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

BROADWAY TRIANGLE COMMUNITY

COALITION, an unincorporated association, by and in the name of its Chairman, JUAN L. RAMOS, ANITA DUNBAR, HINTON T. CAUSEY, DIANNE JACKSON, individually and on behalf of the COOPER PARK RESIDENT COUNCIL, NAOMI COLON, individually and on behalf of the MARCY HOUSES TENANT ASSOCIATION, JESUS CASTILLO, individually and on behalf of SAVE OUR SOUTHSIDE, GENEVIEVE SALMONS, TERRENCE TAYLOR, ELBA MORALES, LEONIDES REYES, individually and on behalf of the UNITED NEIGHBORS ORGANIZATION, YESSENIA ALVAREZ, AIDA DE JESUS, individually and on behalf of the BERRY STREET HOUSES RESIDENT ASSOCIATION, INC., MARCOS MASRI, individually and on behalf of the UNITED JEWISH COMMUNITY ADVOCACY RELATIONS & ENRICHMENT, INC., ROBERT SOLANO, individually and on behalf of CHURCHES UNITED FOR FAIR HOUSING, INC., CARMEN ACEVEDO, DAVID A. DOBOSZ, individually and on behalf of the ST. JOHN'S LUTHERAN CHURCH SOCIAL ACTION COMMITTEE, DAVID LOPEZ, individually and on behalf of **SOUTHSIDE UNITED** HOUSING DEVELOPMENT FUND CORPORATION, LEORA KEITH, individually and on behalf of the TOMPKINS HOUSES RESIDENT ASSOCIATION, INC., and DENEISE JENNINGS-HOUSTON, individually and on behalf of the WILLIAMSBURG NEIGHBORHOOD BASED ALLIANCE, INC.,

Plaintiffs-Petitioners,

-against-

MICHAEL BLOOMBERG as MAYOR of the CITY OF NEW YORK, CITY OF NEW YORK, RAFAEL E. CESTERO as Commissioner of the NEW YORK CITY DEPARTMENT OF HOUSING PRESERVATION AND DEVELOPMENT, and NEW YORK CITY DEPARTMENT OF HOUSING PRESERVATION AND DEVELOPMENT

Defendants-Respondents.

Index No. 112799/09

STIPULATION AND ORDER OF SETTLEMENT

WHEREAS the plaintiff individuals and organizations listed in the caption above ("Plaintiffs") are prosecuting an action captioned *Broadway Triangle Community Coalition, et al. v. Bloomberg, et al.* (Index No. 112799/09) (N.Y. Sup. N.Y. Cnty.) (the "Action") against defendants the Mayor of the City of New York, the City of New York, the Commissioner of the

New York City Department of Housing Preservation and Development ("HPD"), and HPD (collectively, "Defendants" or the "City");

WHEREAS Plaintiffs alleged in their complaint that the City's re-zoning and plans for housing development in the Broadway Triangle Urban Renewal ("BTUR") area in Williamsburg, Brooklyn were discriminatory on the basis of race, national origin, and religion and perpetuated residential segregation, in violation of Title VIII of the federal Fair Housing Law, 42 U.S.C. § 3601 *et seq.*, and the New York City Human Rights Law, § 8-101 *et seq.*;

WHEREAS the Court (Hon. Emily Jane Goodman) entered a preliminary injunction on December 23, 2011, after conducting an evidentiary hearing, that enjoined Defendants "from transferring City owned land and proceeding with the development of 100 Throop Street, 31 Bartlett Street and 35 Bartlett Street;"

WHEREAS Plaintiffs and Defendants (collectively, the "Parties") have engaged in extensive settlement discussions together and with the Court's assistance, and the Parties mutually desire to resolve their differences amicably, without further litigation;

WHEREAS the Parties share the common goals of opposing housing discrimination and segregation and increasing the supply of affordable housing in the BTUR area;

WHEREAS, this Stipulation and Order of Settlement (the "Stipulation") is made without any admission of liability by Defendants;

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED BY THE UNDERSIGNED AND SO ORDERED BY THE COURT, that this Action is settled on the following terms and conditions:

I. Development of Affordable Rental Units in the BTUR Area

- 1. The Parties intend that the City-owned land at the following sites (individually "a Site" and collectively "Sites") will be developed into multi-family residential buildings in which 100% of the dwelling units, other than any units occupied by a building superintendent, are permanently affordable, rental units ("Affordable Units"):
 - a. Block 2269, Lot 52 ("31 Bartlett Street Site");
 - b. Block 2269, Lots 45, 47, 48, 49, and 50 ("35 Bartlett Street Site");
 - c. Block 2269, Lots 25, 27, 28, 29, 30, 31, 33, 35, and 36 ("Throop Street Site");

- d. Block 2269, Lots 14, 16, 17, and 18 ("Gerry Street Site"); and
- e. Block 2272, Lots 49, 51, 52, 53, and 108 ("Whipple-Flushing Site").
- 2. With respect to the 35 Bartlett Street Site, the Parties acknowledge that the City's ownership of Lot 45 is currently being litigated in a separate action, Ramooe, Inc. v. City of New York, et al., No. 13-cv-01045 (E.D.N.Y.). If (a) the City were to lose ownership of Lot 45 as the result of a final court order (with appeal(s) completed or the time therefor exhausted) or settlement, or (b) the *Ramooe* litigation remains pending on the date the developer for the 35 Bartlett Street Site is selected, whichever is sooner, the Parties agree that the other lots of the 35 Bartlett Street Site will be developed into Affordable Units without Lot 45. If the City retains ownership to Lot 45 pursuant to a final court order or settlement after the developer for the 35 Bartlett Street Site is selected, the City and the developer may agree to transfer Lot 45 to the same developer already selected for the 35 Bartlett Street Site. If, in accordance with paragraph 9, the City issues a new Request for Proposal ("RFP") for the 35 Bartlett Street Site after the Ramooe litigation is favorably resolved and Lot 45 for the 35 Bartlett Street Site has not been included in any other project, then the City will include such Lot 45 in the RFP. Nothing in this paragraph shall be deemed to obligate the City of New York to pursue the litigation in the EDNY to final judgment or to appeal any adverse determination in the *Ramooe* litigation. The City shall notify Plaintiffs' Counsel in writing within seven (7) days of the issuance of any such final disposition of the litigation.
- 3. The Parties recognize that the disposition of the Sites must be reviewed and approved in accordance with the provisions of all applicable local, state, and federal laws. The parties further recognize that some of these applicable laws will require the approval of the

City Planning Commission and/or the City Council. To the extent that City Planning

Commission and/or City Council approval is required for the disposition of the Sites, HPD and
the Mayor's Office will aggressively pursue approval with the Commission and the Council.

The Defendants may request that Plaintiffs provide their cooperation and assistance in
connection with Defendants' efforts to obtain any approvals required for the disposition of the
Sites. If Plaintiffs believe that they are unable to provide such cooperation and assistance,
Plaintiffs' counsel shall notify Defendants' counsel in writing and the Parties' counsel shall meet
to confer and attempt to resolve this issue.

- 4. The Affordable Units will be developed pursuant to the requirements set forth in the City's Extremely Low & Low-Income Affordability ("ELLA") Program Term Sheet (dated 5/15/2017) attached here as Exhibit A and incorporated here as if fully set forth herein. Should the City eliminate or change the ELLA Program prior to the issuance of the RFP for the development of the Affordable Units, the City shall advise Plaintiffs' counsel in writing within fifteen (15) days of such decision being reached and, if applicable, shall provide Plaintiffs' counsel with the revised ELLA term sheet. In any such event, the 2017 ELLA term sheet attached here as Exhibit A shall continue to govern the development of the Affordable Units pursuant to this Stipulation unless the Plaintiffs agree in writing to substitute a revised program term sheet into this Stipulation. Any such agreement in writing shall be provided by Plaintiffs to Defendants' counsel within fifteen (15) days of Defendants' notification to Plaintiffs' counsel.
- 5. This Stipulation shall take effect upon the entry of an Order of this Court approving the terms set forth here and the date of such entry shall serve as the Effective Date of this Stipulation and Order. Within 180 days of the Effective Date, the Defendants shall issue the

RFP(s) for the development of the Affordable Units on all the Sites. The RFP(s) will include the following requirements:

- a. Subject to the provisions set forth in sub-paragraphs i and ii below, the initial rent-up of the Affordable Units shall include the following preference: after the percentage of units required under the ELLA Term Sheet to serve formerly homeless households are set aside, the initial rent-up of 50% of the remaining Affordable Units will be done using a preference for residents of Community District Nos. 1 and 3. This preference shall also extend to former residents of Community District Nos. 1 or 3 who can establish that they lived in Community District Nos. 1 or 3 on or after July 1, 2009 by providing one or more of the following: lease(s), utility bill(s), school record(s), bank statement(s), tax return(s), government document(s) (e.g., benefits check or other government paperwork), or other comparable document(s) evidencing such residency during said period.
 - i. The Parties acknowledge that the Defendants' use of a preference based on Community District residency is currently being litigated in the separate action, *Winfield, et al. v. City of New York*, No. 15-cv-5236 (S.D.N.Y.). Should a court issue a preliminary or permanent injunction, or other decision or order preventing the Defendants from the use of Community District preferences as described above, the Parties agree that they will discuss alternatives to the Community District preferences described above, provided that such alternatives are possible within the parameters of any such court order or decision, or move the

Court if necessary pursuant to Paragraph 22 below to modify the Stipulation. The Defendants shall advise Plaintiffs' counsel in writing of any such court order or decision within seven (7) days of its issuance. Nothing here shall be interpreted to prohibit any Party from requesting that the *Winfield* court exempt this Stipulation from any such order or decision.

- ii. Plaintiffs further agree that they will cooperate with the

 Defendants in defending against any collateral attack on the use of the

 Community District preferences described above for the initial rent-up of
 the Affordable Units required by this Stipulation.
- b. The RFPs will state that the Defendants will use certain criteria for evaluating proposals and selecting a developer. One of these criteria will be a separate category entitled "Local Non-Profit Developers" which will award 4 out of 100 points to an applicant that (i) is a non-profit housing developer which (ii) has a successful record of developing affordable housing in Community District Nos. 1 or 3. A "non-profit housing developer" is defined as a not-for-profit corporation or an entity in which at least 51% of the controlling interest is held by a not-for-profit corporation. The application of a non-profit housing developer who partners with another entity will only be eligible for the favorable treatment described in this paragraph if the non-profit housing developer demonstrates in its application that it will control the development of the Affordable Units subject to the RFP(s) described here. Nothing herein shall preclude a non-profit housing developer selected to develop any Site from forming a subsidiary or affiliate

controlled by such non-profit housing developer to perform its role in the transaction.

- c. Any developer who has been found by a court or a government agency to have engaged in housing discrimination anywhere in the last ten (10) years will be disqualified from the RFP unless such determination was reversed on, or remains subject to, administrative or judicial review.
- d. The RFP will require the developer to comply with HPD's Marketing Handbook: Policies and Procedures for Resident Selection and Occupancy (dated October 2016, as may be amended) ("Marketing Handbook") to ensure that the developer's affirmative marketing plan aims to diversify the pool of applicants. However, any modifications made by HPD to sections 4-1 (C)(1) and (C)(2) or 4-2(A), (B)(1), (B)(2), (B)(3), (C), and (D) and Attachments B, C, F-1, F-2, F-3, and F-5 and their accompanying forms and attachments of the Marketing Handbook (which are attached here as Exhibit B) prior to the initial rent-up of the Affordable Units shall apply to the marketing of the Affordable Units only to the extent that they do not lessen diversity of the pool of applicants or otherwise reduce the developer's obligation to reach those applicants least likely to apply, unless such modifications are required to comply with applicable law or guidance from governmental oversight agencies. If changes are made to the foregoing sections of the Marketing Handbook, the City shall advise Plaintiffs' counsel in writing within thirty (30) days of such changes and provide Plaintiffs' counsel with the revised sections of the Marketing Handbook. The RFP will require the developer to incorporate a multilingual marketing process in

its affirmative marketing plan that includes community outreach, advertising, signage, rental applications, and translation assistance in at least English, Spanish, and Yiddish.

- e. The RFP will encourage the development of the Sites to maximize the number of Affordable Units, including requiring developers to build to the maximum available density and take advantage of any available floor area bonus under the R7A zoning applicable to the Sites in a way that is consistent with the requirements of the ELLA program as set forth in Exhibit A.
- f. Plaintiffs will be permitted to submit proposals in response to the RFP, if otherwise qualified. Defendants will evaluate any proposal submitted by a Plaintiff according to the scoring criteria set forth in the RFP.
- 6. The Affordable Units developed on any Site shall not be used to qualify any property that is not a Site for any tax benefit, zoning floor area bonus, or any other benefit or subsidy.
- 7. The regulatory agreement between the Defendants and the developer for the Sites will state that "The term of the regulatory agreement is in perpetuity" so that the Affordable Units will remain affordable rental units in perpetuity.
- 8. When the Defendants publicly announce selection of a developer for each Site, it will simultaneously notify Plaintiffs' counsel in writing.
- 9. Should the developer selected by HPD for any Site become unable to close on the purchase of the Site and construction financing for development of the Affordable Units at the Site, the City will, within ninety (90) days of that determination, reissue the RFP subject to the terms of this Stipulation to identify and select a new developer.

10. HPD will maintain and preserve all records in its possession relating to the issuance of the RFP, the evaluation of proposals received, and the selection of a developer for each Site. HPD also will maintain and preserve all communications and agreements between HPD and any selected developers related to the development and marketing. The Defendants shall make any records described in this paragraph that are required to be produced by the Freedom of Information Law (FOIL) available to Plaintiffs' counsel within sixty (60) days of any written request for such records made by Plaintiffs' counsel or such longer time as may be necessary to gather such documents. Documents that are privileged, information or documents submitted by an applicant for a housing unit, and documents that are not required to be produced under the FOIL will not be produced absent a court order. Should Plaintiffs move for such a court order, Defendants reserve their rights to object to production on any grounds that they have available to them.

II. Provision of Fair Housing Services in the Broadway Triangle Area

- Administration ("HRA"), shall commence negotiations with Brooklyn Legal Services Corp. A to enter into a three-year contract, renewable for another three years, in the amount of \$800,000.00 per year for a total of \$2,400,000.00 for the purpose of Brooklyn Legal Services Corp. A providing Fair Housing Services, as defined below. Any issue or dispute related to the services provided pursuant to this contract will be governed by the terms of the contract. Within 150 days of the Effective Date, Defendants shall file the contract for registration pursuant to section 238 of the New York City Charter.
 - 12. Fair Housing Services for the purpose of this agreement are defined as:

- a. Providing workshops, counseling, legal clinics, trainings, forums, meetings, and educational materials, that provide information about federal, state, and local fair housing rights and remedies ("Education and Outreach Services") to at least 852 low- or moderate-income persons on an annual basis;
- b. Providing formal legal representation and legal advocacy services in the form of pre-litigation advocacy and/or litigation in housing, state or federal courts or before an administrative agency, including but not limited to investigating, drafting and filing complaints, and engaging in pre-litigation negotiations and alternative dispute resolutions, and appearing before courts or administrative agencies ("Advocacy Services") for at least 170 low- or moderate-income persons on an annual basis.
- 13. The Defendants will renew this contract with Brooklyn Legal Services Corp. A on the same terms and conditions for an additional three (3) years in the amount of \$800,000.00 per year for a total of \$2,400,000.00 unless there is good cause not to renew the contract.
- 14. Subject to the exclusion set forth below, the Advocacy Services shall be provided exclusively to current residents of Zip Codes 11211 and 11206 ("Catchment Area") or individuals seeking to become residents of the Catchment Area who allege housing discrimination on the basis of race, color, national origin, alienage or citizenship status, and/or religion or creed. But nothing here shall prohibit Brooklyn Legal Services Corp. A from providing Advocacy Services to people otherwise eligible as defined here, who also present claims of housing discrimination, arising out of the same transactions and occurrences, based on additional protected characteristics (including, for example, disability, sex, familial status, source

of income) as long as one claim of housing discrimination is based on race, color, national origin, alienage or citizenship status, and/or religion or creed. Notwithstanding the provision set forth above, Advocacy Services shall not be provided on behalf of individuals to advance claims against The City of New York, including HPD, HRA, or DSS, or against NYCHA.

- 15. Brooklyn Legal Services Corp. A may make up to three (3) requests per month, not exceeding 36 per year, to the Defendants for waivers to provide Advocacy Services to individuals who reside outside the Catchment Area. The Defendants will grant such waivers unless good cause exists to deny them.
- 16. Nothing in this Stipulation shall prohibit Brooklyn Legal Services Corp. A from sub-contracting the provision of any portion of the Education and Outreach Services or the Advocacy Services to other qualified non-profit organizations or individuals, in accordance with the resultant contract delineated above. Nothing in this Stipulation shall be interpreted to prohibit Brooklyn Legal Services Corp. A from providing other or additional legal services that are not funded through the Fair Housing Services contract described here.

III. Attorneys' Fees and Costs

17. Within ninety (90) days of the Effective Date, the Defendants agree to send a check to Emery Celli Brinckerhoff & Abady LLP for the sum of \$1,314,532.00 in payment for all attorneys' fees and reimbursement of costs incurred in the prosecution of this Action.

IV. Plaintiffs' Release

18. In consideration of the Defendants' agreement to the provisions of paragraphs 1 through 17, and in full satisfaction of all claims in this Action of any type, Plaintiffs individually and collectively agree to the following:

- a. Dismissal with prejudice of all claims against all Defendants and to release all Defendants, their successors or assignees, and all past and present officials, employees, representatives, and agents of the City of New York, from any and all liability, claims, and/or rights of action, whether known or unknown, that Plaintiffs raised or could have raised in the Action arising out of the allegations in Plaintiffs' complaint and amended complaint in the Action, including all claims for costs, expenses and/or fees incurred in connection with this Action;
- b. Plaintiffs' counsel represents that by separate agreement, the Plaintiffs have assigned their rights to counsel fees and costs to Emery Celli Brinckerhoff & Abady, LLP, New York Civil Liberties Union Foundation, Brooklyn Legal Services Corp. A, and Weil, Gotshal & Manges LLP.
- 19. As prohibited by 42 U.S.C. § 3617, Defendants will not retaliate against, interfere with, or otherwise discriminate against any Plaintiff as a result of their role in this action. If Plaintiffs believe this provision has been violated by Defendants, Plaintiffs' counsel will confer with Defendants' counsel as specified in Paragraph 22 of this Stipulation.

V. Jurisdiction, Compliance, and Termination

20. This Stipulation and Order shall come into effect with the entry of an order of this Court approving the terms of this agreement. The date of such entry shall be the Effective Date. This Stipulation and Order shall remain in effect until the Termination Date, which shall be the earlier of either the day when (a) certificates of occupancy are issued for all of the Affordable Units constructed on the Sites described above in Section I of this Stipulation or

- (b) ten (10) years from the date upon which the developer for the last of the Sites is announced by HPD pursuant to Paragraph 8 or, if applicable, Paragraph 9.
- 21. The Court shall retain jurisdiction over this Action for the duration of this Stipulation to interpret and enforce its terms as necessary. The Action shall be dismissed with prejudice after the Termination Date, unless Plaintiffs or Defendants move the Court pursuant to Paragraph 22 of this Stipulation, in which case the Court's jurisdiction and the obligations for which non-compliance is alleged shall continue until (a) such motion is decided or (b) until such date as the Court may order in deciding such motion.
- 22. If Plaintiffs or Defendants believe prior to the Termination Date that any Party has not complied with any of its obligations under this Stipulation, counsel shall notify the opposing counsel in writing of the nature of the alleged failure(s) to comply at least thirty (30) days before any motion is made regarding this Stipulation and the Parties' counsel shall meet to confer and attempt to remedy the alleged failure(s). If the Parties are unable to reach a resolution within thirty (30) days of the initial written notice (or such longer time as may be agreed to by the Parties), counsel may move this Court for an order for appropriate relief.

VI. General Provisions

- 23. This Stipulation shall be binding on all the Parties and their successors.
- 24. Nothing contained herein shall be deemed to be an admission by Defendants that they have in any manner or way violated the rights of Plaintiffs, or the rights of any other person or entity, as defined in the constitutions, statutes, ordinances, charters, by-laws, rules or regulations of the United States, the State of New York, or the City of New York, or any other rules, regulations or bylaws of any department or subdivision of the City of New York.

25. In the event of any change in federal, state, or local statute or regulation, or a court ruling in another case, that the Defendants believe changes their responsibilities pursuant to this Stipulation, the Defendants shall notify Plaintiffs' counsel in writing and the Parties shall attempt to come to an agreement as to any modifications of this Stipulation that are warranted by any such changes in federal, state, or local law. If no resolution is reached within thirty (30) days following the written notice (or such longer time as may be agreed to in writing by the Parties), Defendants or Plaintiffs may move this Court for an order for appropriate relief.

26. This Stipulation shall have no authority or effect as a judicial precedent.

27. Nothing contained herein shall be deemed to constitute a policy or practice of the City of New York or any of its agencies or departments and, to the extent that certain provisions of this Stipulation are contrary to current polices or practices of the City of New York or any of its agencies, nothing contained herein shall be deemed to constitute a change to such existing policy or practice.

28. This Stipulation contains all the terms and conditions agreed upon by the Parties hereto, and no oral agreement entered into at any time nor any written agreement entered into prior to the execution of this Stipulation regarding the subject matter of this action shall be deemed to exist, to bind the Parties hereto, or to vary the terms and conditions contained herein.

29. Any notice, report, or communication required by or made pursuant to this Stipulation shall be sent by email and first class mail to counsel at the addresses specified below:

Plaintiffs' Counsel:

Diane L. Houk Zoe Salzman Emery Celli Brinckerhoff & Abady LLP 600 Fifth Avenue, 10th Floor New York, NY 10020 <u>dhouk@ecbalaw.com</u> zsalzman@ecbalaw.com

Arthur Eisenberg New York Civil Liberties Union Foundation 125 Broad Street, 19th Floor New York, New York 10004 aeisenberg@nyclu.org

Martin S. Needelman Shekar Krishnan Brooklyn Legal Services Corp. A 260 Broadway, 2nd Floor Brooklyn, NY 11211 mneedelman@bka.org skrishnan@bka.org

Defendants' Counsel:

Sheryl Neufeld
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lmoed@law.nyc.gov
abrennan@law.nyc.gov

30. The Parties shall carry out all their obligations under this Stipulation in

good faith.

31. The Parties further agree that	this Supuration may be executed in
counterparts, and that a facsimile or PDF signature shall be deemed valid for all purposes.	
Dated: November, 2017 New York, New York By: Draw I Houle	By:
Diane L. Houk Zoe Salzman EMERY CELLI BRINCKERHOFF & ABADY LLP 600 Fifth Avenue, 10 th Floor New York, NY 10020 Martin S. Needelman Shekar Krishnan BROOKLYN LEGAL SERVICES CORP. A 260 Broadway, 2 nd Floor	Sheryl Neufeld Louise Moed Ave Maria Brennan NEW YORK CITY LAW DEPARTMENT 100 Church Street New York, NY 10007 (212) 356-2188 Attorneys for Defendants-Respondents
Brooklyn, NY 11211	
SO ORDERED:	

Date

Hon. Shlomo S. Hagler, J.S.C.

31. The Parties further agree that this Stipulation may be executed in	
counterparts, and that a facsimile or PDF signature	shall be deemed valid for all purposes.
Dated: November, 2017 New York, New York	
Diane L. Houk Zoe Salzman EMERY CELLI BRINCKERHOFF & ABADY LLP 600 Fifth Avenue, 10 th Floor New York, NY 10020	By Sheryl Neufeld Louise Moed Ave Maria Brennan NEW YORK CITY LAW DEPARTMENT 100 Church Street New York, NY 10007 (212) 356-2188
Martin S. Needelman Shekar Krishnan BROOKLYN LEGAL SERVICES CORP. A 260 Broadway, 2 nd Floor Brooklyn, NY 11211	Attorneys for Defendants-Respondents
Arthur Eisenberg NEW YORK CIVIL LIBERTIES UNION FOUNDATION 125 Broad Street, 19th Floor New York, New York 10004 Attorneys for Plaintiffs-Petitioners	
SO ORDERED:	
Hon. Shlomo S. Hagler, J.S.C.	Date