

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

FAIR HOUSING JUSTICE CENTER, INC.,

Plaintiff,

-against-

E L J MANAGEMENT COMPANY, JACBAY
INC., ASTORIA 35 INC., HARARI REALTY
CORP., CONTACT REALTY CORP., and
CHRISTIAN QUICENO,

Defendants.

INDEX NO.:

COMPLAINT

Plaintiff Fair Housing Justice Center, Inc. (“FHJC”) by its attorneys Emery Celli
Brinckerhoff Abady Ward & Maazel LLP, alleges as follows:

LIES AND “GHOSTING”¹: A HOUSING DISCRIMINATION STRATEGY

1. Defendants are the owners, management company, realty firms, and a real estate salesperson for three rental apartment buildings with over 200 units between them in Brooklyn and Queens. They thought they could evade New York State and City prohibitions on discrimination against tenants with Section 8 vouchers by withholding apartments for rent without stating their policy out loud.

2. As described below, Defendants and/or their agents ignored repeated calls and texts from prospective tenants with housing vouchers or lied to them about an apartment’s availability for rent, all in a calculated scheme to prevent renters with vouchers from gaining access to available rental apartments.

¹ “Ghosting” means “to cut off contact with (someone) abruptly and usually without explanation: to subject (someone, such as a former romantic partner) to ghosting.” Ghost (verb), MERRIAM WEBSTER, <https://www.merriam-webster.com/dictionary/ghost>.

3. Defendants' discrimination was not always so underhanded. Their lies and ghosting are a recent invention in their discrimination strategy.

4. In 2017, the superintendent at one of the three buildings openly stated that the "company" would not accept tenants with Section 8 vouchers.

5. Since then, Defendants' discriminatory tactics have changed, but their policy remains the same.

6. In 2021, Plaintiff FHJC conducted four tests at the three buildings using testers posing as renters with income solely from employment and as renters with housing vouchers.

7. During each test, Defendants' agents were not open about Defendants' policy of refusing to rent to renters with Section 8 housing vouchers. But their scheme to deny rental opportunities to individuals with vouchers by avoiding contact with voucher applicants until apartments were rented to someone else makes that policy as clear as if they had stated it directly to the prospective tenants.

8. One of Defendant Contact Realty's agents lied to a tester with a voucher, claiming an apartment was unavailable for rent at the same time that he told a tester with income solely from employment that the same apartment and two others were available for rent.

9. During three other tests, Defendants' agents ghosted the testers with housing vouchers by claiming they had to check whether the "manager" or "landlord" would accept the voucher, then never responding with an answer despite multiple follow-up inquiries from each voucher-holding tester. At the same time, these agents made the same apartments available to testers with income solely from employment.

10. Defendants' conduct constitutes source of income discrimination in violation of the New York State and City Human Rights Laws.

11. Plaintiff FHJC files this action seeking injunctive relief to stop Defendants' illegal housing practices, as well as compensatory and punitive damages, attorneys' fees, and costs.

THE PARTIES

Plaintiff Fair Housing Justice Center, Inc.

12. Plaintiff FHJC is a non-profit New York City-based organization dedicated to ensuring that all people have equal access to housing opportunities in the New York City region by eliminating housing discrimination and creating open, accessible, and inclusive communities. FHJC expended staff time and other resources to identify, investigate, and respond to the Defendants' discriminatory rental practices which diverted resources away from other FHJC activities. Furthermore, Defendants' discriminatory rental practices frustrated FHJC's mission to ensure that all people have equal access to housing opportunities in the New York City region by, among other things, making rental apartments unavailable to people because of their source of income, specifically, Section 8 housing vouchers.

13. Among other activities, FHJC (a) provides information to the public and other nonprofit organizations in the New York City region about fair housing laws, (b) provides intake counseling to individuals and organizations alleging housing discrimination, (c) conducts testing and other investigations of alleged housing discrimination, (d) makes legal referrals to cooperating attorneys, and (e) provides post-referral litigation support services and educational training to cooperating attorneys. FHJC provides these services free of charge and without regard to income.

14. FHJC also conducts testing investigations for government law enforcement agencies, provides technical assistance to nonprofit organizations, and engages in policy initiatives that further FHJC's mission, including the publication and dissemination of reports and educational materials.

15. FHJC employs individuals as “testers.” Testers pose as renters or homebuyers for the purpose of obtaining information about the conduct of landlords, real estate companies, brokers, agents, and others to determine whether illegal housing discrimination is taking place.

Defendants

16. Defendant JacBay Inc. (“JacBay”) is the owner of 345 86th Street, Brooklyn, NY 11209 (the “Bay Ridge Property”), a 128-unit rental apartment building in Bay Ridge, Brooklyn. Defendant JacBay is incorporated and headquartered in the County of New York at 271 Madison Avenue, 22nd Floor, New York NY 10016. Charles Alpert is the Principal of JacBay.

17. Defendant Astoria 35 Inc. (“Astoria 35”) is the owner of 35-20 35th Street, Queens, NY 11106, and 32-35 30th Street, Queens, NY 11106 (collectively, the “Astoria Properties”), two adjoining rental apartment buildings in Astoria, Queens with a combined 86 rental units. Defendant Astoria 35 is incorporated and headquartered in the County of New York at 271 Madison Avenue, 22nd Floor, New York NY 10016. Charles Alpert is the Principal of Astoria 35.

18. Defendant E L J Management Company (“E L J”) manages over 1,300 rental units across approximately a dozen buildings in Brooklyn and Queens, New York, including the Bay Ridge Property and the Astoria Properties. Defendant E L J is incorporated and headquartered in the County of New York at 271 Madison Avenue, 22nd Floor, New York NY 10016. Charles Alpert is the Principal of Defendant E L J.

19. JacBay, Astoria 35, and E L J shall be referred to collectively herein as the “Alpert Defendants.”

20. Defendant Harari Realty Corp. (“Harari Realty”) is a real estate brokerage firm with offices in Kings County, New York. Its corporate broker is Yair Harari. The Alpert

Defendants engaged Defendant Harari Realty's agents to advertise and show apartments, to process rental applications, and to negotiate the rental of apartments at the Bay Ridge Property. At all relevant times, Defendant Harari Realty was acting as an agent of Defendants E L J and JacBay.

21. Defendant Contact Realty Corp. ("Contact Realty") is a real estate brokerage firm with offices in Queens County, New York. Its corporate broker is Yair Harari, the same corporate broker as Defendant Harari Realty. The Alpert Defendants engaged Defendant Contact Realty to advertise and show apartments, to process rental applications, and to negotiate the rental of apartments at the Astoria Properties. At all relevant times, Defendant Contact Realty was acting as an agent of Defendants E L J and Astoria 35.

22. Defendants Harari Realty and Contact Realty shall be collectively referred to herein as the "Broker Defendants."

23. Defendant Christian Quiceno was at all relevant times a licensed real estate salesperson acting within his capacity as an agent of Defendant Contact Realty. Defendant Quiceno advertised, showed, and processed rental applications, and negotiated the rental of apartments at the Astoria Properties. At all relevant times, Defendant Quiceno was acting as an agent of Defendants Contact Realty, Astoria 35, and E L J.

JURISDICTION AND VENUE

24. This Court has subject matter jurisdiction over this action under N.Y. Judiciary Law § 140-b and § 7 of Article VI the Constitution of the State of New York.

25. This Court has personal jurisdiction over Defendants as set forth in CPLR § 301.

26. Venue is properly lodged in this Court pursuant to § 503 of the CPLR.

FACTUAL ALLEGATIONS

2017: Alpert Defendants Directly State They “Don’t Take” Section 8

27. In 2017, Defendants JacBay and E L J had a stated policy of refusing to rent to tenants with Section 8 vouchers.

28. On March 20, 2017, FHJC assigned a tester to pose as a person with income solely from employment and to inquire about available apartments at the Bay Ridge Property. The tester met with the Bay Ridge Property’s superintendent, Pablo, who told him that a one-bedroom apartment in the building was available for rent at \$1,600.

29. The next day, March 21, 2017, FHJC assigned a tester to pose as a person with a Section 8 voucher and to inquire about available apartments at the Bay Ridge Property. The tester likewise met with Pablo, who initially informed her that there was a one-bedroom apartment available in the building for \$1,625.

30. When the tester told Pablo she had a Section 8 voucher, Pablo stated directly to her, “the company no take Section 8, sorry.” When she asked why, Pablo repeated, “they don’t take it, I’m sorry.”

May and June 2021: Disparate Treatment of Voucher Holders Across Four Different Tests

31. Since 2017, the Alpert Defendants’ policy has been the same: no tenants with Section 8 vouchers.

32. In 2019, New York State amended its Human Rights Law to prohibit source of income discrimination.

33. In May and June 2021, four additional FHJC source of income discrimination tests of the Alpert Defendants’ properties revealed that while Defendants’ methods of discrimination have evolved in the wake of the new State law, their unlawful discriminatory policy continues just the same.

34. In each of FHJC's May and June 2021 tests, FHJC assigned two testers to inquire about the same apartment's availability. For each test, FHJC instructed one of the testers to pose as an individual interested in renting the apartment and paying rent with income solely from employment. FHJC instructed the other tester to pose as an individual interested in renting the same apartment using a Section 8 housing voucher. The purpose of each test was to determine whether Defendants treated testers with vouchers differently than testers without them.

35. During all four tests, FHJC testers spoke to and/or met with agents of the Broker Defendants, including Defendant Quiceno.

36. The Broker Defendants and Defendant Quiceno made the apartments available to rent to the testers with income solely from employment but engaged in a course of conduct to ensure that testers with housing vouchers would not be able to rent the apartments.

May 2021: Quiceno Lies to Voucher-Holding Tester About Apartment's Availability

37. On April 28, 2021, Defendant Christian Quiceno, licensed real estate salesperson for Defendant Contact Realty, listed Apartment #3 at 35-20 35th Street, a rent-stabilized one-bedroom apartment at one of the Astoria properties, for rent for \$1,800/month on streeteasy.com.

38. The monthly rent for Apartment #3 was within the 2021 rent payment standards for renters with Section 8 rental vouchers in New York City.

39. On May 11, 2021, FHJC instructed a tester to pose as an individual with a Section 8 housing voucher to call Defendant Quiceno to inquire about the availability of Apartment #3. On the phone call, the tester disclosed that she had some income from employment but would also use a Section 8 voucher to pay her rent. Quiceno stated he would "double-check with the owner" (Defendant Astoria 35) about whether they would accept a tenant with a Section 8 voucher. He made this statement even though the owner, Defendant Astoria 35, was required at that time by City and State law to not discriminate against renters with vouchers.

40. One day later, May 12, 2021, FHJC sent a text message from the account of the tester to Quiceno inquiring about whether he had spoken to the owner regarding Section 8. Quiceno did not respond.

41. Another day later, May 13, 2021, FHJC instructed the tester to call Quiceno again. Quiceno told the tester that Apartment #3 had “a pending application being processed,” that he had no apartments available for rent “anywhere,” and “if something else comes up, . . . I’ll get back to you.”

42. Quiceno lied to the voucher-holding tester on May 13. On three separate occasions - one day before, one day after, and two weeks after - he told the voucher-holding tester that Apartment #3 had a pending application and that he had no other apartments available. In contrast, he told FHJC’s tester who claimed income solely from employment that Apartment #3 was available for rent, as were two other apartments in the same building.

43. On May 12, 2022, FHJC assigned a tester to pose as a renter with income solely from employment to call Quiceno to inquire about Apartment #3. Quiceno informed this tester that Apartment #3 was available, as were two others in the building. Quiceno encouraged the tester to schedule an in-person visit: “We could schedule for that apartment or for other ones that I have available.”

44. On May 14, 2022, FHJC sent a text message from the account of the tester with income solely from employment to Quiceno to schedule an appointment to see the three apartments in person. Quiceno responded that he could show the apartments at 4:00 p.m. the next day, May 15, despite telling the voucher-holding tester one day earlier that Apartment #3 had a pending application being processed and he had no others available. The tester subsequently cancelled the May 15 appointment.

45. On May 28, 2022, Quiceno texted the tester with income solely from employment that Apartment #3 was still available for rent. He never informed the voucher-holding tester that the apartment remained available, despite claiming he would.

46. Quiceno's conduct speaks for itself. He made Apartment #3 and two others available for rent to the tester with income solely from employment on multiple occasions at the same time that he told the voucher-holding tester that Apartment #3 was unavailable and he had no others "anywhere."

May-June 2021: Defendants "Ghost" Voucher-Holding Testers During Three Other Tests

47. Quiceno's lies to a voucher-holding tester about the availability of Apartment #3 are part and parcel of the Broker Defendants' and Defendant Quiceno's routine discriminatory tactics: without outrightly admitting the Alpert Defendants' policy against renting to tenants with Section 8 vouchers, Defendants repeatedly ghosted voucher-holding testers while maintaining contact with and making apartments available to testers with income solely from employment.

Astoria: 35-20 35th Street

48. On May 5, 2021, one week before Quiceno lied to the voucher-holding tester about Apartment #3's availability, FHJC assigned a tester to pose as a prospective tenant with a Section 8 voucher and to call Defendant Quiceno to inquire about his April 28 posting of that same apartment on streeteasy.com.

49. During this call, as he did a week later on the initial call with the tester he eventually lied to, Quiceno told this tester he would have to "double-check" with the "landlord" if "he" accepts Section 8, even though "he" (Alpert) is required by law to do so.

50. On each of the next two days, May 6 and 7, 2021, FHJC sent follow-up text messages from the account of the voucher-holding tester to Quiceno inquiring about whether the

landlord had let him know if he would accept Section 8. Quiceno ghosted. The tester never heard from Quiceno again.

51. Quiceno gave the exact opposite treatment to the FHJC tester posing as a renter with income solely from employment.

52. On May 6, 2021, the same day Quiceno ignored the voucher-holding tester's text messages, FHJC assigned a tester to pose as a renter with income solely from employment and to call Quiceno about Apartment #3. Quiceno told this tester that Apartment #3 was available for rent. On May 7 and 10, 2021, FHJC sent a text message from this tester's account to Quiceno about the application process and to find out about scheduling an in-person visit to the apartment. Unlike his ghosting of the voucher-holding tester, Quiceno responded to both texts on the same day they were sent and encouraged the tester to schedule a visit.

Astoria: 32-35 30th Street

53. On May 14, 2021, Sam Beniaminian, licensed real estate salesperson for Defendant Contact Realty, listed Apartment #1C at 32-35 30th Street, a one-bedroom apartment at one of the Astoria Properties, for rent for \$1,800 on streeteasy.com.

54. The monthly rent for Apartment #1C was within the 2021 rent level standards for renters with Section 8 rental vouchers in New York City.

55. On May 18, 2021, FHJC assigned a tester to pose as a renter with income solely from employment and to call Beniaminian to inquire about Apartment #1C. Beniaminian informed the tester that the apartment was available for rent. He encouraged her to call or text him directly to schedule a time to view the apartment.

56. The next day, May 19, 2021, FHJC assigned a tester to pose as a renter with a Section 8 voucher and to call Beniaminian and to inquire about the same apartment.

Beniaminian told her to text her contact information to him so that his assistant “Diego” – rather than Beniaminian himself – could follow up about scheduling. Like Quiceno two weeks earlier at the neighboring Astoria property, Beniaminian ghosted. The tester never heard from Beniaminian or Diego. On May 24, 2021, five days after the initial phone call, FHJC sent a text message from the tester’s account to Beniaminian to inform him that she never heard from Diego, but Beniaminian did not respond.

Bay Ridge: 345 86th Street

57. On May 30, 2021, Defendant Harari Realty listed Apartment #3C at the Bay Ridge Property, a one-bedroom apartment, for rent for \$1,675 on streeteasy.com.

58. The monthly rent for Apartment #3C was within the 2021 rent level standards for renters with Section 8 rental vouchers in New York City.

59. On June 3, 2021, FHJC assigned a tester to pose as a renter with a Section 8 voucher to call Harari Realty to inquire about Apartment #3C. The tester spoke to Meir Newman at Harari Realty. Like Quiceno twice before him, Newman told the tester he would “have to see if this manager” (E L J) “can take” Section 8, even though E L J was obligated to do so at the time by State and City law.

60. On June 4, 2021, and again on June 7, 2021, FHJC instructed the voucher-holding tester to send follow-up text messages to Newman regarding whether the landlord (E L J) takes Section 8. On both days, Newman responded to the texts but stated that he had not received word from the manager. Like Quiceno and Beniaminian, Newman thereafter ghosted the tester and never followed up about whether the manager accepted Section 8, as he said he would.

61. On June 4, 2021, FHJC assigned a tester to pose as a renter with income solely from employment and to call Newman to inquire about the same apartment. In contrast to his

treatment of the voucher-holding tester, Newman informed the tester with income solely from employment that the apartment was available for rent and suggested a time on June 8, 2021 for the tester to visit the apartment – after the tester stated she would be back from a weekend trip.

62. The Bay Ridge Property superintendent's 2017 statement that the Alpert Defendants did not accept Section 8 is as true today as it was then. The Broker Defendants' and Quiceno's lies to and ghosting of four separate prospective tenants with Section 8 vouchers in May and June 2021, all actions undertaken as agents for the Alpert Defendants, lay bare that the Alpert Defendants' unlawful policy remains in full force.

INJURY TO PLAINTIFF

63. As a result of the illegal and discriminatory actions described above, Defendants have directly and substantially injured FHJC by frustrating its mission of creating communities free of discrimination and by creating unequal housing opportunities for people who receive housing subsidies.

64. Defendants' discriminatory conduct perpetuates unequal housing opportunities in New York and frustrates FHJC's mission by preventing people with housing vouchers from living in buildings owned and/or managed by the Defendants.

65. FHJC has also been injured by diverting scarce resources to identify and counteract Defendants' unlawful housing practices. Those resources could have been used to engage in other activities and provide other services, including public education about fair housing laws, instead of countering Defendants' discriminatory conduct.

66. Until these violations are remedied, Defendants' illegal and discriminatory actions will continue to injure FHJC by, *inter alia*,

- a. interfering with programs and services intended to bring about equality of opportunity in housing;
- b. requiring the commitment of scarce resources, including staff time and funding to investigate and counter the Defendants' illegal conduct, thus diverting those resources from other activities, such as educational, outreach, and counseling services; and
- c. frustrating FHJC's organizational mission and goals of promoting the equal availability of housing to all persons without regard to source of income.

67. Plaintiff FHJC will cause a copy of this complaint to be served on the New York City Commission of Human Rights and the New York City Corporation Counsel in compliance with § 8-502(c) of the New York City Human Rights Law.

FIRST CLAIM FOR RELIEF

(New York State Human Rights Law: Source of Income Discrimination)
(Against the Alpert Defendants)

68. Plaintiff FHJC restates and incorporates by reference the preceding paragraphs as if fully set forth herein.

69. Defendants JacBay and Astoria 35 are the owners or other persons having the right to sell, rent, or lease a housing accommodation as defined by § 292(10) of the State HRL to include "any building . . . which is used or occupied . . . as the home, residence or sleeping place of one or more human beings."

70. Defendant E L J is the managing agent of JacBay and Astoria 35, with the right to sell, rent, or lease a housing accommodation as defined by § 292(10) of the State HRL to include "any building . . . which is used or occupied . . . as the home, residence or sleeping place of one or more human beings."

71. A Section 8 housing voucher is a “lawful source of income” as defined by the State HRL § 292(36).

72. Section 296(5)(a)(1) of the State HRL provides:

It shall be an unlawful discriminatory practice for the owner, lessee, sub-lessee, assignee, or managing agent of, or other person having the right to sell, rent or lease a housing accommodation, constructed or to be constructed, or any agent or employee thereof: (1) To refuse to sell, rent, lease or otherwise deny to or withhold from any person or group of persons such a housing accommodation because of the . . . lawful source of income . . . of such person or persons, or to represent that any housing accommodation or land is not available for inspection, sale, rental or lease when in fact it is so available.

73. The Alpert Defendants violated Section 296(5)(a)(1) by discriminating based on lawful source of income in the rental of housing accommodations in the various ways set forth *supra*, including, *e.g.*, withholding apartments for rent because of lawful source of income; and by representing, through the agents of the Broker Defendants and Defendant Quiceno that housing accommodations were not available for inspection or rental when in fact they were available.

74. The Alpert Defendants’ conduct was willful, intentional, and in reckless disregard of the rights of people with a rental subsidy, which is a lawful source of income under the State HRL.

75. Plaintiff FHJC is an “aggrieved person” under the State HRL and has suffered damages as a direct and proximate result of Defendants’ discriminatory conduct.

76. Accordingly, under State HRL § 297, Plaintiff FHJC is entitled to actual damages, punitive damages, injunctive relief, and reasonable attorneys’ fees and costs.

SECOND CLAIM FOR RELIEF

(New York State Human Rights Law: Source of Income Discrimination)
(Against the Broker Defendants and Defendant Quiceno)

77. Plaintiff restates and incorporates by reference the preceding paragraphs as if fully set forth herein.

78. The Broker Defendants are “real estate brokers” within the meaning of § 292(14) of the State HRL, as they are both a “firm or corporation who, for another and for a fee, commission, or other valuable consideration, lists for . . . purchase or rental of an estate or interest in real estate,” including a housing accommodation as defined by § 292(1) of the State HRL to include “any building . . . which is used or occupied . . . as the home, residence or sleeping place of one or more human beings.”

79. Defendant Quiceno is a “real estate salesperson” within the meaning of § 292(15) of the State HRL, as he is “a person employed by a licensed real estate broker . . . to lease or rent or offer to lease, rent or place for rent any real estate,” including a housing accommodation as defined by § 292(1) of the State HRL to include “any building . . . which is used or occupied . . . as the home, residence or sleeping place of one or more human beings.”

80. A Section 8 housing voucher is a “lawful source of income” as defined by the State HRL § 292(36).

81. Section 296(5)(c)(1) of the State HRL provides:

It shall be an unlawful discriminatory practice for any real estate broker, real estate salesperson or employee or agent thereof, (1) To refuse to sell, rent or lease any housing accommodation . . . to any person or group of persons or to refuse to negotiate for the sale, rental or lease, of any housing accommodation, . . . to any person or group of persons because of . . . lawful source of income . . . of such person or persons, or to represent that any housing accommodation . . . is not available for inspection, sale, rental or lease when in fact it is so available, or otherwise to deny or withhold any housing accommodation . . . from any person . . . because of the . . . lawful source of income or familial status of such person.

82. The Broker Defendants and Defendant Quiceno violated Sections 296(5)(c)(1) by discriminating based on lawful source of income in the rental of housing accommodations in the various ways set forth *supra*, including, *e.g.*, by withholding apartments for rent because of lawful source of income; and by representing, that housing accommodations were not available for inspection or rental when in fact they were available.

83. The Broker Defendants' and Defendant Quiceno's conduct was willful, intentional, and in reckless disregard of the rights of people with a rental subsidy, which is a lawful source of income under the State HRL.

84. Plaintiff FHJC is an "aggrieved person" under the State HRL and has suffered damages as a direct and proximate result of Defendants' discriminatory conduct.

85. Accordingly, under State HRL § 297, Plaintiff FHJC is entitled to actual damages, punitive damages, injunctive relief, and reasonable attorneys' fees and costs.

THIRD CLAIM FOR RELIEF

(New York City Human Rights Law: Source of Income Discrimination)
(Against the Alpert Defendants)

86. Plaintiff FHJC restates and incorporates by reference the preceding paragraphs as if fully set forth herein.

87. The Alpert Defendants are the owners and/or the managing agents of the Astoria Properties and Bay Ridge Property and/or have the right to approve the rental of "housing accommodation[s]" in New York City as defined by the City HRL § 8-102(10).

88. Section 8 vouchers are a "lawful source of income" as defined by the City HRL § 8-102(25).

89. Section 8-107(5)(a)(1) of the City HRL provides that it shall be:

an unlawful discriminatory practice for the owner, lessor, lessee, sublessee, assignees, or managing agent of, or other person having the right to sell, rent or

lease or approve the sale, rental or lease of a housing accommodation . . . or any agent or employee thereof . . . because of any lawful source of income of such person . . . (a) To refuse to sell, rent, lease, approve the sale, rental or lease or otherwise deny to or withhold from any such person or group of persons such a housing accommodation . . . or (c) To represent to such person or persons that any housing accommodation or an interest therein is not available for inspection, sale, rental or lease when in fact it is available to such person.

90. Section 8-107(5)(a)(2) of the City HRL provides that it shall be:

an unlawful discriminatory practice for the owner, lessor, lessee, sublessee, assignees, or managing agent of, or other person having the right to sell, rent or lease or approve the sale, rental or lease of a housing accommodation . . . or any agent or employee thereof . . . To declare . . . or cause to be declared . . . any statement . . . or to use any form of application for the purchase, rental or lease of such a housing accommodation or an interest therein or to make any record or inquiry in conjunction with the prospective purchase, rental or lease of such a housing accommodation or an interest therein which expresses, directly or indirectly, any limitation, specification or discrimination as to . . . any lawful source of income . . . or any intent to make such limitation, specification or discrimination.

91. The Alpert Defendants violated Sections 8-107(5)(a)(1) and (2) by discriminating based on lawful source of income in the rental of housing accommodations in the various ways set forth *supra*, including, *e.g.*, by withholding apartments for rent because of lawful source of income; by representing, through their agents the Broker Defendants and Defendant Quiceno, that housing accommodations were not available for inspection or rental when in fact they were available; and by declaring or causing to be declared statements, and making inquiries in conjunction with the prospective rental of housing accommodations, through their agents the Broker Defendants and Defendant Quiceno, that expressed, directly or indirectly, a limitation, specification, or discrimination as to a lawful source of income or an intent to make such limitation, specification, or discrimination.

92. The Alpert Defendants' conduct was willful, intentional, and in reckless disregard of the rights of people with a rental subsidy, which is a lawful source of income under the City HRL.

93. Plaintiff FHJC is an “aggrieved person,” as defined in the City HRL, § 8-502(a), and has suffered damages as a direct and proximate result of Defendants’ discriminatory conduct.

94. Accordingly, under City HRL §§ 8-502(a) and (g), Plaintiff FHJC is entitled to actual damages, punitive damages, injunctive relief, and reasonable attorneys’ fees and costs.

FOURTH CLAIM FOR RELIEF

(New York City Human Rights Law: Source of Income Discrimination) (Against the Broker Defendants and Quiceno)

95. Plaintiff FHJC restates and incorporates by reference the preceding paragraphs as if fully set forth herein.

96. The Broker Defendants are “real estate brokers” within the meaning of § 8-102 of the City HRL, as they are both a firm “who, for another and for a fee, commission or other valuable consideration, lists for sale . . . purchase or rental of an estate or other interest in real estate,” including “housing accommodation[s]” in New York City as defined by the City HRL § 8-102(10).

97. Defendant Quiceno is a “real estate salesperson” within the meaning of § 8-102 of the City HRL, as he is a “person employed by a real estate broker . . . to lease or rent or offer to lease, rent or place for rent any real estate,” including “housing accommodation[s]” in New York City as defined by the City HRL § 8-102(10).

98. Section 8 vouchers are a “lawful source of income” as defined by the City HRL § 8-102(25).

99. Section 8-107(5)(c)(1) of the City HRL provides that it shall be:

an unlawful discriminatory practice for any real estate broker, real estate salesperson or employee or agent thereof: (1) To refuse to sell, rent or lease any housing accommodation . . . to a person or group of persons or to refuse to negotiate for the sale, rental or lease, of any housing accommodation . . . to any person or

group of persons because of . . . any lawful source of income of such person or persons, . . . or to represent that any housing accommodation . . . is not available for inspection, sale, rental or lease when in fact it is so available, or otherwise to deny or withhold any housing accommodation . . . from any person or group of persons because of . . . any lawful source of income of such person or persons.

100. Section 8-107(5)(c)(2) of the City HRL provides that it shall be:

an unlawful discriminatory practice for any real estate broker, real estate salesperson or employee or agent thereof: (2) To declare, print or circulate or cause to be declared, printed or circulated any statement, . . . or to use any form of application for the purchase, rental or lease of any housing accommodation, . . . or to make any record or inquiry in connection with the prospective purchase, rental or lease of any housing accommodation . . . which expresses, directly or indirectly, any limitation, specification or discrimination as to . . . any lawful source of income . . . or any intent to make such limitation, specification or discrimination.

101. The Broker Defendants and Defendant Quiceno violated Sections 8-107(5)(c)(1) and (2) by discriminating against individuals with lawful source of income in the rental of housing accommodations in the various ways set forth supra, including, e.g., by withholding apartments for rent because of lawful source of income; by representing that housing accommodations were not available for inspection or rental when in fact they were available; and by declaring or causing to be declared statements, and making inquiries in conjunction with the prospective rental of housing accommodations that expressed, directly or indirectly, a limitation, specification, or discrimination as to a lawful source of income or an intent to make such limitation, specification, or discrimination.

102. The Broker Defendants' and Quiceno's conduct was willful, intentional, and in reckless disregard of the rights of people with a rental subsidy, which is a lawful source of income under the City HRL.

103. Plaintiff FHJC is an "aggrieved person," as defined in the City HRL, § 8-502(a), and has suffered damages as a direct and proximate result of Defendants' discriminatory conduct.

104. Accordingly, under City HRL §§ 8-502(a) and (g), Plaintiff FHJC is entitled to actual damages, punitive damages, injunctive relief, and reasonable attorneys' fees and costs.

WHEREFORE, Plaintiff respectfully requests judgment against Defendants as follows:

- (a) Declaring that Defendants' discriminatory practices violate City HRL § 8-107 *et seq.* and State HRL § 290 *et seq.*
- (b) Enjoining Defendants, Defendants' agents, employees, and successors, and all other persons in active concert or participation from:
 - i. Denying or withholding housing, or otherwise making housing unavailable on the basis of lawful source of income, including rental subsidies;
 - ii. Representing to any person because of lawful source of income that a dwelling is not available for inspection, sale, or rental when such dwelling is in fact so available and limiting information, by word or conduct, regarding suitably priced dwellings available for inspection, sale, or rental because of lawful source of income; and
- (c) Enjoining Defendants and their agents, employees, successors, and all other persons in active concert or participation to:
 - i. Make all necessary modifications to policies, practices, and procedures to comply with the City and State HRL, including providing information about and showing apartments to prospective renters on an equal basis without regard to lawful source of income;

- ii. Display an Equal Opportunity logo (or statement to that effect) on all advertisements for rental property and display fair housing posters in all offices;
 - iii. Notify New York City organizations assisting prospective renters using a rental subsidy that Defendants have adopted non-discriminatory rental policies;
 - iv. Allow monitoring of their advertising, listings, showing of apartments, application process, and rental decisions for multiple years;
 - v. Retain records, including advertising and rental records, to allow for appropriate monitoring;
 - vi. Develop written procedures on rental process and fair housing policy to be distributed to all staff, tenants, and rental applicants;
 - vii. Establish a system so that their employees and agents can be tested for unlawful discriminatory practices for multiple years;
 - viii. Provide fair housing training for Defendants' owners and all current and future management, agents, and employees whose job duties relate to the rental of apartments, and Defendants' brokers and salespersons.
- (d) Awarding such damages to Plaintiff as will fully compensate it for the diversion of resources and frustration of mission caused by Defendants' unlawful practices;
 - (e) Awarding punitive damages to Plaintiff;
 - (f) Awarding Plaintiff reasonable attorneys' fees and costs incurred in prosecuting this action; and
 - (g) Granting Plaintiff such other and further relief as may be just and proper.

Dated: New York, New York
May 9, 2022

Respectfully submitted,

**EMERY CELLI BRINCKERHOFF
ABADY WARD & MAAZEL LLP**

By: _____/s

Diane L. Houk
Max Selver

600 Fifth Avenue, 10th Floor
New York, New York 10020
(212) 763-5000

*Attorneys for Plaintiff Fair Housing Justice
Center, Inc.*