### SUPREME COURT OF THE STATE OF NEW YORK COUNTY OF NEW YORK

GEORGE WEAVER, VERA NASEVA, CARMEN HERNANDEZ, and LOUIS FLORES, each on their own behalf and collectively on behalf of all others similarly-situated,

Petitioners-Plaintiffs,

- against -

THE NEW YORK CITY HOUSING AUTHORITY ; GREGORY RUSS, Chair and CEO ; THE CITY OF NEW YORK ; and ERIC ADAMS, Mayor of the City of New York, as successor to BILL DE BLASIO,

Respondents-Defendants.

REOEWED JAN 1 1 2022 NYS SUPREME COURT - CIVIL GENERAL CLERK'S OFFICE

**INDEX NO. 101181-2021** (Frank, J.)

AMENDED & RESTATED VERIFIED ARTICLE 78 & DECLARATORY JUDGMENT PETITION-COMPLAINT

Petitioners-Plaintiffs George Weaver ("Weaver"), Vera Naseva ("Naseva"),

Carmen Hernandez ("Hernandez"), and Louis Flores ("Flores"), each on their own behalf and collectively on behalf of all others similarly-situated, for their verified Amended & Restated Petition-Complaint, pursuant to Article 78 of the Civil Practice Law and Rules ("CPLR"), and CPLR § 3001 and § 6301, against Respondents-Defendants the New York City Housing Authority ("NYCHA"), Gregory Russ ("Russ"), Chair and CEO of NYCHA, the City of New York (the "City"), and Eric Adams, Mayor of the City of New York ("Adams" or the "Mayor"), (hereinafter collectively, the "Respondents") allege in this hybrid Article 78 and plenary action as follows:

#### PRELIMINARY STATEMENT

1. Petitioners-Plaintiffs Weaver, Naseva, Hernandez, and Flores bring this action to ensure full compliance with the New York State Public Housing Law ("PHL") and

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New York City's Uniform Land Use Review Procedure (the "ULURP Process"), and transparent and full-throated community input into the plan or project to bring the Rental Assistance Demonstration ("RAD") or Permanent Affordability Commitment Together ("PACT") schemes of the U.S. Department of Housing and Urban Development ("HUD") to Fulton Houses, Elliott Houses, Chelsea Houses, and the Chelsea Addition under the Mayor's plans for NYCHA.

2. This Amended & Restated Verified Article 78 & Declaratory Judgement Petition-Complaint amends and restates the Petition, dated 15 October 2021 and filed by Petitioners to commence this action, in its entirety.

3. RAD was created under the Obama administration to give public housing authorities, like NYCHA, a "powerful tool to preserve and improve public housing properties" and pay for the "backlog of deferred maintenance" from decades of federal divestment of public housing. RAD is financed, in part, with Section 8 rental assistance vouchers paid for by the federal government.

4. Due, in part, to continued neglect by the Respondents, the value of NYCHA's unfunded backlog of capital repairs grew from approximately under \$20 billion to over \$40 billion during the administration of the predecessor mayor, Bill de Blasio ("de Blasio").

5. PACT was de Blasio's local implementation of RAD. Like RAD, PACT is financed, in part, with Section 8 rental assistance vouchers paid for by the federal government.

6. This matter arises out of NYCHA's decision, with Co-Respondent Adams's support, to bring in private sector management at Fulton Houses, Elliott Houses, Chelsea

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Houses, and the Chelsea Addition public housing developments of NYCHA in the Chelsea neighbourhood of Manhattan under RAD/PACT conversions. At the time Petitioners began this action, the Mayor had not yet announced who won the Request for Proposal ("RFP") for the RAD/PACT conversion.

7. The RAD/PACT conversion involves the disposition of real property (the NYCHA public housing developments at Fulton Houses, Elliott Houses, Chelsea Houses, and the Chelsea Addition). Under the Mayor's RAD/PACT conversions of NYCHA public housing, first begun under the de Blasio administration, private developers will receive long-term leases of real property in exchange for collecting rents from residents and paying for the long-ignored repairs to the leased public housing. Several thousand public housing apartments have been converted under RAD/PACT conversions and, in the process, Respondents have ignored and violated the PHL and the ULURP Process.

8. The RAD/PACT conversion for Fulton Houses, Elliott Houses, Chelsea Houses, and the Chelsea Addition has been planned since at least 2019, and an RFP for the conversion was issued on 23 April 2021 with responses due by 11 August 2021.

9. The authority, process, and documentation by which the RFP was issued was not made public, and the only documentation Petitioners possess is a press release issued by Respondents. *See* Exhibit A.

10. This RAD/PACT conversion is part of the Mayor's initiative to privatize the management of NYCHA public housing and thereby raise needed revenue for at least some, but not all, repairs to public housing.

11. The City intends to sell, lease, or convey real property, unused real estate development rights ("air rights"), parking spaces, community gardens, playgrounds, and

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other open or green spaces, including for infill development on real property that has been previously the exclusive use of public housing residents, who live in New York City.

12. NYCHA's and the Mayor's decisions to allow private real estate developers to gain control of Fulton Houses, Elliott Houses, Chelsea Houses, and the Chelsea Addition will cause the loss of the last vestiges of deeply-affordable public housing in the gentrified neighbourhood of Chelsea and will injure the Plaintiffs-Petitioners and all others similarly-situated.

13. Shortly after de Blasio announced that Fulton Houses would face the possibility of demolition to facilitate the construction of towers of new rental apartments as part of a RAD/PACT conversion,<sup>1</sup>/ Petitioners raised objections.<sup>2</sup>/ Collectively, Petitioners rejected the terms of the RAD/PACT conversion. Unfortunately, despite such community opposition, Respondents continue to illegally circumvent the PHL and the ULURP Process, to the detriment of the communities they are tasked with serving.

14. Co-Respondents NYCHA and Russ have refused to subject the project to the ULURP Process, even though Section 150 of the PHL and the New York City Charter (the "City Charter") mandate that the RAD/PACT conversion of Fulton Houses, Elliott Houses, Chelsea Houses, and the Chelsea Addition (and the RAD/PACT conversions before it, and after) be completed following consultation and advice from the community, including the City Planning Commission ("CPC"), the New York City Council, the Borough President, and the local Community Board.

<sup>1/</sup> See Sally Goldenberg, City considers demolishing and rebuilding 2 NYCHA sites, POLITICO New York (21 April 2019), https://www.politico.com/states/new-york/city-hall/story/2019/04/21/cityconsiders-demolishing-and-rebuilding-2-nycha-sites-982098.

<sup>2/</sup> See Spectrum News Staff, NYCHA Tenants Rally to Save Robert Fulton Houses, NY1 (04 May 2019), https://www.ny1.com/nyc/all-boroughs/news/2019/05/04/nycha-tenants-rally-to-save-robertfulton-houses.

15. NYCHA real property has been allowed to deteriorate to the point of serious neglect. The repairs now needed include new roofs, elevators, windows, boilers, electrical and plumbing work, and remediation of toxins and poisons, such as mold, lead paint, and possibly lead plumbing and/or lead plumbing fixtures.

16. NYCHA is the City's largest residential landlord. Its state of disrepair is notorious. Such comprehensive repairs for NYCHA's very large portfolio of public housing apartment buildings are tantamount to urban renewal projects in scope and value.

17. Pursuant to the PHL, the RAD/PACT conversion of Fulton Houses, Elliott Houses, Chelsea Houses, and the Chelsea Addition constitutes a plan or project in respect of public housing, making the RAD/PACT conversion subject to public hearing, local planning commission review, and approval by the local legislative body. PHL § 150.

18. In addition to or alternatively, because RAD/PACT conversions are financed, in part, with Section 8 rental assistance vouchers paid for by the federal government, RAD/PACT conversions qualify as a "federal project," as defined by the PHL. PHL § 150.

19. The City Charter provides the ULURP Process for formal review and comment and allows recommendations by the community, the CPC, the New York City Council, the Borough President, and the local Community Board for a "plan" or "project" of public housing and for federal projects that are financed, in whole or in part, by the federal Government. City Charter § 197-c.

20. In addition to or alternatively, the sale, lease (other than the lease of office space), exchange, or other disposition of the real property of the City also subjects plans or projects to the ULURP Process. City Charter § 197-c (a)(10). The subject properties should

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be deemed city properties for this purpose, particularly since the Mayor alone selects the Chair and CEO and the entire Board of Directors of NYCHA and, as such, controls disposition and use of NYCHA properties. By controlling the leaders of NYCHA, the Mayor also sets the authority's agenda. Furthermore, the real property of NYCHA also serves to provide low-cost housing exclusively to New York City residents, over whom the Mayor is elected to serve.

21. In addition to or alternatively, because of the state of disrepair of NYCHA real property, the RAD/PACT conversions of public housing also constitutes a form of urban renewal, according to the City Charter. The City Charter provides the ULURP Process for formal review and comment and allows recommendations by the community, the CPC, the New York City Council, the Borough President, and the local Community Board for "urban renewal plans and projects pursuant to city, state and federal housing laws." City Charter § 197-c (a)(8).

22. Local legislative approval through the ULURP Process is required. Under controlling New York Court of Appeals case law, any essential or significant modification to a public housing "plan" or "project," including modifications to public housing developments that affect their "essence," requires approval under Section 150.

23. Demolishing or proposing the construction of towers of new rental apartments and threatening to remove open or green spaces used by public housing residents certainly contemplates changing the "essence" of Fulton Houses, Elliott Houses, Chelsea Houses, and the Chelsea Addition.

24. When Respondents threatened an infill project at the NYCHA public housing development at Holmes Tower in the Upper East Side, Borough President Gale

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Brewer (D-Manhattan) sued to stop that project, because the Respondents did not subject zoning changes to go through the ULURP Process.

25. In this instance, Petitioners-Petitioners, the Chelsea neighbourhood, and the general public have no idea what changes the private sector landlords will seek once they take over management of Fulton Houses, Elliott Houses, Chelsea Houses, and the Chelsea Addition.

26. Respondents have approved the RAD/PACT conversion of Fulton Houses, Elliott Houses, Chelsea Houses, and the Chelsea Addition.

27. By issuing an RFP and subjecting the City of New York and NYCHA to the obligations of transaction documents that propose to dispose of City real property, Respondents have attempted to improperly and irrevocably evade the ULURP Process.

28. Petitioners-Plaintiffs bring this action to require Respondents to permit the genuine community planning process pursuant to the ULURP Process, allowing review by the CPC, the Community Board, the general public, the Borough President, and a vote by the entire New York City Council.

### **PARTIES**

29. Weaver is a tenant of Fulton Houses, a NYCHA public housing complex located in Manhattan that is slated for RAD/PACT conversion.

30. Naseva is a tenant of Chelsea Houses, a NYCHA public housing complex located in Manhattan that is slated for RAD/PACT conversion.

31. Hernandez is a tenant of a NYCHA public housing complex known as 1471Watson Avenue, which is located in the Bronx and which has not yet been knowingly slated

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for RAD/PACT conversion. A woman of God, Hernandez is the president of the resident council of 1471 Watson Avenue.

32. In 2018, Flores was evicted from his apartment. Since then, he has been unable to afford his own apartment. In late October 2019, Flores mailed documents to NYCHA to apply to live in public housing. Since that time, he remains on the NYCHA waiting list.

33. Co-Respondent NYCHA is the largest public housing authority in the United States, operating 326 developments, consisting of 2,462 residential buildings with approximately 175,000 apartments, located throughout New York City.

34. Co-Respondent NYCHA's operating budget for public housing is about \$2.3 billion, roughly \$900 million of which are public housing funds provided by HUD.

35. HUD provides NYCHA more than \$300 million per year in capital funding.

36. The number of NYCHA residents ranges between 400,000 and 600,000, and approximately 90% of NYCHA's residents are people of colour, who, at all relevant times, have been, are, and are reasonably expected to be disproportionately affected by the conversions now being proposed without compliance with municipal law.

37. Co-Respondent Russ is the Chair and CEO of NYCHA. Upon information and belief, Russ is responsible for the actions of NYCHA that are being challenged in this action.

38. Co-Respondent the City of New York (or the "City") is a Municipal corporation organized and existing under the laws of the State of New York.

39. Co-Respondent Mayor of the City of New York is responsible for exercising authority, *inter alia*, to issue "overrides" of the New York City Zoning Resolution and to set

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policy that approves of plans for the disposition, and real estate development, of irreplaceable public housing assets. The Mayor's predecessor, de Blasio, was responsible for forming the Mayor's NYCHA Working Group that is in violation of the law.

#### JURISDICTION AND VENUE

40. This Court has jurisdiction pursuant to CPLR § 3001.

41. This Court also has jurisdiction pursuant to CPLR §§ 7801-7806, to review Actions by bodies or officers who have failed to perform a duty required of them by law and who have made a determination in violation of lawful procedure.

42. Venue is properly in New York County pursuant to CPLR §§ 504(3) & 506(b), because claims are asserted against a City agency and officer for actions taken in New York County and because the agency's and officer's principal offices are in New York County.

### **FACTS**

### I. BACKGROUND

### A. The Fulton Houses NYCHA Public Housing Development

43. The Robert Fulton Houses is a NYCHA public housing project located in the Chelsea neighbourhood of Manhattan.

44. Fulton Houses, consisting of 945 apartments, is located between West16th and 19th Streets and is bounded by Ninth and Tenth Avenues.

45. Completed in 1965, the complex features three towers with the height of 25 stories and another eight apartment buildings of 6 stories high, each.

### B. The Elliott Houses NYCHA Public Housing Development

46. Completed in 1947, the John Lovejoy Elliott Houses has four 11- and 12story public housing apartment buildings, which accommodate over 1,400 residents in approximately 589 apartments.

## C. The Chelsea Houses NYCHA Public Housing Development

47. Completed in 1964, Chelsea Houses contains more than 1,000 residents in approximately 426 apartments within two 21-story public housing apartment buildings, though each building may have more than one street address.

## D. The Chelsea Addition

48. The Chelsea Addition is sandwiched between two Elliott Houses towers. Elliott Houses, Chelsea Houses, and the Chelsea Addition are often collectively referred to as "Elliott-Chelsea."

### E. 1471 Watson Avenue

49. 1471 Watson Avenue is a public housing development owned and operated by NYCHA, which has 96 units and has more than one street address. This development is managed by the Sotomayor Houses.

# F. The NYCHA Waiting List

50. An estimated 160,000 individuals are on the NYCHA waiting list. $\frac{3}{2}$ 

51. NYCHA considers new residents by interviewing applicants on the waiting list to determine eligibility.

<sup>&</sup>lt;u>3</u>/

See Rachel Holliday Smith, What Is NYCHA? Your Questions Answered About New York City Public Housing, The City (22 Feb. 2021), https://www.thecity.nyc/2021/2/22/22296354/what-is-nycha-your-questions-answered-about-new-york-city-public-housing.

#### G. The ULURP Process

52. In 1975, the City of New York adopted ULURP to democratize land-use decision-making and move away from the previous model of top-down planning.

53. The ULURP Process provides certainty in the land-use review process by establishing a predictable timetable and a single procedure for the review of certain actions. ULURP also provides a more transparent process and a vehicle for at least some public participation in the City's significant land-use decisions. It defines a role in the process for the Community Boards, the Borough Boards, the Borough Presidents, the CPC, the New York City Council, and the Mayor.

54. Under ULURP, it is expected that when there is public input, there should be public benefit.

### H. The Mayor's Schemes to Privatize Public Housing

55. In 2015, de Blasio in his capacity as the mayor-then and NYCHA announced a long-term strategic plan called NextGeneration NYCHA to "change how NYCHA is funded, operates, rebuilds and engages with residents."<sup>4</sup>/

56. At the forefront of the NextGeneration NYCHA plan is NextGen Neighborhoods, NYCHA's program for infill developments that was slated to bring in a projected \$300 to \$600 million over the next decade to meet the increasing capital needs at NYCHA developments.

57. The NextGeneration NYCHA plan set forth specific goals and strategies. The third goal of the plan is to "(Re)build, expand and preserve public and affordable

<u>4</u>/

https://wwwl.nyc.gov/assets/nycha/downloads/pdf/nextgen-nycha-web.pdf at 3.

housing stock," and strategy number 10 for achieving this goal is to "provide underutilized NYCHA-owned land to support the creation of affordable housing units."<sup>5/</sup>

58. The NextGeneration NYCHA plan states that "NYCHA's large land holdings across the five boroughs contain value. The potential value of underutilized land, such as parking lots and trash areas, can be harnessed to reinvest into existing NYCHA housing and bring properties back to a state of good repair, or assist NYCHA with operating deficits. The sites could also provide an opportunity for market-rate units to cross-subsidize affordable housing units on the site. NYCHA could generate revenue from its existing holdings while providing additional affordable housing units."<sup>6/</sup>

59. The plan envisions the development of a limited number of vacant parcels within NYCHA developments that have significant market value and can be developed with projects that are 50% affordable and 50% market rate.

60. After NYCHA settled the federal investigation into the physical condition standards, including the fraud committed in the submission of lead paint certifications, de Blasio revamped the NextGeneration NYCHA plan into NYCHA 2.0.

61. Launched in December 2018, NYCHA 2.0 has evolved to affect an unlawful end to Section 9 public housing apartments through RAD/PACT conversions and the wholesale transfer of non-RAD/PACT apartments into a special purpose entity to facilitate a wholesale conversion of public housing into an expansion in the use of Section 8 rental assistance vouchers without public input or approval through any robust process, much less the ULURP Process.

5/https://wwwl.nyc.gov/assets/nycha/downloads/pdf/nextgen-nycha-web.pdf at 83.

<sup>&</sup>lt;u>6</u>/ Supra at 83-84.

62. Three important parts of NYCHA 2.0 are PACT to Preserve (disposing of City real property to private real estate developers through RAD/PACT conversions), Build to Preserve (approving infill development, like at Fulton Houses and Elliott-Chelsea), and Transfer to Preserve (negotiating the sale of air rights)—all by unlawful means, namely, outside of the ULURP Process.

### I. Current Proposal: The Fulton-Elliott-Chelsea Bundle

63. To dispose of all of the NYCHA public housing available in the Chelsea neighbourhood of Manhattan, de Blasio bundled Fulton Houses with Elliott-Chelsea.

64. To fabricate public consent, de Blasio empaneled or appointed a Mayor's Working Group (a/k/a the "Mayor's NYCHA Working Group" or the "Chelsea Working Group") as an inferior and unlawful substitute for the ULURP Process.

65. At the conclusion of this charade, the Mayor's Working Group adopted recommendations for the construction of infill development in 16 or 17 sites on the campuses of Fulton Houses and Elliott-Chelsea, providing an estimated value of just \$98 million to NYCHA.<sup>7/</sup>

66. This pales in comparison with the unaudited estimate of \$366 million in capital improvements needed by Fulton Houses and Elliott-Chelsea.<sup>8</sup>/

67. Without any written guarantees, the Mayor's Working Group has nominally promised that the RAD/PACT conversion "would provide approximately \$263M, or 72% of the total project funds."<sup>9</sup>/

<sup>&</sup>lt;sup>1</sup>/ https://www1.nyc.gov/assets/nycha/downloads/pdf/Chelsea-NYCHA-WG-Report-Final.pdf at 76.

<sup>&</sup>lt;u>8/</u> Supra at 20.

<sup>&</sup>lt;u>9</u>/ Supra at 35.

68. It appears from the Final Report of the Mayor's Working Group that five (5) of the new infill development sites will be used to construct five (5) new 22-story apartment buildings, and one (1) site will be used to construct one (1) new 24-story apartment building. The remaining sites will be used to construct one- or two-story structures.<sup>10/</sup>

69. Following the rubber-stamping of the Mayor's Working Group recommendations, Respondents arranged for the issuance of an RFP.

70. Details about the RFP has not knowingly been made public, of course, except that NYCHA has indicated that its Real Estate Development Department anticipates selecting partners by the end of 2021. As a result, the future of public housing in Chelsea is at stake and faces imminent elimination

71. During RAD/PACT conversions, NYCHA generally represents that it will continue to own the NYCHA land and existing buildings, but the buildings would be ground-leased to private real estate developers.

72. On information and belief, at a minimum, such a disposition of City real property is expected to take place at Fulton Houses and Elliott-Chelsea.

73. And this disposition affects federal projects subject to Section 150 of thePHL.

74. During RAD/PACT conversions, NYCHA also generally represents that residents' rights will be protected.

75. However, on information and belief, that is rarely the case. In fact, at other RAD/PACT conversions, public housing tenants have been forced to sign new

<sup>&</sup>lt;u>10</u>/ Supra at 76.

residential apartment lease agreements, which contain terms and conditions that contravene their best interests.

76. NYCHA also treats residents of RAD/PACT conversions differently than it does NYCHA tenants in buildings it continues to manage and control, denying the former group protections afforded under the Revised Consent Decree in the *Baez* class action mold abatement case and other protections under the settlement agreement that terminated the federal investigation into the physical condition standards at NYCHA (the "Settlement Agreement").

77. For example, tenants of RAD/PACT conversions lose the protection of and benefit of oversight by the federal monitor appointed under the Settlement Agreement.

78. Petitioners-Plaintiffs expect that, likewise, current residents at Fulton Houses and Elliott-Chelsea will be forced to sign residential apartment lease agreements against their best interests and see an erosion of their tenants' rights by this RAD/PACT conversion.

79. During RAD/PACT conversions, a City Agency will sponsor an environmental study for the construction and repairs needed by a subject bundle of NYCHA public housing developments. That kind of environmental study is not formal and is usually not detailed, exhaustive, or made public until just before NYCHA applies for the release of federal funds to close on the transaction documents to fund the RAD/PACT conversion.

80. This process deprives Petitioners of information about the environmental issues involved in the large urban renewal projects being undertaken by Respondents, such as those contemplated for Fulton Houses and Elliott-Chelsea.

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81. As discovered by Borough President Gale Brewer (D-Manhattan) at the Holmes Tower infill project, the Mayor provides NYCHA with Mayoral Zoning Overrides to waive requirements of the New York City Zoning Resolution related to regulations as to height, setback, minimum distances between buildings, and open spaces.

82. On information and belief, Respondent Mayor will offer NYCHA Mayoral Zoning Overrides so that Respondents can unlawfully subvert the ULURP Process, once again.

83. It is not known how Respondents plan to meet some zoning requirements, such as regulations for the construction of new apartment buildings to be setback from the street as they get taller.

84. This requirement protects access to light and air on public streets and sidewalks.

85. On information and belief, the six (6) new 22- or 24-story apartment buildings contemplated by the RAD/PACT conversion of Fulton Houses and Elliott-Chelsea may be noncompliant with the setback required by City zoning laws.

86. Not once in the report of recommendations issued by the Mayor's Working Group do Respondents offer to submit any of the planned construction projects or changes to the essence of the campuses at Fulton Houses or Elliott-Chelsea for proper zoning approval provided under the ULURP Process.

87. In fact, although Respondents are well-versed in the law as to the ULURP Process, Respondents treat it as if it is discretionary. "The [Mayor's] Working Group ultimately opted not to recommend ULURP in this instance."11/

<sup>&</sup>lt;u>11</u>/ Supra at 24.

88. Respondents are admitting that they are violating the ULURP Process.

89. Besides the RAD/PACT conversion and the infill development, the Mayor's plans for Fulton Houses and Elliott-Chelsea include the possibility of the sale of air rights, which the Mayor's Working Group refers to as the "Transfer of Development Rights."<sup>12</sup>/ This is a disposition of public property and must also be subjected to ULURP.

90. Although some public officials and public bodies participated in the proceedings of the Mayor's Working Group, those proceedings were kept secret, not open to the public, and one Petitioner-Plaintiff, Flores, was threatened with arrest if he did not leave the first such meeting of the Mayor's Working Group.<sup>13</sup>/

91. Because no amount of work-around or attendance can legally replace the ULURP Process, the entire proceedings of the Mayor's Working Group were tantamount to an express attempt at fabricating an inferior replacement for, and an unlawful subversion of, the ULURP Process.

### J. The Lack of Oversight Leads to Abuse and Corruption

92. Advocates for democratization of land use decisions can sometimes be critical of the ULURP Process. However, the ULURP Process is the law. It is not discretionary in its application, especially when its requirement is specified in State Law.

<sup>&</sup>lt;u>12</u>/ Supra at 23.

<sup>13/</sup> See Progress New York, NYPD threaten Fight For NYCHA member with arrest at Bill de Blasio's NYCHA Working Group, YouTube (25 Oct 2019), https://youtu.be/mbdON71IWew.

93. The City Charter was amended in 1975 to make the ULURP Process the law in the City of New York in "an attempt to further democratize land-use decision making. ..."<u>14</u>/

94. The City then established a process "to promote decision-making in the public interest and protect the environment. ..." *Supra*.

95. The environmental review is referred to as the City Environmental Quality Review ("CEQR") process. "Pursuant to state and local law, CEQR identifies any potential adverse environmental effects of proposed actions, assesses their significance, and proposes measures to eliminate or mitigate significant impacts."<sup>15</sup>/

96. No known CEQR process has been followed for the RAD/PACT conversion of Fulton Houses and Elliott-Chelsea.

97. The lack of a CEQR process is a violation of the ULURP Process.

98. The incorporation of the ULURP Process into the City Charter has raised expectations about why deliberating major changes to land-use should be made in a democratic way. "The real challenge for us is to create an environment of greater openness and public responsibility so that the public interest prevails over narrow interests." *Supra* at 19.

See New York City Charter Commission, Land Use and the New York City Charter, 4 (Aug. 10, 2010) (written statement of Tom Angotti, Prof., Hunter College/CUNY), http:// www.hunter.cuny.edu/ccpd/repository/files/charter report-angotti-2.pdf.

<sup>15/</sup>See NYC Planning, Environmental Review Process, City of New York,<br/>https://www1.nyc.gov/site/planning/applicants/environmental-review-process.page (last visited<br/>06 Jan. 2022).

99. The decisions made by Respondents did not permit the wider-public to become involved in the land-use decision making that will lead to the RAD/PACT conversions of Fulton Houses and Elliott-Chelsea, as would have happened had this RAD/PACT conversion been put through the ULURP Process.

100. As a result of the manner in which Respondents have disposed of public housing assets at Fulton Houses and Elliott-Chelsea, the public interest did not prevail over narrow interests.

101. Previously unbeknownst to Petitioners, Respondents made a determination to issue an approval for the RAD/PACT conversion for Fulton Houses and Elliott-Chelsea.

102. Shortly after Petitioners commenced this action, Respondents awarded the RAD/PACT conversion of Fulton Houses and Elliott-Chelsea to Essence Development and the Related Companies (collectively, the "RAD/PACT Landlord"). *See* Exhibit B.

103. It is plainly obvious that Respondents have to make material misrepresentations in proceedings before this Court about the disposition of public housing assets in order to hide their violations of the laws.

104. Consequently, the approval of the development plans for public housing that receives Federal funding will benefit the narrow interests selected by Respondents.

105. The founder of the Related Companies is Stephen Ross ("Ross").

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106. Ross was one of the billionaire supporters of former President Donald Trump's White nationalist agenda.

107. In 2021, the Related Companies became embroiled in litigation over the use of "poor doors" for residents of apartments designated as "affordable housing" within the luxury complex known as Hudson Yards. The use of "poor doors" allegedly seeks to discriminate against low-income tenants by forcing them to use separate entrances from high-income tenants, in effect leading to segregation.<sup>16</sup>/

108. Since up to 90 per cent. or more of Respondent NYCHA's residents are racial and ethnic minorities, the selection of the Related Companies as a RAD/PACT landlord will unacceptably put the fate of minority tenants under the control of Ross and his alleged prejudices.

109. Respondents have held up their model of RAD/PACT conversions as Ocean Bay Apartments in Far Rockaway, Queens.<sup>17/</sup>

110. But the RAD/PACT conversion of Ocean Bay Apartments led to the eviction of 80 households in the time following the conversion.<sup>18</sup>/

111. Section 9 public housing residents pay a maximum of 30 per cent. of their income in rent.

<sup>16/</sup>See Kathryn Brenzel, Lawsuit claims 15 Hudson Yards discriminates with "poor doors," The Real Deal<br/>(22 July 2021), https://therealdeal.com/2021/07/22/lawsuit-claims-15-hudson-yards-<br/>discriminates-with-poor-doors/.

<sup>17/</sup> See, e.g., NYCHA, NYCHA 2.0: The Success of Ocean Bay Apartments, YouTube (10 July 2019), https://youtu.be/h4cD-Viqx7k.

<sup>18/</sup> See Harry DiPrinzio, Hundreds of NYCHA Evictions Raise Questions About Process, City Limits (14 August 2019), https://citylimits.org/2019/08/14/nycha-evicitons-rad-oceanbay/.

112. RAD/PACT conversions move tenants against their will to Section 8.

113. In New York City, Section 8 residents can be asked to pay up to 40% of their income in rent. *See* Exhibit C (noting that, "Generally, families will pay no more than 40 percent of their adjusted monthly income toward their rent share.").

114. Respondents have at times asked NYCHA residents to sign RAD/PACT residential apartment lease agreements that are not in their best economic interests, including at Warren Street Houses in Brooklyn, where residents were forced to sign new residential leases following their RAD/PACT conversion that made them accept the conditions of their apartments "as is," a dangerous legal situation should the residents ever need to sue their RAD/PACT landlord for unsafe living conditions.

115. After RAD/PACT conversions withdraw tenants from the Section 9 public housing program, the tenants become holders of Project-Based, Section 8 rental assistance vouchers that are not transferrable to other housing developments or landlords, public or private.

116. Should RAD/PACT residents lose their leases, for example through evictions following RAD/PACT conversions, they also lose their rental assistance.

117. Respondents have not been transparent about what happens to families, who are evicted following RAD/PACT conversions.

118. Respondents have never demonstrated transparency about RAD/PACT conversions and have turned to closed-door meetings, mayoral waivers,

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and opaque bidding processes that prevent transparency from bringing scrutiny to the risks and dangers facing public housing residents and the future of City's irreplaceable public housing stock.

119. Past land-use decision making made by Respondents were not transparent and also did not involve the wider public.

120. The meetings that were held to manufacture consent for the RAD/PACT conversion of Fulton Houses and Elliott-Chelsea were not open to the public, and at times Petitioners were locked out of such meetings and, in at lease two occasions, were threatened with possible arrest if some of the Petitioners did not leave the closed-door meetings.

121. The stated purpose of RAD/PACT conversions is so that the cashstrapped Respondent NYCHA can offload capital repairs and major renovations onto private sector landlords, who will pay for the upgrades and repairs from higher rent payments.

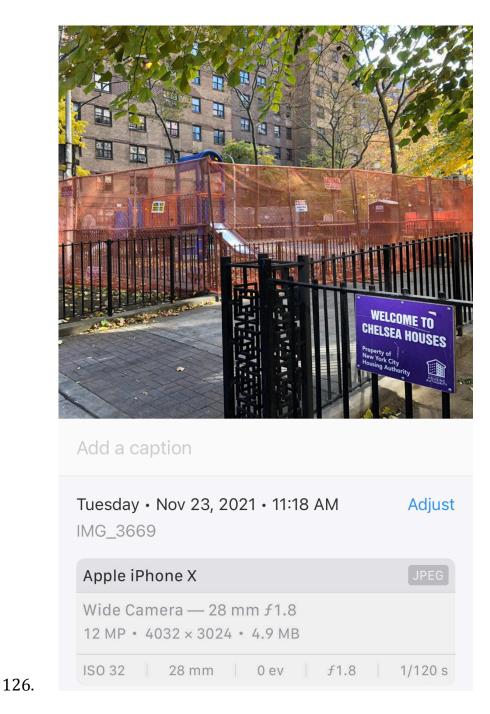
122. However, it has been shown that Respondents have spent money on repairs and upgrades before RAD/PACT conversions.

123. Respondents have made repairs to at least one playground at Chelsea Houses.

124. In November 2021, Petitioner Naseva noted that fencing was put up around the playground adjacent to her apartment building and notified Petitioner Flores of the construction area surrounded by orange netting.

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125. On 23 November 2021, Petitioner Flores documented the construction in a photograph taken on his iPhone at 11:18 am on that day then, as seen below.



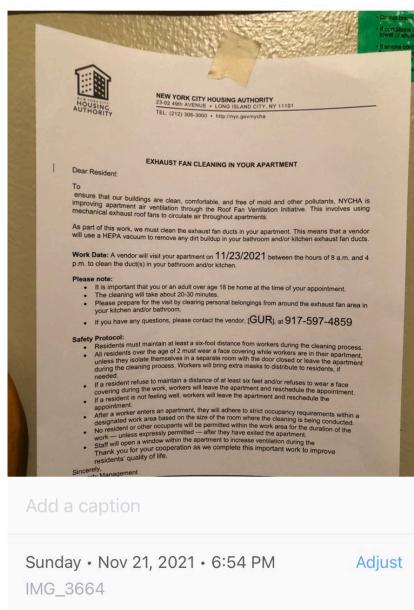
127. Prior to the selection of Essence Development and the Related Companies as the RAD/PACT landlord for Fulton Houses and Elliott-Chelsea, the apartment where Petitioner Naseva resides received a cleaning of the air duct in her bathroom.

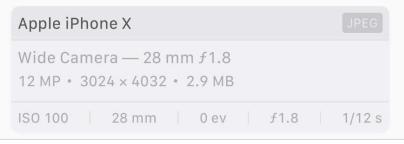
128. The cleaning of Petitioner Naseva's bathroom air duct took place on or about 23 November 2021.

129. The removal of mold, mildew, sources of water leaks, and the causes of excessive moisture are expensive obligations required of Respondents to be in compliance with the Revised Consent Decree in the *Baez* class action litigation.

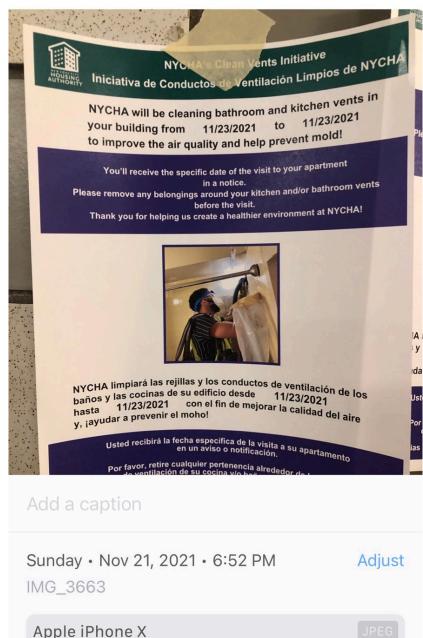
130. On or before November 2021, Respondent NYCHA arranged and paid for the cleaning of air vents in bathrooms and kitchens to prevent mold.

131. When Petitioner Naseva saw notices about the vent cleaning, shenotified Petitioner Flores, and Petitioner Flores took photographs of the notices on21 November 2021.



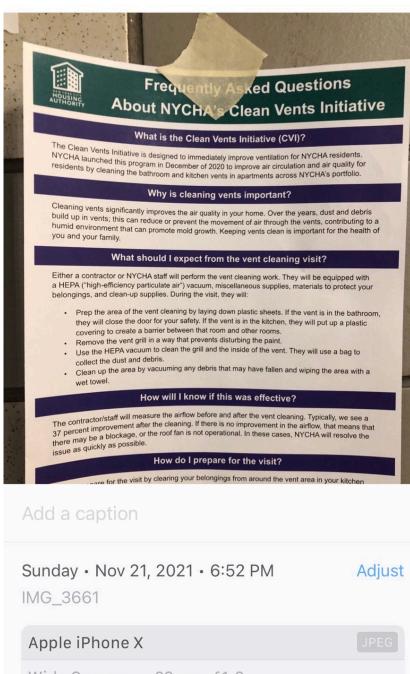


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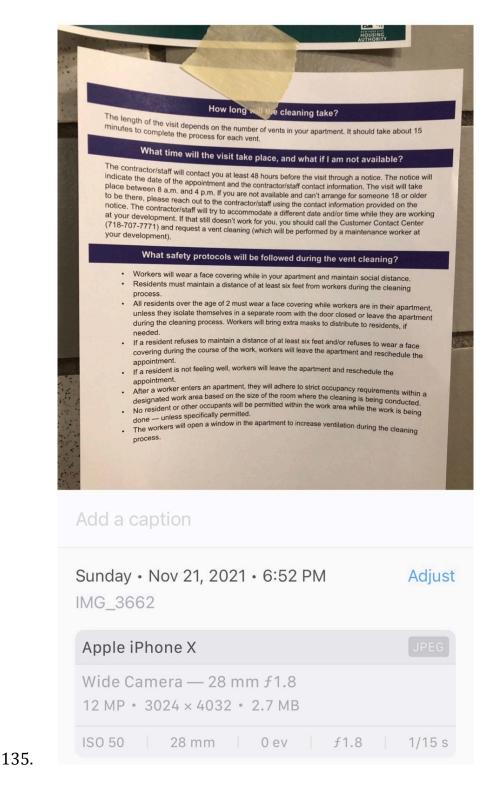
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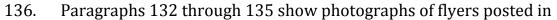
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Chelsea Houses about the expensive vent cleaning that RAD/PACT landlords should be carrying out as a result of RAD/PACT conversions. 137. However, the expensive vent cleaning at Chelsea Houses was arranged and paid for by Respondents at their own expense prior to the RAD/PACT conversion of Fulton Houses and Elliott-Chelsea.

138. That a cash-strapped Respondent NYCHA can pay for this expensive compliance with the Revised Consent Decree in the *Baez* class action case raises the spectre that Respondents are either not cash-strapped, or else Respondents are making expensive repairs or upgrades prior to sales, leases, or conveyances of public housing assets to third parties without any transparency to show that Respondents are receiving the reasonably equivalent value for the cost of expenditures Respondents are making.

139. Respondents have argued that they need to resort to RAD/PACT conversions in order for a new landlord with the financial means to make the repairs and upgrades required by the Revised Consent Decree in *Baez,* to comply with the Settlement Agreement that ended the federal investigation into Respondent NYCHA's physical condition standards, and to provide public housing in physical condition standards that meet HUD regulations and the implied warranty of habitability under common law.

140. However, Respondents have been and are making repairs and upgrades in playgrounds, building interiors, and ventilation systems at Chelsea Houses within a certain time *before* the planned sale, lease, or conveyance of public

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housing assets to a successor that is premised on the transferor being essentially financially insolvent.

141. Other repairs and upgrades are also being made.

142. When Petitioner Naseva paid her rent January 2022 rent on or about 03 January 2022, she observed repairs and upgrades to the management office of Chelsea Houses, including new floor tiles, new wall paint, and new advisories mounted on the walls.

143. Petitioner Naseva said she also noted new staff.

144. Based on information and belief, Petitioner Naseva asserts that the improvements to the Chelsea Houses management office were made since November 2021.

145. Under anti-fraud statutes, beneficial transfers within a certain time *before* sales, leases, or conveyances of property, including real property, may be deemed to be fraudulent conveyances if the transferor did not receive the reasonably equivalent value for the cost of expenditures being made in the financial transaction.

146. Because Respondents unlawfully avoided putting the RAD/PACT conversion of Fulton Houses and Elliott-Chelsea through the ULURP Process, there was no transparency around the financial terms and conditions of this RAD/PACT conversion, including Respondents' expenditures.

147. Indeed, there has been no transparency around Respondents' expenditures prior to the sales, leases, or conveyances of public housing assets to private sector landlords for prior RAD/PACT conversions.

148. As a result, it is not known if Respondents are engaged in making fraudulent conveyances of strategic public assets (public housing assets) to third parties that are not being made under arms' length arrangements.

149. Respondents can only document controversies that are known to them, and the Court must ask Respondents to disclose the terms of RAD/PACT conversion being contemplated at Fulton Houses and Elliott-Chelsea and elsewhere.

150. Because of the lack of public scrutiny and the lack of a robust public debate and participation in a process before Respondents approve RAD/PACT conversions, the abuse of public housing residents and the appearance of alleged corruption involving public housing assets go unexamined by the public.

151. Based on information and belief, when Respondents decided to dispose of air rights in 2019 at Ingersoll Houses in Brooklyn, they did not put that change to land use through the ULURP Process.

152. Without the public participation and oversight provided by the ULURP Process, the sale of the air rights at Ingersoll Houses were awarded to a political supporter of de Blasio.<sup>19/</sup>

See Shant Shahrigian, NYC is selling 'air rights' to city housing buildings, first big deal goes to de Blasio donors, Daily News (10 Nov. 2019), https:// www.nydailynews.com/news/politics/ny-deblasio-nycha-deal-jorge-madruga-eli-weiss-20191110-pxol35ffcbhmbfyii4igf4vgpa-story.html.

153. Petitioners, as residents, prospective residents, and taxpayers, lose when strategic public assets are disposed without transparency or oversight, and those that benefit are individuals, who are politically connected to Respondents.

### K. Respondents' Failures to put the RAD/PACT conversion of Fulton Houses and Elliott-Chelsea through the ULURP Process has injured the Petitioners

154. At each time during the course of the actions described herein, Respondents were obligated to comply with the laws, including the PHL, the City Charter, and the ULURP Process.

155. Petitioner Weaver is a tenant of Respondent NYCHA in a public housing apartment that is funded by the Section 9 programme ("Section 9") of HUD.

156. Because of Petitioner Weaver will be forced to sign a new residential lease substantially different from the one he currently has with Respondent NYCHA, Respondents will impose new obligations on Petitioner Weaver.

157. Because Section 8 residents can expect to pay up to 40 per cent. of their income in rent, Petitioner Weaver faces the prospect of rent increases that would not otherwise occur but for the RAD/PACT conversion of Fulton Houses.

158. Furthermore, Petitioner Weaver's new residential lease agreement with the RAD/PACT Landlord will deny Petitioner Weaver rights he currently has under his existing lease agreement with Respondent NYCHA.

159. Existing residential apartment lease agreements for Section 9 tenants generally do not allow NYCHA to charge tenants for utilities, such as electricity costs.

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160. Some prior RAD/PACT conversions have forced tenants to sign residential apartment lease agreements that give the new RAD/PACT landlords the right to make residents pay for utility charges, like electricity.

161. Based on information and belief, Petitioner Weaver expects that Respondents will permit the RAD/PACT Landlord to issue non-negotiable residential apartment lease agreements that contain terms and conditions allowing for the imposition and collection of special charges (like utilities, such as electricity costs), penalties, and fines.

162. Because new residential apartment leases under RAD/PACT conversions are non-negotiable, there is no administrative remedy or action available to Petitioner Weaver.

163. Following the RAD/PACT conversion of Fulton Houses, Petitioner Weaver will lose the protection of and benefit of oversight by the federal monitor appointed under the Settlement Agreement.

164. Respondents' unlawful actions create conditions for Petitioner Weaver to pay a higher percentage of his income in rent, as well as face the potential to pay for utility costs, like electricity charges.

165. Once Respondents' unlawful sale, lease, or conveyance of Fulton Houses to the RAD/PACT Landlord, Petitioner Weaver will be forced to sign a new residential apartment lease that won't be in his best financial interest and put him

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at risk of rent increases, at risk for eviction, and, consequently, the possible loss of rental assistance.

166. Petitioner Weaver would not be being put in danger, or at least at so much danger, had the RAD/PACT conversion for Fulton Houses been put through the ULURP Process.

167. Since the Respondents did not put the RAD/PACT conversion of Fulton Houses through the ULURP Process, Petitioner Weaver and others similarlysituated as he, were denied opportunities to organise and to negotiate collectively as a bloc with NYCHA residents outside of Fulton Houses and the general public for better terms and conditions of this RAD/PACT conversion.

168. The ULURP Process provides for community board committee meetings and votes, Community Board meetings and votes, borough president recommendations, a CEQR process, and New York City Council votes (the "ULUPR Process procedures").

169. Petitioner Weaver was unlawfully denied opportunities to participate at every level of the ULUPR Process procedures.

170. The cause of Petitioner Weaver's damages was Respondents' decision not to put this RAD/PACT conversion through the ULURP Process.

171. Petitioner Naseva is a tenant of Respondent NYCHA in a public housing apartment that is funding under the Section 8 rental assistance programme ("Section 8") of HUD.

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172. Because Respondent NYCHA did not operate public housing as a forprofit enterprise, Petitioner Naseva did not face rent increases or special charges, penalties, or fines by Respondent NYCHA.

173. However, that will change once the RAD/PACT Landlord takes over Chelsea Houses.

174. Petitioner Naseva currently pays 30 per cent. of her income in rent.

175. Currently, Petitioner Naseva does not pay for electricity, heat, or hot water in her apartment in Chelsea Houses.

176. NYCHA has yet to begin to impose and collect rent up to 40 per cent. of Petitioner Naseva's income.

177. That may change under the new RAD/PACT Landlord, who operate as commercial, profit-seeking landlords.

178. The residential apartment lease agreements of prior RAD/PACT conversions have contained terms and conditions that impose special charges, penalties, and fines on tenants.

179. Some prior RAD/PACT conversions have forced tenants to sign residential apartment lease agreements that give the new RAD/PACT landlords the right to make residents pay for utility charges, like electricity.

180. Based on information and belief, Petitioner Naseva expects that Respondents will permit the RAD/PACT Landlord to issue non-negotiable residential apartment lease agreements that contain terms and conditions allowing for the imposition and collection of special charges, penalties, and fines.

181. Because new residential apartment leases under RAD/PACT conversions are non-negotiable, there is no administrative remedy or action available to Petitioner Naseva.

182. Following the RAD/PACT conversion of Chelsea Houses, Petitioner Naseva will lose the protection of and benefit of oversight by the federal monitor appointed under the Settlement Agreement.

183. Since Petitioners began this action, Respondents began to take steps to unilaterally amend Petitioner Naseva's residential lease agreement with Respondent NYCHA in preparation for the RAD/PACT conversion at Chelsea Houses.

184. On or about the final week of December 2021, Respondent NYCHA posted a notice in Chelsea Houses, advising tenants that the grievance procedures would be modified to eliminate a borough review of grievances. *See* Exhibit D.

185. This elimination will deny Petitioner Naseva, and others similarly situated as her, rights to fairness and due process should Petitioner Naseva need to file a grievance against the RAD/PACT Landlord about to take over Chelsea Houses.

186. The change to the residential apartment lease agreement of Petitioner Naseva, and others similarly-situated as her, are being made before the

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RAD/PACT Landlord is about to make even more changes to Petitioner Naseva's residential lease.

187. Based on information and belief, Respondents are engaged in hiding from public housing residents the true nature of the radical changes about to be made to their residential apartment lease agreements.

188. Since the Respondents did not put the RAD/PACT conversion of Chelsea Houses through the ULURP Process, Petitioner Naseva and others similarlysituated as she, were denied opportunities to organise and to negotiate collectively as a bloc with NYCHA residents outside of Chelsea Houses and the general public for better terms and conditions of this RAD/PACT conversion.

189. Like Petitioner Weaver, Petitioner Naseva was unlawfully denied opportunities to participate at every level of the ULUPR Process procedures.

190. The cause of Petitioner Naseva's damages was Respondents' decision not to put this RAD/PACT conversion through the ULURP Process.

191. Petitioner Hernandez is a tenant of Respondent NYCHA in a public housing apartment that is funded by Section 9 of Federal laws applicable to HUD regulations for public housing tenants.

192. Like Petitioners Weaver and Naseva, Petitioner Hernandez currently pays 30 per cent. of her income in rent.

193. Like Petitioners Weaver and Naseva, Petitioner Hernandez does not currently pay electricity charges for her public housing apartment.

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194. Because Respondents are committed to ending Section 9 public housing, it is only a matter of time before Petitioner Hernandez, and all others similarly-situated as she, face the real prospect of being converted from a Section 9 resident to a Section 8 resident.

195. Petitioner Hernandez's eventual conversion to Section 8 means she, and all others similarly situated as she, will be forced to sign a new residential apartment lease either with NYCHA or a RAD/PACT landlord.

196. As with other NYCHA tenants, Petitioner Hernandez faces the real prospect of being forced to sign a new residential apartment lease agreement containing terms and conditions that impose special charges (like electricity costs), penalties, and fines on tenants.

197. Because new residential apartment leases under RAD/PACT conversions are non-negotiable, there is no administrative remedy or action available to Petitioner Hernandez.

198. Petitioner Hernandez, and others similarly-situated as she, would not be being put in danger, or at least at so much danger, had prior RAD/PACT conversions, as well as the pending RAD/PACT conversion for Fulton Houses and Elliott-Chelsea, been put through the ULURP Process.

199. Since the Respondents have not been putting any RAD/PACT conversion through the ULURP Process, Petitioner Hernandez, and others similarly-situated as she, were denied opportunities to organise and to negotiate collectively

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as a bloc with NYCHA residents and the general public for better terms and conditions of this RAD/PACT conversion.

200. Like Petitioners Weaver and Naseva, Petitioner Hernandez and all others similarly-situated were unlawfully denied opportunities to participate at every level of the ULUPR Process procedures.

201. The cause of Petitioner Hernandez's damages was Respondents' decision not to put this RAD/PACT conversion through the ULURP Process.

202. Since on or about October 2019, Petitioner Flores has been on the waiting list to be approved to live in Section 9 public housing owned and operated by NYCHA.

203. As of 10 December 2009, NYCHA stopped accepting new Section 8 applications.<sup>20</sup>/ *See also* Exhibit E.

204. If Respondents are permitted to continue to violate the PHL, the City Charter, and the ULUPR Process, then Petitioner Flores, and the other 160,000 individuals similarly-situated as he, will completely lose any opportunity to live in NYCHA public housing.

205. Furthermore, Petitioner Flores is aware of that RAD/PACT residents are forced to sign residential apartment lease agreement containing terms and conditions that impose special charges, penalties, and fines on tenants.

<sup>&</sup>lt;u>20</u>/

*See* NYCHA, Applying for Section 8, City of New York, https://www1.nyc.gov/site/nycha/section-8/applicants.page (last visited 09 Jan. 2022).

206. Because new residential apartment leases under RAD/PACT conversions are non-negotiable, there is no administrative remedy or action available to Petitioner Flores.

207. It is not impossible for Petitioner Flores to have been approved to live in Section 9 public housing, possibly at Fulton Houses or Elliott-Chelsea.

208. However, now that Fulton Houses and Elliott-Chelsea are slated for RAD/PACT conversion, Petitioner Flores may never live in Fulton Houses or Elliott-Chelsea.

209. Petitioner Flores would not be being put in danger of losing out the right to live in Section 9 public housing had the RAD/PACT conversion for Fulton Houses and Elliott-Chelsea been put through the ULURP Process.

210. Since the Respondents did not put the RAD/PACT conversion of Fulton Houses through the ULURP Process, Petitioner Flores, and others similarlysituated as he, were denied opportunities to organise and to negotiate collectively as a bloc with NYCHA residents outside of Fulton Houses and the general public for better terms and conditions of this RAD/PACT conversion.

211. In fact, Petitioner Flores was threatened with arrest if he did not leave a non-public meeting held by Respondents to discuss the planned RAD/PACT conversion Fulton Houses and Elliott-Chelsea.

212. If Respondents are permitted to violate the PHL, the City Charter, and the ULURP Process for the RAD/PACT conversion of Fulton Houses and Elliott-

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Chelsea, then there will be no stopping Respondents from continuing to violate the laws with more the RAD/PACT conversions.

213. Respondents unlawful actions threaten to end Section 9 public housing stock, thus denying Petitioner Flores an opportunity to secure stable housing that is affordable.

214. Since the Respondents did not put the RAD/PACT conversion of Fulton Houses and Elliott-Chelsea and all prior RAD/PACT conversions through the ULURP Process, as required by the laws, Respondents will likely not put any future RAD/PACT conversions through the ULURP Process, either.

215. As a result, Petitioner Flores and others similarly-situated as he, were denied opportunities to organise and to negotiate collectively as a bloc with the general public and NYCHA residents for better terms and conditions of this RAD/PACT conversion, prior RAD/PACT conversions, and future RAD/PACT conversions such that Section 9 public housing could be saved.

216. Without a future that includes Section 9 public housing, Petitioner Flores will be denied an opportunity to move into a public housing apartment.

217. There is no administrative remedy or action available to Petitioner Flores to secure his place in the waiting list for Section 9 public housing.

218. The cause of Petitioner Flores' damages was Respondents' decision to violate the law by not to putting this RAD/PACT conversion, all prior RAD/PACT

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conversions, and all likely future RAD/PACT conversions through the ULURP Process.

219. Like Petitioners Weaver, Naseva, and Hernandez, Petitioner Flores was unlawfully denied opportunities to participate at every level of the ULUPR Process procedures.

220. The cause of Petitioner Flores' damages was Respondents' decision not to put this RAD/PACT conversion through the ULURP Process.

#### L. Elected Officials Oppose the Concept of RAD/PACT

221. Based on on-going and continuing controversies attached to prior RAD/PACT conversions carried out by Respondents, public officials have begun to object to any more conversions.

222. "Several Brooklyn elected officials, all Democrats, recently demanded that NYCHA pause its next round of RAD transfers in their districts," noted the reporter Greg B. Smith in a report moved by the online news publication, The City.

223. This group of concerned public officials included State Sen. Zellnor Myrie, Assemblymember Latrice Walker, and New York City Councilmember Alicka Ampry-

Samuel.<sup>21/</sup>

224. For years, U.S. Rep. Nydia Velázquez (D-NY 07) has been championing the full-funding of public housing, including NYCHA, by the Federal Government. At a press conference sponsored by Majority Leader Charles Schumer (D-NY) last April, U.S. Rep.

See Greg B. Smith, Manhattan Lead Paint Confusion Casts New Doubts on Moving Public Housing to Private Management, The City (22 Aug 2021), https://www.thecity.nyc/2021/8/22/22636629/nycha-manhattan-lead-paint-public-housingprivate-management.

Velázquez said that if the Federal money comes through, "There's no reason for RAD," adding that, "NYCHA, or any Agency, or City Government should not be in the business of selling public assets."<sup>22/</sup>

225. In June, in referring to funding contemplated for public housing in the
President's domestic infrastructure plan, Majority Leader Schumer stated, "If we get this
\$80 billion, there's no excuse for privatization" of public housing.<sup>23/</sup>

#### M. The Community Opposes this RAD/PACT Conversion

226. Petitioners-Plaintiffs have a record of opposing privatization of NYCHA public housing, generally, and at Fulton Houses and Elliott-Chelsea, specifically.<sup>24</sup>/ <sup>25</sup>/

227. In December 2019, de Blasio was confronted by some of the Petitioners-Plaintiffs at a contentious town hall about the RAD/PACT conversion of Fulton Houses and Elliott-Chelsea.<sup>26/</sup>

228. At that town hall, de Blasio promised to meet with some of the Petitioners

and U.S. Rep. Velázquez about Federal funding for NYCHA.27/

229. But de Blasio never kept his word and has not met with Petitioners.

See Mike McCabe, Nydia Says No to R.A.D., YouTube (19 Apr 2021), https://youtu.be/90rkpFN--Tc.
 See NY Senator Chuck Schumer responds to UFAD, says RAD Privatization at Harlem River Houses Should Be Stopped, The United Front Against Displacement (19 June 2021),

https://theunitedfrontagainstdisplacement.org/2021/06/19/ny-senator-chuck-schumer-responds-to-ufad-says-rad-privatization-at-harlem-river-houses-should-be-stopped/.

<sup>24/</sup>See Elizabeth Kim, As City Officials Respond To 'Humanitarian Crisis' At Brooklyn Jail, Others Wonder:<br/>'What About NYCHA?', Gothamist (5 Feb 2019), https://gothamist.com/news/as-city-officials-<br/>respond-to-humanitarian-crisis-at-brooklyn-jail-others-wonder-what-about-nycha.

<sup>&</sup>lt;sup>25</sup>/ See Spectrum News Staff, NYCHA Tenants Rally to Save Robert Fulton Houses, NY1 (4 May 2019), https://www.ny1.com/nyc/all-boroughs/news/2019/05/04/nycha-tenants-rally-to-save-robertfulton-houses.

<sup>26/</sup> See Nolan Hicks, NYCHA tenants hammer de Blasio over proposed West Side project, The New York Post (19 Dec 2019), https://nypost.com/2019/12/19/nyhca-tenants-hammer-de-blasio-over-proposed-west-side-project/.

<sup>&</sup>lt;sup>27</sup>/ See Progress New York, Bill de Blasio agrees to meeting with Fight For NYCHA, Fulton tenants, and U.S. Rep. Nydia Velázquez, YouTube (24 Dec 2019), https://youtu.be/aiMCiOb2e6g.

230. Instead, de Blasio fabricated consent with the Mayor's Working Group as a Trojan Horse to con unsuspecting public housing residents into accepting this RAD/PACT conversion and related infill development and air rights sale.

#### N. The Mayor's Pattern or Practise of Violating the Law

231. Upon information and belief, the Mayor is following a process that is unlawful, in keeping with his unlawful approach to the wholesale disposition of strategic public assets, namely, City real property in the form of irreplaceable NYCHA public housing developments.

232. As of 3 Feb. 2021, de Blasio had privatized the management of 9,517 public housing apartments, or approx. five (5%) per cent. of NYCHA's portfolio.

233. In each of those RAD/PACT conversions (or other forms of conversions from Section 9 public housing to housing that would accept Section 8 rental assistance vouchers), the disposition of City real property took place outside the ULURP Process.

234. With those prior RAD/PACT conversions, each of the plans or projects, the "federal projects," and the disposition of property possibly considered to be City real property in respect of public housing (with the possibility of zoning changes) were not put through the ULURP Process.

235. Essentially, de Blasio began an urban renewal plan or project affecting "federal projects" without undergoing the ULURP Process. This denied input by NYCHA residents, their neighbours, and the general public.

236. The Mayor's unlawful treatment of the ULURP Process as discretionary in application must come to an end, particularly as it respects NYCHA public housing.

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237. Public housing is an irreplaceable component of New York City's affordable housing stock.

238. Complying with ULURP will allow the public and public officials, including the entire New York City Council to vote on, to engage in full public policy analysis and discussion of the myriad of issues involved in the elimination of Section 9 public housing in New York City, including:

- a. **Project Alternatives**. Majority Leader Schumer, U.S. Rep. Velázquez, and Petitioners-Plaintiffs have been working to shape public opinion in support of the President's domestic infrastructure plan. The RAD/PACT conversion of Fulton Houses and Elliott-Chelsea must be stopped based on its own unlawfulness, but also paused since NYCHA is soon expected to receive the expected funding from Washington should Congress approve new legislation.
- <u>Zoning Changes</u>. The Mayor must be stopped from issuing at his sole discretion Mayoral Zoning Overrides that permit him to subvert the ULURP Process.
- c. <u>Terms of the RFP and the contemplated Transaction Documents</u>. We know that the Mayor makes promises for funding in connection with RAD/PACT conversions, but we never receive those figures as guarantees. Until there is public oversight in respect of the disposition of public housing assets, urban renewal plans, and real estate development projects on City real property, the public cannot trust financial arrangements promoted by the Mayor.
- d. <u>Benefits to Fulton Houses and Elliott-Chelsea Residents</u>. The Mayor has allowed NYCHA to run lose with money, and there is no financial oversight. Despite calls by NYCHA resident leaders for a forensic audit of NYCHA, neither public housing residents nor the general public know how NYCHA uses its monies. Which repairs will be funded in the surrounding NYCHA buildings from the project funds, and how will those repairs be managed?

Will access to the planned community space be free, or will the eventual RAD/PACT landlords charge public housing residents a fee to access planned community space(s)?

- e. **Public Policy Implications on the Existence or Elimination of Section 9 Public Housing**. It is a major public concern that the Mayor has summarily decided to dispose of all Section 9 public housing by way of converting approx. 62,000 public housing apartments under the RAD/PACT schemes, and then converting the remainder in a wholesale transaction into affordable housing that can accept Section 8 rental assistance vouchers. Such a large-scale ending of public housing as we know it should require a robust public debate, particularly since public housing stock represents very valuable and irreplaceable form of public assets.
- f. Elimination of Open or Green Spaces. The contemplated development of so many construction sites at Fulton Houses and Elliott-Chelsea will mean the elimination of many open, green spaces, and possibly children's playgrounds. This will affect the long-term health of the community. Was feedback received and considered by Respondents about providing children, residents, and senior citizens with access to replacement open spaces, green spaces, and outdoor recreational facilities?
- g. Shadows. The new, planned towers would add new density to the campuses of Fulton Houses and Elliott-Chelsea, casting shadows on the few remaining open or green spaces, blocking the views of residents, and the impact would decrease the light and air for the whole community. This would also mean less light and air on public streets and sidewalks, affecting neighbours living in the surrounding areas. Since no thoroughly public review process was had, it is doubtful that the impacted public living around Fulton Houses and Elliott-Chelsea had any input in the real estate development plans for the public housing developments in Chelsea, as required by law.
- h. <u>**Resiliency**</u>. Many parts of Chelsea were flooded during Superstorm Sandy, including several blocks along 10<sup>th</sup> Ave., which forms the western-most

edge of Fulton Houses and Elliott-Chelsea. Without knowing whether NYCHA's nominal environmental review will be exhaustive, we doubt, based on information and belief, that the Mayor, in his rush to approve the disposition of public housing assets in Chelsea, will be observant of climate change risks to the proposed RAD/PACT conversion and infill development plans. Since Respondents did not submit the RAD/PACT conversion for Fulton Houses and Elliott-Chelsea through the ULURP Process, there was no environmental study that was conducted pursuant to the CEQR process, as required by the City Charter.

- i. <u>Community Outreach and Public Involvement</u>. Because of the threat of arrest, the positioning of police or security officers to block public participation during the Mayor's Working Group meetings, and the secrecy around the dates, places, and times of the meetings, based on information and belief, there was no true community outreach and input in this planned RAD/PACT conversion. Instead, the Mayor has disregarded all forms of criticism or questions about RAD/PACT conversions. Indeed, counsel for Petitioners had addressed two letters to de Blasio about their general concerns with RAD/PACT conversions, and de Blasio never responded. What is more, we know that no amount of community outreach or public involvement can be a substitute for the ULURP Process, which provides a regimented process for community outreach and public input.
- j. <u>Traffic and Noise Impact</u>. How will the creation of 16 or 17 sites for construction of infill development impact street parking and future traffic congestion? No traffic study has been made of the large-scale urban renewal projects contemplated for Fulton Houses or Elliott-Chelsea. Plus, with "open streets" and small business and restaurants setting up sheds in street parking areas, traffic will be made worse by more real estate development.
- <u>Other Environmental Concerns</u>. Based on information and belief,
   Petitioners-Plaintiffs have come to expect that Respondents downplay the

risks of remediating mold and abating for lead paint and other toxins or poisons. Respondents have not issued even cursory environmental reviews prepared that fully disclose all of the known risks. As a result, Respondents require the very scrutiny provided for in the robust review that stems from the ULURP Process.

I. <u>Construction Impact on the Community</u>. What steps are being taken to mitigate the environmental impact of the contemplated projects on seniors and children, particularly since so many construction sites are being created next to the community centre, many current open spaces, and children's play grounds?

239. Getting answers to these critical questions is the purpose of the ULURP

Process : to make sure full public review of a proposed project ensures the best project for the City and the community, and that the New York City Council can vote on these changes.

#### II. RESPONDENTS' ENGAGEMENT IN AND APPROVALS OF THIS RAD/PACT CONVERSION ARE UNLAWFUL

### A. Under Section 150, NYCHA Must Submit this Plan for Approval through the ULURP Process

240. Section 150 of the PHL provides that "[t]he prior approval of the local legislative body and of the planning commission, if any . . . shall be requisite to the final adoption or approval by an authority or municipality of a plan or project."<sup>28</sup>/

241. Under the PHL, the term "plan" includes "a plan or undertaking for the clearance, replanning and reconstruction or rehabilitation of a substandard and insanitary area or areas and" ... "or providing homes for persons of low income."<sup>29/</sup>

242. The term "project" means a specific work or improvement to effectuate all or any part of a plan.<sup>30/</sup>

<sup>28/</sup> N.Y. Pub. Hous. Law § 3(7).

<sup>29/</sup> N.Y. Pub. Hous. Law § 3(13).

243. The statute is explicit that the term "project" is not limited to the creation or removal of additional apartments for persons of low-income, but also includes "plans" that alter the "lands, buildings, or any dwelling units therein . . . as well as social, recreational or communal facilities" that are "incidental or appurtenant" to a public housing development.

244. The term "federal project" means a "project aided or financed in whole or in part, by the federal government."<u>31/</u>

245. Under controlling New York Court of Appeals case law, any "essential or significant" modification to a public housing plan or project requires approval under Section 150 of the PHL.<sup>32/</sup>

246. For New York City, the PHL defines the "local legislative body" from which prior approval for a plan or project must be gained, as the "officer or agency vested with power under the charter by such city, or by other law, to act pursuant to this chapter."<sup>33</sup>/

247. Under the Charter, the approval process occurs under section 197-c, which requires that "changes, approvals contracts, consents, permit or authorization thereof, respecting the use, development or improvement of real property subject to city regulation shall be reviewed pursuant to a uniform review procedure in the following categories..."

248. Specifically, Section 197-c(a)(8) subjects "[h]ousing and urban renewal plans and projects pursuant to city, state and federal housing laws" to the ULURP Process.

249. Other sections of the City Charter also apply.

<sup>&</sup>lt;u>30</u>/ Id.

<sup>31/</sup> N.Y. Pub. Hous. Law § 3(15).

<sup>32/</sup> Margulis v. Lindsay, 31 N.Y.2d 167, 173 (1972).

<sup>33/</sup> N.Y. Pub. Hous. Law § 3(7).

250. The proposed, drastic changes to the Fulton Houses and Elliott-Chelsea campuses involve the construction of the six new tower rental apartment buildings between existing buildings and on the footprints of open spaces, green spaces, playgrounds, or parking lots, are an essential or significant modification to a public housing "plan or project," or must itself be deemed a "plan or project."

251. Because RAD/PACT conversions are paid, in whole or in part, by Section 8 rental assistance vouchers paid for by the federal government, RAD/PACT conversions must be deemed a "federal project."

252. Accordingly, the proposed project must be subject to ULURP review, which includes comment and ultimately be voted on by the New York City Council.

### B. The Use of Mayoral Zoning Overrides to Change Zoning and Circumvent ULURP is Unlawful

253. The Court of Appeals has held that the Mayor has no power beyond that delegated to him by Charter or statute.<sup>34</sup>/

254. The City Charter does not delegate land use decisions to the Mayor; rather, it expressly provides for oversight by the Borough President and New York City Council.

255. Respondents NYCHA and Russ intend to seek, or have already sought, Mayoral Zoning Overrides to the current zoning to allow the conversion project described above to proceed as planned.

256. Upon information and belief, Co-Respondent Adams intends to grant, or has already granted, Mayoral Zoning Overrides to authorize construction of the project.

257. While municipalities may have the authority in limited circumstances to waive zoning restrictions for a public good, Mayoral Zoning Overrides are not appropriate

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Under 21 v. City of New York, 65 N.Y.2d 344 (1985).

for a project of this scope and magnitude, particularly for a project that is another in a series of City-wide planned infill developments involving public housing, requires significant departures from the current zoning, and involves the transfer of public land to private developers under highly favourable terms to the developers.

258. These Mayoral Zoning Overrides are also improper because they are designed to evade and further shield a project of exceptional scale and public concern from the public review process, as required by law. But for the Mayoral Zoning Overrides, these zoning changes would require ULURP review under the City Charter, and thus would require a vote by the CPC, public review and comment by the Community Board and Borough President, and final action by the New York City Council.

259. Without any legal basis, Respondents have seized authority that is expressly delegated to local representatives under the City Charter and lawlessly granted it to the Mayor to exercise without any oversight.

260. Moreover, the process used by Respondents for RAD/PACT conversions at other NYCHA public housing developments have been different, leading to the unequal treatment under the law for public housing residents. This is tantamount to discrimination and is also unlawful.

261. Making matters worse, upon information and belief, the process of issuing the Mayoral Zoning Overrides for the contemplated infill development projects at Fulton Houses and Elliott-Chelsea is completely shielded from the public. It is a fully internal process with no notice, opportunity for public input or even notice after the fact.

262. There are no written criteria or standards governing when an entity may apply for or obtain Mayoral Zoning Overrides. It is not listed in the City Record. It is a

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standard-less, secretive process that allows major land use decision to be made under the veil of darkness and without any public review or transparency.

263. The use of Mayoral Zoning Overrides to shield from public review (or even from the public's sight) the zoning changes that allow for the construction of the six new tower rental apartment buildings at Fulton Houses and Elliott Chelsea is unlawful and violates the City Charter.

#### C. The Use of a Mayoral Working Group to Approve the Disposition of City Real Property and/or to Approve Urban Renewal Plans is an Inferior Substitute for the ULURP Process and is a Blatant Attempt to Circumvent ULURP and, Therefore, is Unlawful

264. The City Charter does not delegate land use decisions to the Mayor or to any working group formed or appointed by the Mayor, even in part; instead, it expressly provides for oversight by the Borough President and the New York City Council.

265. Upon information and belief, Co-Respondent Adams intends to grant, or has already granted, Mayoral Zoning Overrides to authorize construction of this urban renewal project.

266. Whereas municipalities may have the authority in limited circumstances to waive zoning restrictions for a public good, Mayoral Zoning Overrides are not appropriate for what is becoming the routine and non-stop—and, thus, not exceptional disposition of Section 9 public housing, particularly RAD/PACT conversions of this size, scope, and magnitude, especially for an urban renewal project that threatens to end all Section 9 public housing in the Chelsea neighbourhood of Manhattan.

267. Urban renewal projects, such as these, involving public housing, require huge departures from the current zoning, and involve the transfer of City real property to

private real estate developer under highly favourable terms to the developers—all without the robust public input and oversight provided for by the ULURP Process.

268. Respondents' actions and contemplated actions, including the use of Mayoral Zoning Overrides, are designed to shield RAD/PACT conversions, which have become the subject of growing controversy in the City of New York, from a robust public review process.

269. But for the Mayoral Zoning Overrides, the zoning changes required by urban renewal plans such as these would require a robust review under the ULURP Process, as provided for by State PHL and the City Charter and would require a vote by the CPC, public review and comment by the Community Board and Borough President, and final action by the New York City Council.

270. Respondents' actions have violated this lawful process.

271. Without any legal basis, Respondents have seized authority that is expressly delegated to, *e.g.*, the New York City Council and the broader public, as identified in the ULURP Process, and have lawlessly granted that authority to respondent Mayor to exercise without the oversight provided for by the ULURP Process.

272. Making matters worse, the final report of the Mayor's Working Group did not disclose that Respondents are relying on Mayoral Zoning Overrides to shield from public comment and review the zone-busting changes planned for Fulton Houses and Elliott-Chelsea.

273. The entire process was fully-internal for the select participation of a very small group of individuals with no authority under the ULURP Process.

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274. As noted by then Borough President Brewer in litigation over the thenplanned infill development project at Holmes Tower, there are no written criteria, standards, or exceptions in the public good governing when an entity may apply for or obtain Mayoral Zoning Overrides.<sup>35/</sup> Such information is not listed in the City Record.

275. The use of Mayoral Zoning Overrides is a standard-less, secretive process that allows major land use decision to be made by the Mayor without any robust public review or transparency.

276. The use of Mayoral Zoning Overrides to shield from public review (or even from the public's sight) the zoning changes that allow for the construction of so many new towering rental apartment buildings in Chelsea at Fulton Houses and Elliott-Chelsea is unlawful and violates the City Charter.

277. The few, hand-picked participants in the secret meetings of the Mayor's Working Group cannot vote to treat the ULURP Process as discretionary in application. This is blatantly unlawful and highly suspect.

#### D. NYCHA is Acting Outside its Statutory Authority By Evading the ULURP Process

278. NYCHA's statutory powers are limited to the twin purposes of clearing substandard or unsanitary areas and providing housing to low-income New Yorkers.

279. Under the PHL, "authority" is defined as "a public corporation which is a corporate governmental agency . . . organized pursuant to law to accomplish any or all of the purposes specified in article 18 of the constitution" and specifically includes NYCHA.

280. Article 18 of the New York State Constitution provides for the provision of "low rent housing and nursing home accommodations for persons of low income as

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Brewer v. N.Y.C. Hous. Auth., et al. (Sup. Ct. N.Y. Cnty. Apr. 18, 2019,, index No. 154063/2019).

defined by law, or for the clearance, replanning, reconstruction, rehabilitation of substandard or insanitary areas, or both ....."

281. This statute does not grant NYCHA the authority to assist with or facilitate the development of market-rate apartments by evading the lawful regulatory process, as the Mayor contemplates for Fulton Houses and Elliott-Chelsea.

282. Upon information and belief and on NYCHA's past practices, NYCHA is expected to request the Mayoral Zoning Overrides either on its own or in concert with private sector real estate developers to facilitate the RAD/PACT conversion, infill development plans, and the sale of air rights.

283. By the terms of its own mission statement, NYCHA does not exist to help private developers circumvent the regulatory process to gain approval of their projects, and has no authority to seek Mayoral Zoning Overrides on behalf of or in concert with private real estate developers.

284. NYCHA's attempt to engage in private market-rate rental apartment development without compliance with the State PHL and ULURP is improper and unlawful.

285. Upon information and belief, NYCHA is not only offering its resources to aid in the development of market-rate housing by seeking Mayoral Zoning Overrides on behalf of private real estate developers, but, by doing so, NYCHA is in express contravention of the laws designed to ensure that the public housing projects entrusted to NYCHA are developed with appropriate and robust local input.

286. The New York City Council has a right and an obligation to review changes of this magnitude—changes that will permanently alter the nature and character of the Chelsea neighbourhood—and to vote on these changes. That has not happened in respect

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of the contemplated zoning changes, urban renewal plans, or the disposition of City real property at Fulton Houses or Elliott-Chelsea. That has not happened in response to the plans, projects, or federal projects, as defined by Section 150 of the PHL.

287. In light of the institutional injury to Section 9 public housing owned and operated by NYCHA and the abrogation of the role of the general public (NYCHA residents included) in the City Charter-mandated ULURP Process caused by the failure to subject the RAD/PACT conversion, infill development, and anticipated air rights sales at Fulton Houses and Elliott-Chelsea to the ULURP Process in clear violation of State PHL and the City Charter, and by NYCHA's actions beyond the scope of its delegated authority, Petitioners-Plaintiffs instituted the instant litigation.

288. After decades of racist divestment of public housing, it is time we actually make a commitment to save the New Deal promise that then Mayor Fiorello LaGuardia made when he founded NYCHA. Subverting the law in order to facilitate the disposition of City real property is not how we are going to save NYCHA. The public is now rallying around Majority Leader Schumer and the President's domestic infrastructure plan. And we must bring to an end the Mayor's systemic violations of the ULURP Process and his pattern or practise of abusing Mayoral Zoning Overrides.

#### FIRST CAUSE OF ACTION (Request for Declaratory Relief Under Article 30 of the CPLR) (Against All Respondents)

289. Petitioners repeat and reallege the preceding paragraphs as though fully set forth herein.

290. Section 150 of the PHL provides that the "prior approval of the local legislative body and of the planning commission" is "requisite to the final adoption or approval by an authority or municipality of a plan or project."

291. Under controlling New York Court of Appeals case law, any essential or significant modification to a public housing "plan" or "project" requires approval under Section 150.

292. Since RAD/PACT conversions are paid for, in part, with Section 8 rental assistance vouchers, Co-Respondent Adams's plans for Fulton Houses and Elliott-Chelsea are "federal projects" under Section 150.

293. The sale, lease (other than the lease of office space), exchange, or other disposition of the real property of the City also subjects plans or projects to the ULURP Process under City Charter § 197-c (10).

294. Since RAD/PACT conversions and other schemes to invest in the wholesale repairing of NYCHA public housing represent housing and urban renewal plans and projects pursuant to City, State and Federal housing laws, such schemes also require ULURP Process approval under the City Charter § 197-c (8).

295. Accordingly, the RAD/PACT conversion for Fulton Houses and Elliott-Chelsea requires prior approval of the local legislative body and of the planning commission pursuant to Section 150 of the PHL.

296. For cities of one million or more people such as the City of New York, "local legislative body" means the "officer or agency vested with power under the charter of such city, or by other law, to act pursuant to this chapter." 297. Under the City Charter, "[h]ousing and urban renewal plans and projects pursuant to city, state and federal housing laws" are subject to the ULURP Process.

298. Accordingly, State law requires NYCHA to submit any public housing plan or project, or essential or significant modification thereto, through the ULURP Process.

299. To comply with Section 150 of the PHL, this RAD/PACT conversion, the contemplated infill development plan, and any disposition of air rights must be submitted through the ULURP Process.

300. Respondents NYCHA and Russ have acted outside of the law and the authority given to them by the PHL and the Charter by taking steps to implement zoning changes contemplated by this RAD/PACT conversion, the infill development plan, and any disposition of air rights at Fulton Houses and Elliott-Chelsea without applying for review and approval though the City Charter's ULURP Process.

301. Respondents NYCHA and Russ also intend to seek, or have already sought, Mayoral Zoning Overrides to the current zoning restrictions to allow the proposed development to proceed as planned.

302. Co-Respondent Adams intends to grant, or has granted, Mayoral Zoning Overrides to existing zoning to allow the construction of six new tower rental apartment buildings to reduce the minimum distance between the proposed new building and the existing NYCHA buildings and possibly to provide less open space than required under zoning.

303. Respondents have acted outside of the law and the authority given to them by the City Charter by seeking to use the mechanism of Mayoral Zoning Overrides to

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waive critical zoning requirements without applying for review and approval via the City Charter's required ULURP Process.

304. The decision by the Mayor's Working Group to vote to not comply with the ULURP Process creates a justiciable controversy as to whether the project planned for Fulton Houses and Elliott-Chelsea is lawful.

305. Respondents have deprived the CPC, the general public, and New York City Council to review the applications as part of the ULURP Process and usurped their role. Respondents have no justification for their actions and have improperly exceeded their authority under the PHL and under the City Charter by intruding on the New York City Council's Charter-created rights and the rights of others.

306. Since they have exceeded their authority and have acted *ultra vires*, Respondents' actions have no legal force and should be declared null as a matter of law.

#### SECOND CAUSE OF ACTION (Request for Relief Under Article 78 of the CPLR) (Against All Respondents)

307. Petitioners repeat and reallege the preceding paragraphs as though fully set forth herein.

308. Respondents NYCHA and Russ abused their discretion by approving the RFP to invite real estate developers to propose the terms of transaction documents for the RAD/PACT conversion, infill development plans, and the contemplated sale of air rights of Fulton Houses and Elliott-Chelsea, which will have the impact of significantly altering the tenant rights, lease provisions, amenities, and quiet enjoyment on the campuses of the Fulton Houses and Elliott-Chelsea by the negotiation of City real property without going through the ULURP Process, as the decision was arbitrary and capricious and incorrect as a matter of law.

309. In 2019, the proposed RAD/PACT conversion of Fulton Houses required demolition of two public housing apartment buildings to construct two towers of new rental apartment that would not be offered to public housing residents. At an unknown time, the demolition plans were abandoned. These changes to the plans or projects at Fulton Houses also took place without ULURP review. Despite the drastic change in the planned use of the property, and the reported subsequent changes in plans or projects, none of the necessary and lawful processes for approving the zoning changes, and providing public notice thereof, ever occurred.

310. Removing any apartment building or green or open space is a significant and essential modification to Fulton Houses and Elliott-Chelsea, and must go through the ULURP Process, under which the applicable public officials can ensure that all appropriate processes for this RAD/PACT conversion are followed and that the affected community, and City residents at large, can be heard.

311. Respondents NYCHA, Russ, the City, and the Mayor have also abused their discretion by seeking, obtaining, granting, or preparing to grant Mayoral Zoning Overrides to the current zoning restrictions to allow the proposed urban renewal plan to proceed as planned.

312. Respondents intend to seek and grant, or have sought and granted, Mayoral Zoning Overrides to existing zoning to allow the construction of so many new tower rental apartment buildings in an already dense parcels of public housing, reduce the

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minimum distance between the proposed new building and the existing NYCHA buildings, and to provide less open space than required under zoning.

313. Respondents NYCHA and Russ's determination to approve the RAD/PACT conversion, infill development plan, and air rights sales without going through the ULURP Process is affected by an error of law or was arbitrary and capricious or an abuse of discretion in violation of CPLR Article 78.

314. Respondents NYCHA, Russ, the City, and the Mayor's determination to use Mayoral Zoning Overrides to waive critical zoning requirements without going through the ULURP Process is affected by an error of law or was arbitrary and capricious or an abuse of discretion in violation of CPLR Article 78.

#### THIRD CAUSE OF ACTION (Request for Relief Under Article 78 of the CPLR) (Against NYCHA/Russ Only)

315. Petitioners repeat and reallege the preceding paragraphs as though fully set forth herein.

316. Respondent NYCHA is a public corporation created pursuant to the Public Housing Law of the State of New York for the purpose of implementing the State Constitution by providing low-cost housing for persons of low income as defined by law.

317. New York State law does not authorize NYCHA to seek Mayoral Zoning Overrides for private sector real estate developers.

318. In seeking Mayoral Zoning Overrides on behalf of private real estate developers seeking to construct a mixed market-rent/affordable housing towers and other structures on City real property, NYCHA is acting without, or in excess of its jurisdiction,

and its determination to do so is affected by an error or law or was arbitrary and capricious or an abuse of discretion in violation of CPLR Article 78.

#### FOURTH CAUSE OF ACTION (Request for Relief Under Article 78 of the CPLR and for Declaratory Relief Under Article 30 of the CPLR) (Against All Respondents)

319. Petitioners repeat and reallege the preceding paragraphs as though fully set forth herein.

320. As a result of Respondents' unlawful acts, as described above, Petitioners have been injured or are about to be injured due to the violations of Section 150 of the PHL and the City Charter, the abuse of discretion, the exceeding of their authority, and the other acts in excess of their jurisdiction under the law.

321. Petitioners, as residents, prospective residents, and taxpayers, lose when strategic public assets are disposed without transparency or oversight, and those that benefit are individuals, who are politically connected to Respondents.

322. Petitioner Weaver is a Section 9 public housing tenant, and he currently faces Respondent NYCHA as a Landlord.

323. Following the RAD/PACT conversion at Fulton Houses, Weaver will face a private sector landlord.

324. The change in landlords from NYCHA to the private sector requires Petitioner Weaver to sign a new, stricter residential apartment lease agreements that come with the potential for higher rents and a higher risk of eviction. 325. As a result of the RAD/PACT conversion of Fulton Houses, Petitioner Weaver will be forced to sign an inferior Lease Agreement with terms and conditions that are not in his best interests.

326. One of the main dangers facing Petitioner Weaver is that he may become housing insecure once the private sector landlord takes over Fulton Houses.

327. Had Respondents complied with the laws, a robust public debate about the future of public housing would not have led to the damages that Petitioner Weaver faces.

328. The unlawful acts by Respondents are the proximate cause of the damages about to be caused to Petitioner Weaver.

329. Petitioner Naseva is a Section 8 public housing resident, and she currently faces Respondent NYCHA as a Landlord.

330. Following the RAD/PACT conversion of Chelsea Houses, Naseva will face a private sector landlord.

331. The change in landlords from NYCHA to the private sector requires Petitioner Naseva to sign a new, stricter Lease Agreements that comes with the potential for higher rents and a higher risk of eviction.

332. As a result of the RAD/PACT conversion of Fulton Houses, Petitioner Naseva will be forced to sign an inferior Lease Agreement with terms and conditions that are not in her best interests.

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333. One of the main dangers facing Petitioner Naseva is that she may become housing insecure once the RAD/PACT Landlord takes over Chelsea Houses.

334. Had Respondents complied with the laws, a robust public debate about the future of public housing would not have led to the damages that Petitioner Naseva faces.

335. The unlawful acts by Respondents are the proximate cause of the damages about to be caused to Petitioner Naseva.

336. Respondents began and continue with RAD/PACT conversions unchecked, and Respondents have stated that they plan to end all Section 9 public housing.

337. Petitioner Hernandez is a Section 9 public housing tenant, and she currently faces Respondent NYCHA as a Landlord.

338. Although Respondents have yet to announced that Petitioner Hernandez's public housing development faces RAD/PACT conversion, Petitioner Hernandez lives at risk that Respondents will change her landlord from NYCHA to a private sector landlord, particularly since Respondents are committed to ending Section 9 public housing.

339. The eventual change in landlords from NYCHA to the private sector will require that Petitioner Hernandez sign a new, stricter residential apartment lease agreements that come with the potential for higher rents and a higher risk of eviction.

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340. Once the RAD/PACT conversion of Petitioner Hernandez's public housing development is eventualy announced, Petitioner Hernandez will be forced to sign an inferior residential apartment lease agreement with terms and conditions that are not in her best interests.

341. One of the main dangers facing Petitioner Hernandez is that she may become housing insecure once the private sector landlord takes over her public housing development.

342. Had Respondents complied with the laws, a robust public debate about the future of public housing would not have led to the damages that Petitioner Hernandez faces.

343. The unlawful acts by Respondents are the proximate cause of the damages about to be caused to Petitioner Hernandez.

344. When Petitioner Flores signed up for the waiting list to become a NYCHA tenant, he was signing up for Section 9 public housing.

345. As a result of Respondents unlawful acts, Petitioner Flores will lose his place on the waiting list for Section 9 public housing once all Section 9 public housing is unlawfully converted to Section 8 housing.

346. Section 9 public housing is a valuable source of affordable housing that 160,000 individuals on the NYCHA waiting list will lose, including Petitioner Flores.

347. If Respondents are permitted to continue with the unlawful RAD/PACT conversion of public housing, there will be no more stock of Section 9 public housing in New York City.

348. Respondents' unlawful acts will potentially leave a significant percentage of the 600,000 NYCHA residents in search of affordable housing if they are evicted and lose their housing assistance. They will be surely unable to pay multiples of their income in rent to private sector landlords for residential housing.

349. The unlawful acts by Respondents are the proximate cause of the damages caused or about to be caused to Petitioner Flores and others.

350. There is a substantial public interest in the Court making sure that Respondents comply with the laws and preserve public housing as a public asset, otherwise Petitioners, and all others similarly-situated, will suffer adverse consequences without any robust public debate about the changes Respondents are making to NYCHA public housing.

351. WHEREFORE, Petitioner requests that this Court enter an Order:

- a. Annulling and vacating NYCHA's RFP for the RAD/PACT conversion, infill development, and sale of air rights at Fulton Houses and Elliott-Chelsea;
- b. Declaring that the RAD/PACT conversion of Fulton Houses, Elliott Houses, Chelsea Houses, and the Chelsea Addition is an "essential or significant" modification to a public housing plan, and is thus subject to ULURP;

- c. Declaring that the RAD/PACT conversion of Fulton Houses, Elliott Houses, Chelsea Houses, the Chelsea Addition, and the rest of NYCHA are so large that they are an urban renewal project, and is thus subject to ULURP;
- d. Declaring that the RAD/PACT conversion of Fulton Houses, Elliott Houses, Chelsea Houses, and the Chelsea Addition are a "federal project," and is thus subject to ULURP;
- e. Declaring that NYCHA and Russ are required to submit the RAD/PACT conversion, infill development, and sale of air rights at Fulton Houses and Elliott-Chelsea to the ULURP Process;
- f. Declaring that Respondents' proposed or actual use of Mayoral Zoning
   Overrides to permit the development exceeds their authority and is
   unlawful;
- g. Granting judgment to Petitioners on each of their claims;
- h. Temporarily restraining and preliminarily and permanently enjoining the Respondents from taking any action in furtherance of the commencement of construction related to the RAD/PACT conversion, infill development, and sale of air rights at Fulton Houses and Elliott-Chelsea, or at any other public housing development, including but not limited to permitting, conducting, authorizing, or continuing any construction work at the development site; and
- Granting such other and further relief as the Court deems just and proper, including the costs and disbursements incurred in initiating and prosecuting this action.

Dated:

January 10, 2022 New York, New York

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# **EXHIBIT A**



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#### NYCHA Announces RFP for Partners to Implement Comprehensive Repairs and Investments at Fulton and Elliott-Chelsea Houses

## The RFP to address estimated \$366 million in capital needs follows publication of Working Group recommendations and reflects key milestone in resident- and community-driven process

**NEW YORK –** Today, NYCHA announced a first-of-its-kind RFP seeking proposals from teams comprised of developers, general contractors, and property managers to comprehensively address the capital needs at Fulton, Chelsea, Chelsea Addition, and Elliott Houses. The four developments, which include 2,073 apartments across 24 buildings in the Chelsea section of Manhattan, have an estimated total of \$366 million in extensive capital need and repair costs ranging from heating infrastructure to building security improvements.

In developing the RFP, NYCHA and resident leaders worked to incorporate the recommendations of the Chelsea Working Group – a cohort of residents, elected officials, community representatives, and housing and legal organizations – which convened regularly since late 2019 to evaluate the different options available for modernizing the properties. In February 2021, the Working Group published a set of recommendations to fund comprehensive repairs, while ensuring resident rights are protected and that residents remain deeply engaged in the planning process going forward. Among other strategies to raise revenue for repairs, the Working Group recommended that the Fulton and Elliott-Chelsea developments be included in NYCHA's Permanent Affordability Commitment Together Program, or PACT, and identified appropriate locations and design guidelines for mixed-use

redevelopment.

"Today's RFP represents a significant step in bringing the capital investments necessary for addressing the aging building conditions at Fulton, Chelsea, Chelsea Addition, and Elliott Houses" said **NYCHA Chair & CEO Greg Russ.** "NYCHA is committed to delivering comprehensive repairs and improvements across our portfolio, and will continue to fully engage with the residents of these developments around the changes they would like to see in their homes and communities."

"We are thrilled to be taking this important step to bring comprehensive and much-needed repairs to the residents of Fulton Houses," said **Fulton Houses Resident Association President Miguel Acevedo**. "I look forward to continue working with NYCHA to implement the recommendations of the Chelsea NYCHA Working Group, and I want to thank the many residents and community leaders who have worked tirelessly over the course of the last 18 months to ensure we come up with a plan that works for this community."

"The Elliott-Chelsea Houses are in critical need of investment and repairs," said **Elliott-Chelsea Resident Association President Darlene Waters**, "and we are proud to be working on a process with NYCHA to ensure our residents will finally have the safe, affordable homes they deserve. We will continue to have a strong voice in this project and are excited to work with NYCHA to select partners in the months ahead who will make our vision a reality."

"NYCHA's PACT strategy gives public housing residents a direct say in what improvements are being made to the places they live, work, and play," said **NYC Deputy Mayor for Housing and Economic Development Vicki Been**. "By allowing the lived experiences of our residents from Fulton, Chelsea, Chelsea Addition, and Elliott Houses to inform this Request for Proposals, we can better protect our residents, their homes, and the surrounding communities."

"I am happy to arrive at this milestone, which would not have been possible without the efforts of our Working Group," said **Manhattan Borough President Gale A. Brewer.** "When we started this process, plans included the demolition of existing public housing. Our extensive community planning process eliminated such demolition and presented a nuanced plan that puts residents and affordability front and center, while balancing the need for repairs with growth and development. I look forward to seeing a development team carry out the thoughtful recommendations of the Working Group."

"The strong level of resident participation we've seen in the creation of this RFP has been historic for a NYCHA development," said **Assembly Member Richard Gottfried**. "Selecting the right development team that will incorporate all of the recommendations of the Chelsea Working Group, such as including a non-profit and MWBE partner, will be essential to the future of NYCHA developments in Chelsea, and it's important that residents will continue to be at the table participating in this selection process."

"It is vital residents have a real voice in shaping and selecting proposals to get urgent repairs for their homes," said **Congressman Jerrold Nadler**. "The Chelsea NYCHA Working Group put forward

ambitious and detail recommendations for affordability, scope of repairs, resident rights and engagement and I look forward to seeing respondents hit those goals."

"Resident engagement is a critical component of any successful PACT conversion," said **NYCHA Real Estate Development Executive Vice President Jonathan Gouveia.** "When we empower our residents, we can create the level of trust and support needed to substantially renovate these sites and deliver meaningful quality of life improvements."

"The Fulton and Elliott-Chelsea Houses RFP is a landmark moment," said **Citizens Housing and Planning Council Executive Director Jessica Katz**. "For the first time, NYCHA residents are situated as equal partners and decision-makers alongside the housing authority in the preservation of their homes. CHPC is excited to see our Public Housing Revolution research come to life in this process – Public housing residents helped to craft the RFP, developed a scoring system that reflects their priorities, and will work alongside NYCHA to select a winning proposal. Finally public housing residents will have a seat at the table as they work to ensure much-needed improvements to their homes."

With Citizens Housing and Planning Council serving as an independent resident advisor, NYCHA involved resident leaders from Fulton and Elliott-Chelsea in the drafting of the RFP to ensure the Working Group recommendations were included and that responses would be tailored to meet the goals and priorities of this community. As part of the RFP process, resident leaders will review proposals, interview respondent teams, and work with NYCHA to ultimately select the partners who will rehabilitate and manage the properties over the long term.

Given the unique opportunities with this project and strong participation by resident leaders, NYCHA's Real Estate Development Department also hopes to solicit responses from a wide range of development partners operating locally, regionally, and nationally. Prospective applicants will be asked to incorporate Working Group recommendations and priorities in their proposals, as well as answer preliminary questions around such issues as resident retention, property management, and nonprofit partnerships.

NYCHA's Real Estate Development Department anticipates selecting partners by the end of this year.

Interested entities can learn more about the RFP at upcoming virtual pre-submission conferences scheduled for May 5 at 12pm and May 19<sup>th</sup> at 12pm. Attendees will have the opportunity to learn more about the proposal submission process and ask questions about this unique opportunity. Please RSVP to fultonelliottchelsearfp@nycha.nyc.gov.

More information about this procurement opportunity can be found on the PACT Procurement website, and details on the Chelsea NYCHA Working Group process are available on NYCHA's website.

Responses are due by August 11, 2021.

## About the New York City Housing Authority (NYCHA)

**The New York City Housing Authority ("NYCHA" or the "Authority")** provides affordable housing to 380,299 authorized residents in over 177,611 apartments within 335 housing developments. NYCHA serves 359,593 authorized residents in over 168,100 apartments within 285 housing developments through the conventional public housing program (Section 9) and 20,706 authorized residents in 9,511 units within 50 developments that were converted to PACT/RAD. Through federal rent subsidies (Section 8 Leased Housing Program), NYCHA also assists approximately 77,663 families in locating and renting units. In addition, NYCHA facilitates access to social services through a variety of programs. For more information, visit **www.nyc.gov/nycha**, and for regular updates on NYCHA news and services, connect with us via **www.facebook.com/NYCHA** and **www.twitter.com/NYCHA**.

## **EXHIBIT B**

## NYCHA Announces New PACT Partners to Provide Approximately \$260 Million in Comprehensive Repairs for More Than 660 Apartments at Frederick Samuel Apartments in Manhattan

From: media@nycha.nyc.gov <media@nycha.nyc.gov>

To: Progress New York <contact@progressnewyork.news>

Date: Friday, December 17th, 2021 at 9:37 AM



## FOR IMMEDIATE RELEASE: December 17, 2021

CONTACT: media@nycha.nyc.gov | (212) 306-3322

## NYCHA Announces New PACT Partners to Provide Approximately \$260 Million in Comprehensive Repairs for More Than 660 Apartments at Frederick Samuel Apartments in Manhattan

Nearly 1,400 residents at the Harlem public housing development will receive renovated apartments, building infrastructure upgrades, and redesigned public spaces as part of an ongoing resident engagement process that will guide the scope of repairs and social service



Current photos and proposed renderings for the developments are available here

**NEW YORK** - Today, the New York City Housing Authority (NYCHA) formally announced the selection of Genesis Companies and Lemor Development Group as the development team to deliver comprehensive building and apartment upgrades for nearly 1,400 residents and more than 660 units at Frederick Samuel Apartments in Manhattan. The selected PACT partners will further engage residents and continue to refine their plans for renovations over the next year, with construction expected to begin in early 2023. The Authority's community planning process incorporated a resident review committee, which reviewed and interviewec prospective development teams about the proposed building upgrades, property management practices, sustainability and design features, and plans to enhance social services. The selection of the PACT partners is an important step in the Authority's

commitment to improve living conditions for NYCHA residents. Both development partners are Harlem-Based, Minority Business Enterprises (MBE), in fulfillment of NYCHA's new requirements.

"NYCHA continues to improve the PACT program to ensure that the work will meet the need of residents and bring significant upgrades to homes," said **Deputy Mayor for Housing and Economic Development Vicki Been**. "This selection reflects greater involvement of tenant leadership in the choice of the developer. The project will bring a range of benefits such as workforce development, enhanced social services, and sustainable design."

"The Authority is dedicated to enlisting the input of our tenant leadership and resident associations," said **NYCHA Chair & CEO Greg Russ**. "The tireless passion they exhibit in envisioning the future of their homes is an indispensable resource that we will continue to leverage, and today's PACT designation at Frederick Samuel Apartments is indicative of this approach."

"NYCHA residents are the backbone of our campuses, and when we facilitate collaborative working relationships between them and our partners – we can deliver holistic upgrades that conform to the needs of a specific community," said **NYCHA Executive Vice President for Real Estate Development Jonathan Gouveia.** 

"The selection of this development team will create a host of benefits for our residents, in areas ranging from workforce development and social services to sustainable urban design. Our resident review committee is pleased with the selection of this development team," said **Frederick Samuel Apartments Tenant Association President Diana Blackwell.** "We believe this partnership will provide our community with services to meet our many needs. These needs are critical and are known firsthand by our residents. We also anticipate them leading us in a cleaner, greener and more sustainable environment for the future."

"I have participated in the planning of several PACT conversions with NYCHA staff, residents, community leaders, budget experts, and legal aid and other supporters of NYCHA residents. I know that the program is successful if the tenants, and their allies, are involved in every decision that impacts their homes," said **Manhattan Borough President Gale Brewe** "I have confidence that Ms. Diana Blackwell, a very well-respected Resident Leader, will ensure that the input of tenants will be at every table and will be seriously considered. The development team and NYCHA should know that the tenants of Frederick Samuels Apartments are full partners in this PACT project."

"Today's announcement reflects the dedicated effort underway to bring comprehensive repairs and upgrades, as well as enhanced social services, to the nearly 660 households at NYCHA's Frederick Samuel Apartments. Following an extensive review process, the selecte Harlem-based MBE development teams will partner with the NYCHA residents to ensure equitable outcomes and guaranteed affordability," said **HDC President Eric Enderlin**. "I lool forward to working together with our partners to improve the quality of life for residents unde the PACT program."

"As 100 percent black-owned firms with deep roots in the Harlem area, NYCHA's selection o Genesis Companies and Lemor Development Group to repair and enhance the Frederick Samuel Apartments marks an important moment for us, NYCHA and the community," said Karim Hutson, Founder and Managing Member of Genesis Companies. "Genesis has a long track record of successfully turning around some of the City's most troubled portfolios, particularly in the Harlem community where we live and work. We look forward to partnering with tenants of Frederick Samuel Apartments to create the high-quality housing they deserve."

"We are extremely proud to play such a significant role in providing long-term stabilized housing for residents of Frederick Samuel Apartments," said **Kenneth Morrison, Co-Managing Member of Lemor Development Group**. "As a second-generation real estate professional, it was my father's vision to develop in the Central Harlem community he grew up in. With an office located in close proximity to these residents, it is a dream to enhance the living conditions for our neighbors. We are extremely humbled and honored to play such a pivotal role."

Hundreds of residents of Frederick Samuel Apartments attended meetings about the PACT program, their rights and protections, the developer selection process, and how the Authority identifies partners best positioned to address areas of need. To assist with the engagement process, the tenant association identified several building captains to help share information about the PACT program and to answer questions from residents. Once proposals were received, a resident review committee was also convened to work with the Authority to vet submitted proposals, assess their feasibility, and interview the development teams directly. The review committee included members of the tenant association, building captains, and other residents. Review committee members provided critical insight on several resident needs and preferences across key issues such as pest management, sustainability measures, job opportunities for residents, and repairs and investments in community spaces and gardens.

Genesis Companies and Lemor Development Group will lead the project as co-developers; Monadnock Construction will be the general contractor; and VPH Management Services LL( will be the property manager. In the coming months, a non-profit social service provider will be added to the team. Both Genesis Companies and Lemor Development Group have deep ties to the Harlem community. Genesis was founded in 2004 as a full-service real estate development firm. The firm has a portfolio of 49 developments in the Harlem area and the average life span of those buildings is more than a century-old. Lemor Development Group, another minority owned entity, was established in Harlem in 2014 to manage the acquisition, development, and management of underperforming government and privately funded multifamily properties and projects. The company focuses on affordable and workforce housing in New York City, New Jersey and select markets throughout the country. The 42 buildings comprising the Frederick Samuel Apartments were constructed between 1910 and 1928. NYCHA assumed control and responsibility for managing the upkeep of the properties in 1994.

The selected PACT teams will use the Rental Assistance Demonstration program to transition operating subsidy to the Project-Based Section 8 program and finance the 20-year capital needs at each development. They will also be responsible for the day-to-day management and operation of the development. NYCHA will continue to own the land and buildings, administer the Section 8 subsidy, set rents, manage the waitlist for vacant apartments, and monitor conditions at the development. With the development team now in place, NYCHA and its partners will continue to work closely with residents and tenant

association leaders to plan and prepare for these historic community investments.

The New York City Housing Development Corporation (HDC), New York City's municipal Housing Finance Agency, is the financing partner for PACT. HDC will coordinate or provide loan financing funding by bonds issued through HDC's Multi-Family Housing Bond Resolution (the "Open Resolution") or the newly created Housing Impact Bond Resolution (the "Impact Resolution"), a bond resolution created solely to facilitate NYCHA transactions.

The PACT program has generated more than \$1.7 billion in comprehensive apartment renovations and building infrastructure improvements to date for more than 9,500 households, with \$1.2 billion in major upgrades underway and approximately \$579 million in renovations that have already been completed. An additional 25,600 households are part of active development projects in the process of resident engagement or pre-development. In sum, NYCHA has more than 35,000 units completed, in construction, or in a stage of resident engagement or pre-development.

More information on NYCHA's PACT program can be found here and here. For more information regarding upcoming PACT meetings, residents can call NYCHA at (212) 306-4036 or email <u>pact@nycha.nyc.gov</u>.

## ###

## About the New York City Housing Authority (NYCHA)

The New York City Housing Authority (NYCHA), the largest public housing authority in North America, was created in 1935 to provide decent, affordable housing for low- and moderateincome New Yorkers. NYCHA is home to roughly 1 in 15 New Yorkers across over 177,000 apartments within 335 housing developments. NYCHA serves over 350,000 residents through the conventional public housing program (Section 9), over 20,000 residents at developments that have been converted to PACT/RAD, and over 75,000 families through federal rent subsidies (the Section 8 Leased Housing Program). In addition, NYCHA connects residents to opportunities in financial empowerment, business development, caree advancement, and educational programs. With a housing stock that spans all five boroughs, NYCHA is a city within a city.

## About the New York City Housing Development Corporation (HDC)

The New York City Housing Development Corporation (HDC) is the nation's largest municipal Housing Finance Agency and is charged with helping to finance the creation or preservation of affordable housing under Mayor Bill de Blasio's Housing New York plan. Since 2003, HDC has financed more than 180,000 housing units using over \$23.5 billion in bonds and other debt obligations and provided in excess of \$2.9 billion in subsidy. HDC ranks among the nation's top issuers of mortgage revenue bonds for affordable multi-family housing on Thomson Reuter's annual list of multi-family bond issuers. In each of the last seven consecutive years, HDC's annual bond issuance has surpassed \$1 billion. For additional information, visit: https://www.nychdc.com/.





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- Self-Service Links
- HCV Occupancy Lifecycle
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- Voucher Payment and Utility Standards

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## **About Section 8**

Created by the Housing and Community Development Act of 1978, the Housing Choice Voucher program, also known as Section 8, provides assistance to eligible low- and moderate-income families to rent housing in the private market. Eligibility for this program is based on a family's gross annual income and family size.

The program works as a rental subsidy that allows families to pay a reasonable amount of their income toward their rent. Eligible families will receive a voucher to begin searching for housing. Generally, families will pay no more than 40 percent of their adjusted monthly income toward their rent share. NYCHA pays the remaining amount to the owner on the family's behalf. This payment to the owner is known as the Housing Assistance Payment.

Section 8 participants must comply with all program requirements, including completing their annual certification, accommodating Housing Quality Standards inspections, allowing property owners to make any needed repairs, and adhering to the terms of their lease.

NYCHA administers the largest Section 8 program in the country. Approximately 85,000 Section 8 vouchers and over 25,000 owners currently participate in the program.

The New York City Housing Preservation & Development and New York State Homes and Community Renewal also operate Section 8 programs in New York City. Please visit their websites for more information.

## View NYCHA's current Briefing Deck for Section 8 Voucher holders searching for apartments

 Select and scroll through to receive an Overview of the NYCHA Housing Choice Voucher Program English |Español | 中文 ( 繁體 / 简体) | Русский

## **COVID 19 Information**

## COVID-19 Guidance & Resources for NYCHA Community

Covid-19 Resources

## **Program News**

Stay informed of what's going on in NYCHA's Leased Housing Department through our Owner/Tenant Newsletter.

The U.S Department of Housing and Urban Development (HUD) has awarded a limited number of Emergency Housing Vouchers (EHV) to the New York City Housing Authority (NYCHA) and the NYC Department of Housing Preservation & Development (HPD).

• Emergency Housing Voucher Program Public Notice English

Partial Reopening of the Waitlist for Select Emergency Referrals from Prosecutorial and Law Enforcement Agencies and NYCHA's Public Housing Operations Department.

- Partial Reopening of the Waitlist Notice English | Español | 中文 (繁體 / 简体) | Русский
- Partial Reopening of the Waitlist FAQs English
- FUP Youth HCV Referral Notice English | Español | 中文 ( 繁體 / 简体) | Русский

## **Administrative Plan**

NYCHA's Section 8 Administrative Plan defines the policies that govern the administration of the Section 8 program. The Plan clarifies written policies in accordance with U.S. Department of Housing and Urban Development (HUD) regulations regarding matters that are left to the local governing body. The HUD regulations governing the Section 8 program are documented in the Code of Federal Regulations listed below:

24 CFR Part 982

24 CFR Part 5

24 CFR Part 35

View NYCHA's current Section 8 Administrative Plan.

## **Contact NYCHA's Section 8 Program**

Please call or visit our Customer Contact Center.

## **EXHIBIT D**



NEW YORK CITY HOUSING AUTHORITY 250 BROADWAY • NEW YORK, NY 10007

TEL: (212) 306-3000 • http://nyc.gov/nycha

GREG RUSS CHAIR & CHIEF EXECUTIVE OFFICER

## NEW YORK CITY HOUSING AUTHORITY- NOTICE OF MODIFICATION OF GRIEVANCE PROCEDURES

The New York City Housing Authority (NYCHA) plans to modify its Grievance Procedures, NYCHA 040.302 (Rev. 8/97), Subdivision "A," to eliminate the Borough review step of the current grievance procedure in most cases, with the exceptions described below Eliminating the Borough review step in the grievance procedure is the only change to grievances that NYCHA is making at this time. This change will simplify the process and more efficiently provide tenants with a resolution to their grievances. There are no changes to the circumstances in which a tenant can bring a grievance or in a tenant's eligibility for a hearing on a grievance.

NYCHA will delete paragraph 7, renumber paragraphs 8-12, and modify paragraphs 4, 5, and 6 of Subdivision "A" of the Grievance Procedures to read as follows:

4. Informal Settlement

Grievants should submit their grievances via the NYCHA Self-Service portal or in person at their NYCHA property management office. Remaining Family Member grievants should submit their remaining family member grievance within 14 days of receiving NYCHA Form 040.342A, Remaining Family Member Grievance Claim: Authorized Occupant. The Property Manager will review the grievance and schedule an appointment with the grievant for an informal conference to discuss the grievance. After discussion and submission by the grievant of any relevant documents, a summary of such discussion shall be prepared within a reasonable time and one copy shall be given to the tenant/grievant and one copy retained in the development folder. The summary shall specify the names of the participants, dates of meeting, the nature of the proposed disposition of the complaint and the specific reasons thereof. In addition, if the grievance is related to a person's disability, a copy of the Housing Authority ADA/Section 504 grievance procedure shall be supplied.

5. Review of Manager's Disposition for Certain RFM Grievances

Property Management will forward Remaining Family Member grievances for Borough Management Office review on the grievant's request. The Borough Management Office may dismiss grievances without a hearing where: (1) the grievant remained after the tenant of record transferred; (2) the grievant is an authorized occupant or tenant of another public housing apartment or a recipient of a Section 8 subsidy; (3) the tenancy has been terminated (except for terminations for failure to occupy); (4) the grievant was permanently excluded; or (5) the tenant signed a lease as a resident employee, senior resident advisor, or resident police officer. If a grievant is in categories (1) through (5), the grievant is not entitled to hearing.



1 of 2

NOTICE OF MODIFICATION OF GRIEVANCE

## 6. Request for Hearing

Upon receipt of the summary, the grievant will be instructed to read it and indicate on a form if they are satisfied or dissatisfied with the decision of NYCHA property management.

If the grievant is satisfied with the decision of NYCHA property management, they will sign and indicate that they understand and agree with the decision of NYCHA property management and do not want to participate in an impartial hearing at the Hearing Office.

If the grievant is not satisfied with the decision and disagrees with the explanation provided by NYCHA property management, the grievant will sign and indicate they want to participate in an impartial hearing at the Hearing Office.

The property manager must also sign as a witness after grievant has selected which course of action they want to take.

If the grievant wants to continue with an impartial hearing at the Impartial Hearing Office, the grievance will be assigned for further administrative review within NYCHA.

## You have the opportunity to submit written comments about this proposed modification. All comments must be emailed or postmarked no later than January 29,2022.

The e-mail address for submitting comments on this proposed modification is: *lease.changes@nycha.nyc.gov.* Comments may be mailed to the following address:

NYCHA- Lease Clause Changes P.O. Box 3422 New York, NY 10008-3422

A translation of this document is available in your management office and online at www.nyc.gov/nycha.

La traducción de este documento está disponible en su oficina de administración y en Internet en <u>www.nyc.gov/nycha.</u>

Перевод этого документа находится в Вашем домоуправлении и на интернете <u>www.nyc.gov/nycha.</u>

公房管理處和房屋局網站 (網址: www.nyc.gov/nycha) 備有文件譯本可供索取

所居公房管理处和房屋局网站(网址:<u>http://www.nyc.gov/nycha/tenantselfservice.</u>) 备有文件译本可供索取



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NOTICE OF MODIFICATION OF GRIEVANCE





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## **Applicants - NYCHA**

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- Application Lifecycle Where You Can Rent

## **Applying for Section 8**

Go to the Self-Service Portal





You can stop scams by reporting suspicious claims to NYCHA's Inspector General at 212-306-3355.

was open, you may log on to the Self-Service Portal to check the status of the application and update your information. As of December 10, 2009, NYCHA is no longer accepting new Section 8 applications. If you previously submitted a Section 8 housing application when the waitlist

# Things You Should Know When Completing a Section 8 Application

assisted housing by providing false, incomplete, or inaccurate information on your application forms. If you are on an existing waitlist, you may be asked to update your preliminary application or submit a complete application. Don't risk your chances for receiving federally

Learn more about what information you must provide before applying for Section 8 on the U.S. Department of Housing and Urban Development's (HUD) website.

## Housing Discrimination Is Illegal

It is ILLEGAL for your landlord to refuse your voucher or public rental assistance unless the landlord has less than six units in all their properties.

## P

If you believe you have been discriminated against, call 311 and ask for the NYC Commission on Human Rights or call the Commission's hotline directly at 718-722-3131. For more information, please visit nyc.gov/fairhousingnyc

## **Denial of Assistance**

If you are denied assistance, you will be notified by NYCHA and will be given the opportunity to appeal the reason.

## Income Limits

You must be income-eligible at the time of voucher issuance. Below are the current income limits for Section 8 applicants:

	Family Size	Annual Income (\$)
1 Person	\$41,800	
2 Persons	\$47,750	
3 Persons	\$53,700	
4 Persons	\$59,650	
5 Persons	\$64,450	
6 Persons	\$69,200	
7 Persons	\$74,000	
8 Persons	\$78,750	

## Self-Service Links

enabled device to get started You can view your information and complete certain transactions online. Log on to the self-service portal using your computer, smartphone, tablet, or other internet-

# Voucher Payment Standards and Utility Allowance Schedules

the published Fair Market Rent. Please view the voucher payment standards and utility allowance schedules for the most up-to-date information. payment standard schedule is based on the Fair Market Rent established by HUD for each unit size. These standards can be set between 90 percent and 110 percent of Voucher Payment Standards and Utility Allowance Schedules are the maximum amount of subsidy NYCHA will pay to the property owner on your behalf. NYCHA's

Frequently Asked Questions (FAQs) | English

Emergency Referrals Frequently Asked Questions (FAQs) | English

STATE OF NEW YORK ) ) ss.: COUNTY OF NEW YORK )

**VERA NASEVA**, being duly sworn, deposes and says:

I am a petitioner in this proceeding ; I have read the petition and know the contents thereof, the same is true to my personal knowledge except as to matters alleged therein upon information and belief, and as to such matter I believe it to be true.

VERA NASEVA

SUBSCRIBED AND SWORN to before me on this  $\frac{10}{10}$  th day of January 2022.

Notary Public / State of New York

ALEKSANDR ABDURAKHMANOV Notary Public, State of New York No. 01AB6143371 Qualified in Queans County Certificate Field in New York County Commission Expires 04/17/2022

STATE OF NEW YORK ) ) ss.: COUNTY OF NEW YORK )

**GEORGE WEAVER**, being duly sworn, deposes and says:

I am a petitioner in this proceeding ; I have read the petition and know the contents thereof, the same is true to my personal knowledge except as to matters alleged therein upon information and belief, and as to such matter I believe it to be true.

GEORGE WEAVER

SUBSCRIBED AND SWORN to before me on this  $/ \mathcal{O}$  th day of 2022.

January 2022.

Notary Public / State of New York

ALEKSANDR ABDURAKHMANOV Notary Public, State of New York No. 01A86143871 Qualified in Qusens County Certificate Field In New York County Commission Expires 04/17/2022

STATE OF NEW YORK ) ) ss.: COUNTY OF NEW YORK )

CARMEN HERNANDEZ, being duly sworn, deposes and says:

I am a petitioner in this proceeding; I have read the petition and know the contents thereof, the same is true to my personal knowledge except as to matters alleged therein upon information and belief, and as to such matter I believe it to be true.

**FERNANDEZ** 

SUBSCRIBED AND SWORN to before me on this <u>10</u> th day of January 2022.

<u>Auadalupe</u> De La Cru Notary Public / State of New York

GUADALUPE DE LA CRUZ. Notary Public - State of New York No. 01DE6391951 Qualified in Bronx County My Commission Expires May 20, 2023 1785199

STATE OF NEW YORK ) ) ss.: COUNTY OF NEW YORK )

LOUIS FLORES, being duly sworn, deposes and says:

I am a petitioner in this proceeding; I have read the petition and know the contents thereof, the same is true to my personal knowledge except as to matters alleged therein upon information and belief, and as to such matter I believe it to be true.

LOUIS FLORES

SUBSCRIBED AND SWORN to before me on this  $10^{+1}$ th day of January 2022.

<u>Anadalupe</u> De La Crun Notary Public / State of New York

しきじい GUADALUPE DE LA CRUZ Notary Public - State of New York No. 01DE6391951-Qualified in Bronx County My Commission Expires May 20, 2023

Index No. 101181-2021 (Frank, J.)

SUPREME COURT OF THE STATE OF NEW YORK COUNTY OF NEW YORK

In the Matter of the Application of

GEORGE WEAVER, VERA NASEVA, CARMEN HERNANDEZ, and LOUIS FLORES, each on their own behalf and collectively on behalf of all others similarly-situated,

Petitioner-Plaintiffs,

--against--

THE NEW YORK CITY HOUSING AUTHORITY ; GREGORY RUSS, Chair and CEO ; THE CITY OF NEW YORK ; and ERIC ADAMS, Mayor of the City of New York, as successor to BILL DE BLASIO,

Respondents-Defendants.

## AMENDED & RESTATED VERIFIED ARTICLE 78 & DECLARATORY JUDGMENT PETITION-COMPLAINT

## **Certification Pursuant to Part 130-1.1**

To the best of my knowledge, information and belief, formed after an inquiry reasonable under the circumstances, the presentation of these papers or the contentions therein are not frivolous as defined in subsection (c) of section 130-1.1 of the Rules of the Chief Administrator (22NYCRR)

DATED: Jan. 10, 2022

GEORGE WEAVER 419 W. 17th St., Apt. 22A New York, NY 10011 (212),242-1421

CARMEN HERNANDEZ 1471 Watson Ave., Apt. 53 Bronx, NY 10462 (929) 348-7747

V Sece

VERA NASEVA 425 W. 25th St., Apt. 13D New York, NY 10001 (646) 418-5988

LOUIS FLORES 7522 37th Ave., No. 420 Jackson Heights, NY 11372 (929) 279-2292

### SELF REPRESENTED LITIGANTS INFORMATION

Service of a copy of the within is hereby admitted. DATED:

Attorney for Petitioner(s)