where youth receive emergency support—one on the Lower East Side and one in Harlem. Drop-in centers offer food, showers, metro cards, personal hygiene items, clothes, space to rest, and other essential items. Housing Navigators also staff drop-in centers to assist clients in locating housing opportunities and moving through the housing application process.

47. Plaintiff Safe Horizon also runs a crisis shelter for touth in Manhattan.

48. Between 2021 and 2022, Safe Horizon's Streetwork Project helped nearly 300 of its clients apply for the EHV programs. To date, about half of their clients have received a Section 8 voucher through the EHV program. All of Plaintiff Safe Horizon's EHV clients have vouchers administered by Defendant NYCHA.

49. Plaintiff Safe Horizon employs Housing Navigators in their Streetwork Project who help clients locate, apply for, and view apartments. Once clients are accepted to an apartment, Housing Navigators help their clients do the paperwork necessary to complete the rental process. Plaintiff Safe Horizon also pays the application fee for clients who lack the funds to

[6] https://www.safehorizon.org/streetwork/ (retrieved February 6, 2023).

pay for background checks. This fee is typically $20 per application and some clients submit many applications.

50. Plaintiff Safe Horizon provides services to their homeless youth that require significant financial expenditures and staffing resources, including food, hygiene items, clothes, shelter, transportation funds, and apartment application fees.

3823 Carpenter Avenue

51. On or about November 17, 2022, Jiyoung Lee, a Housing Navigator at Plaintiff Safe Horizon's Streetwork Project, received an email from a local broker that 3823 Carpenter Avenue, Bronx, NY 10467 ("Subject Building") had eight (8) available studio apartments.

52. The premises known as 3823 Carpenter Avenue, Bronx, NY 10467 (or the "Subject Building") is a newly constructed multiple dwelling with, upon information and belief, at least 13 studio apartment units.[7]

53. The property on which the Subject Building sits was characterized as "Residential Vacant Land" in a Satisfaction of Mortgage recorded on ACRIS prepared on April 14, 2022.

54. As of early February 2023, the Subject Building was not registered on the NYC Department of Housing Preservation and Development ("HPD") website as a multiple dwelling.

55. Between approximately November 18, 2022 and December 6, 2022, Plaintiff Safe Horizon's Streetwork project helped 14 of its EHV clients apply to the Subject Building. On rental documents, the landlord listed the apartments for $2,179 per month.

56. On November 23, 2022 and December 9, 2022, Ms. Lee and some of her clients visited the Subject Building, along Landlord Defendants' real estate broker, Joseph Armato. As per Ms. Lee, the Subject Building was vacant and comprised entirely of studio apartments, all with similar layouts. Many of Ms. Lee's clients were excited to apply to a new building.

57. Several of Ms. Lee's clients had applied for apartments owned by other landlords with the same broker a few months before. For the clients who had not heard back on their prior applications, Ms. Lee requested that Mr. Armato transfer their application to the Subject Building. The names of the clients and their earliest application dates are list below:

	Date of Application	**Name** [8]
1	August 28, 2022	DW
2	October 8, 2022	Lauren Miller
3	November 18, 2022	Christopher Portalatin-Trinidad
4	November 23, 2022	Bvrulzin Bleu
5	November 23, 2022	TMC

[7] A news articles about the building suggest it may have 14 units but DOB permits for the premises show a total of 13 studio units. See, https://newyorkyimby.com/2020/05/permits-filed-for-3823-carpenter-avenue-in-olinville-the-bronx.html (retrieved February 6, 2023).

[8] To protect the confidentiality of non-parties, clients of Safe Horizon, who are not currently a party to this case, are being identified in this Complaint by initials only. Those clients names are also redacted from exhibits.

6	November 23, 2022	IH
7	November 23, 2022	KR
8	November 23, 2022	Cardy Bully
9	November 28, 2022	JP
10	November 28, 2022	MP
11	December 2, 2022	Austin Moore
11	December 2, 2022	SD
12	December 5, 2022	Arkira Pittman
13	December 7, 2022	AR

58. On December 8, 2022, Mr. Armato sent Ms. Lee an email that said the building was full but that the following clients had been accepted and assigned to units at the Subject Building as follows:

Unit	**Name**
2A	Bvrulzin Bleu
2B	IH
2C	KR
2D	Cardy Bully
3A	Lauren Miller
3B	Arkira Pittman
3D	JP
4B	Austin Moore
4D	SD

59. On or about December 15, 2022, Mr. Armato submitted Landlord Packets consisting of tenancy approval documents, lead paint disclosures, and a copy of a deed to NYCHA for two (2) of the Safe Horizon's clients, Plaintiffs Bleu and Pittman. The Landlord Packets were signed by Defendant Kalaj.

60. On December 21, 2022, Mr. Armato texted Ms. Lee saying that Landlord Defendants had some additional questions. Mr. Armato asked for updated information about which of Safe Horizon's clients had employment income in addition to Section 8 vouchers. He also asked about which clients had bank accounts. He asked Ms. Lee to send him more information about her working clients via email.

61. Ms. Lee promptly provided this additional information to Mr. Armato. Mr. Armato, however, did not respond to any communications regarding Safe Horizon's clients' additional proof of employment income.

62. On December 27, 2022, Mr. Armato called Ms. Lee to tell her the landlord had changed his mind about renting to her clients. However, he stated that Safe Horizon client, JP would still be accepted for unit 3D because JP had significant income. Mr. Armato apologized that he

could not convince the landlord to continue working with the eight (8) other EHV clients already accepted to the Subject Building.

63. Thereafter, Mr. Armato did not reply to text messages, emails or phone calls from Ms. Lee regarding any application to the Subject Building, including JP's application.

64. On or about January 11, 2023, Attorney Stephanie Rudolph from the Legal Aid Society called Mr. Armato and asked him about Landlord Defendants' alleged source of income discrimination against Plaintiff Safe Horizon's clients. Mr. Armato denied source of income discrimination but stated that he had learned the Subject Building had a "violation" and therefore the owner had not obtained a Certificate of Occupancy ("CO") or a Temporary CO. As a result, Mr. Armato believed NYCHA would not approve the rentals. Attorney Rudolph followed up with Mr. Armato, asking to speak with the landlord directly but did not hear back.

65. On or about January 13, 2023, Guillermo Patino, Deputy Commissioner of the NYC Department of Buildings, confirmed to NYCHA that the Subject Building did not have a Temporary CO or a CO and the Landlord Defendants had not yet applied for a CO.

66. Upon information and belief, Landlord Defendants are currently attempting to rent units at the Subject Building for $2,000 on Zillow.com. This is $179 cheaper than the rent Landlord Defendants intended to charge Safe Horizon's clients and Tenant Plaintiffs.

67. Upon information and belief, Landlord Defendants intend to rent the vacant units to people without housing vouchers in violation of MDL §§301 & 302.

68. Although some of the original 14 clients of Plaintiff Safe Horizon who submitted applications to the Subject Building have found alternative housing opportunities, Tenant Plaintiffs still need a place to live. Further, other clients of Safe Horizon want to move forward with already-submitted applications to the Subject Building and/or have the opportunity to apply to vacancies at the Subject Building.

FIRST CAUSE OF ACTION

New York City Human Rights Law
(NYC Admin. Code)§§ 8-107(a)(1)(a), 8-107 (a)(1)(b)

69. Plaintiffs restate and incorporate by reference the preceding paragraphs as if fully set forth herein.

70. Landlord Defendants are the owners of housing accommodations and/or have the right to approve the rental accommodations located in New York City as defined by Section 8-102(10) of the NYCHRL.

71. Tenant Plaintiffs qualify for the EHV program, a housing voucher that falls squarely under the protections of Section 8-102 of the NYCHRL. Specifically, Section 8-102(25) of the NYCHRL provides that "lawful source of income" includes income derived from "any form of federal, state or local public assistance or housing assistance including section 8 vouchers."

72. Landlord Defendants are refusing to rent to Tenant Plaintiffs on the basis of their lawful source of income in violation Section 8-107(5)(a)(1)(a) of the NYCHRL.

73. Further, Landlord Defendants are refusing to offer Tenant Plaintiffs the same terms and conditions of a lease as they would renters who rely solely on employment income in violation of 8-107(a)(1)(b) of the NYCHR.

74. Specifically, landlord Defendants first agreed to rent to Plaintiff Safe Horizon's clients for $2,179 each but are now listing units for $2,000 on Zillow.com. Upon information and belief, only clients with employment income will be offered leases for the studio units for $2,000.

75. Section 8-107(5)(a)(3) of the NYCHRL provides that it shall be "an unlawful discriminatory practice for the owner, lessor, lessee, sublessee, assignee, or managing agent of, or other person having the right to sell, rent or lease or approve the sale, rental or lease of a housing accommodation … or any agent or employee thereof … to declare, print or circulate or cause to be declared, printed or circulated any statement, advertisement or publication or to use any form of application for the . . . rental or lease of such housing accommodation . . . or to make any record or inquiry in conjunction with the prospective . . rental or lease of such a housing accommodation . . . which expresses, directly or indirectly, any limitation, specification, or discrimination as to . . . any lawful source of income . . . or any intent to make such limitation, specification or discrimination."

76. Landlord Defendants have violated Section 8-107(5)(a)(3) of the NYCHRL by refusing to rent to Plaintiffs and clients of Plaintiff Safe Horizons because they do not earn sufficient employment income to pay the rent without housing vouchers.

77. Tenant Plaintiffs have suffered harm as a result of Landlord Defendants' illegal actions. Accordingly, under the NYHCLR 8-102, et seq., Tenant Plaintiffs are entitled to: (i) a permanent injunction prohibiting Defendants from refusing to rent to Plaintiffs on the basis of their lawful source of income (ii) compensatory and emotional damages; (iii) costs and attorneys' fees; and (iv) any other relief this Court deems appropriate.

78. Plaintiff Safe Horizon is a "person aggrieved" as defined in the NYCHRL § 8-502, and has suffered damages as a direct and proximate result of Landlord Defendants' discriminatory conduct. Accordingly, under the NYCHRL §§ 8-502(a) and (f), Plaintiff Safe Horizon is entitled to actual damages, punitive damages, injunctive relief, and reasonable attorneys' fees and costs.

SECOND CAUSE OF ACTION

New York State Human Rights Law-New York Consolidated Laws Service, Executive Law ("NYS Exec. Law") § 290, et seq.

79. Plaintiffs restate and incorporate by reference the preceding paragraphs as if fully set forth herein.

80. Landlord Defendants are owners of housing accommodations and/or have the right to approve the rental accommodations located in New York State as defined by NYS Exec. Law § 292(10) as "any building, structure, or portion thereof which is used or occupied or is intended, arranged or designed to be used or occupied, as the home, residence, or sleeping place of one or more human beings."

81. NYS Exec. Law § 292(36) provides that "lawful source of income" includes "any form of federal, state, or local public assistance or housing assistance including, but not limited to, Section 8 vouchers.

82. NYS Exec. Law § 296(5)(a)(1) provides that it shall be "an unlawful discriminatory practice for the owner, lessee, sub-lessee, assignee, or managing agent of, or other person having the right to sell, rent or lease a housing accommodation … or any agent or employee thereof … to refuse to sell, rent, lease or otherwise to deny to or withhold from any person or group of persons such a housing accommodation because of . . . lawful source of income. . . ."

83. NYS Exec. Law § 296(5)(a)(2) provides that it shall be "an unlawful discriminatory practice for the owner, lessee, sub-lessee, assignee, or managing agent of, or other person having the right to sell, rent or lease a housing accommodation … or any agent or employee thereof … to discriminate against any person because of . . . lawful source of income. . . in the terms, conditions or privileges of the . . . rental or lease of any such housing accommodation or in the furnishing of facilities or services in connection therewith."

84. NYS Exec. Law § 296(5)(a)(3) provides that it shall be "an unlawful discriminatory practice for the owner, lessee, sub-lessee, assignee, or managing agent of, or other person having the right to sell, rent or lease a housing accommodation … or any agent or employee thereof … to print or circulate or cause to be printed or circulated any statement, advertisement or publication, or to use any form of application for the purchase, rental or lease of such housing accommodation or to make any record or inquiry in connection with the prospective purchase, rental or lease of such a housing accommodation which expresses, directly or indirectly, any limitation, specification or discrimination as to . . . lawful source of income . . or any intent to make any such limitation, specification or discrimination."

85. Landlord Defendants violated NYS Exec. Law § 296 by engaging in the behaviors prohibited conducted, including but not limited to making discriminatory statements and/or adopting policies that deny or withhold apartments for rent because of source of income.

86. Plaintiff Safe Horizon is a "person" pursuant to NYS Exec. Law§ 292(1) and has suffered damages as a direct and proximate result of Defendants' discriminatory conduct.

87. Accordingly, under NYS Exec. Law § 297(7), Plaintiff Safe Horizon is entitled to actual damages, punitive damages, injunctive relief, and reasonable attorneys' fees and costs

88. Tenant Plaintiffs have been denied housing on the basis of their participation in the EHV program. Tenant Plaintiffs have suffered injury as a result of Landlord Defendants' illegal actions.

89. Accordingly, under NYS Exec. Law § 297(7), Tenant Plaintiffs are entitled to: (i) a permanent injunction prohibiting Defendants from discriminating against them on the basis of their lawful source of income (ii) actual and punitive damages; (iii) costs and attorneys' fees and(iv) any other relief this Court deems appropriate.

THIRD CAUSE OF ACTION

Disparate impact discrimination § 8-107(17) of the NYCHRL and NY Exec. Law § 290 et seq.

90. Plaintiffs restate and incorporate by reference the preceding paragraphs as if fully set forth herein.

91. Section 8-107(17) of the NYCHRL prohibits a policy or practice by a housing provider that has a detriment to any protected class.

92. The New York State Exec. Law *§* 290 *et. seq* also prohibits policies or practices that have a negative discriminatory impact on members of a protected class.

93. Landlord Defendants' apparent practice and policy of renting apartment units prior to having obtained Certificate of Occupancy and/or a temporary Certificate of Occupancy ("CO") has a disparate impact on tenants who qualify for housing vouchers.

94. Specifically, NYCHA Section 8 and other similar housing programs cannot approve a rental for a building without a valid CO, thus excluding each and every Tenant Plaintiff, and every client of Plaintiff Safe Horizon who qualifies for the EHV program or similar voucher programs from renting an apartment at the Subject Building.

95. Plaintiff Safe Horizon is a "person aggrieved" as defined in the NYCHRL § 8-502, and has suffered damages as a direct and proximate result of Defendant's discriminatory conduct.

96. Accordingly, under the NYCHRL §§ 8-502(a) and (f) and the NYS Exec. Law § 296, Plaintiff Safe Horizon and Tenant Plaintiffs are entitled to actual damages, punitive damages, injunctive relief, and reasonable attorneys' fees and costs.

FOURTH CAUSE OF ACTION

Tolling the Expiration of Section 8 Vouchers

97. Plaintiffs restate and incorporate by reference the preceding paragraphs as if fully set forth herein.

98. Equity requires that the expiration of Tenant Plaintiffs' Section 8 vouchers be tolled pending resolution of this action.

FIFTH CAUSE OF ACTION PURSUANT

General Business Law ("GBL") § 350

99. Plaintiffs repeat and reallege each and every allegation set forth above.

100. Landlord Defendants enjoy a disparity of bargaining power over the Plaintiffs.

101. Landlord-Defendants have engaged, and continue to engage, in conduct that is consumer-oriented and has a broad impact on and is directed at consumers at large.

102. Landlord Defendants have engaged in deceptive business practices and false advertising, in violation of General Business Law § 350, by marketing and advertising its apartments to the general public as ready for rental; by entering into rental agreements with Plaintiffs providing that the units are ready for rental; by refusing to continue Plaintiffs' tenancy on the same terms and conditions as were initially provided to them; and by now attempting to rent apartments to employed renters in contravention of the Multiple Dwelling Law §§ 301-302 which prohibits renting a residential dwelling unit without a valid CO and requires Defendant Landlords to obtain a CO in order to collect rent for a residential rental unit.

103. Upon information and belief, Landlord Defendants have engaged, and continue to engage, in this conduct willfully and knowingly.

104. The false advertising and business practices described above were and are unfair, objectively unreasonable and unduly excessive, and constitute deceptive acts or practice in the conduct of a business, trade or commerce in the furnishing of a service in this state. As a result of the foregoing false advertising and deceptive business practices, Plaintiffs have incurred monetary damages related to being unstably housed or homeless.

105. Plaintiffs are also entitled to injunctive relief, directing Landlord Defendants to cease these deceptive business practices.

106. Plaintiffs are also entitled to recover their reasonable attorneys' fees pursuant to General Business Law § 350 in an amount to be determined by the trier of fact.

REQUEST FOR RELIEF

WHEREFORE, Plaintiff hereby demands judgment:

a. Declaring that the refusal of the Landlord Defendants to accept Section 8 benefits on Plaintiffs behalf violates Section 8-107 of the NYCHRL and NYS Exe. Law § 296;

b. Declaring that Landlord Defendants have violated General Business Law § 350.

c. Granting a permanent injunction, directing Landlord Defendants to:

   i. Move forward with the applications of all Tenant Plaintiffs already accepted to the Subject Building;

   ii. Review all 14 applications that Plaintiff Safe Horizon submitted to the Subject Building and offer studio apartments to any of Plaintiff Safe Horizon's clients who qualify;

iii. Allow any similarly situated client of Plaintiff Safe Horizon, with the EHV program or a similar housing subsidy, to have the opportunity to apply to the Subject Building;

iv. Enter into a HAP contract with NYCHA and accept and continue to accept Section 8 benefits on behalf of Tenant Plaintiffs and/or other qualified clients of Plaintiff Safe Horizon.

d. Awarding compensatory and punitive damages not less than $50,000 per Plaintiff;

e. Granting an injunction, tolling the expiration of Tenant Plaintiffs EHV Section 8 vouchers until such time as the Landlord Defendants can execute a HAP contract with NYCHA on behalf of Tenant Plaintiffs; and

f. Granting costs, disbursements, reasonable attorneys' fees, and such other and further relief as this Court deems just and proper.

Date: February 6, 2023
New York, NY

The New York Legal Aid Society
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