

USDC SDNY  
DOCUMENT ELECTRONICALLY  
FILED  
DOC#:  
DATE FILED: 3/28/19

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK**

UNITED STATES OF AMERICA,

Plaintiff,

v.

118 EAST 60TH OWNERS, INC. and  
MATTHEW ADAM PROPERTIES,

Defendants.

**CONSENT DECREE**

19 Civ. 2640 (ALC)

**INTRODUCTION**

**A. Background**

This Consent Decree is entered into between the United States of America (the "United States") and Defendants 118 East 60<sup>th</sup> Owners, Inc. ("118 East 60<sup>th</sup> Owners") and Matthew Adam Properties ("Matthew Adam") (collectively, "Defendants").

WHEREAS, the United States brought this action (the "Action") to enforce provisions of the Fair Housing Act, 42 U.S.C. § 3601, *et seq.* (the "FHA"), alleging in its Complaint that Defendants have discriminated against Complainant Brian Schulman in violation of the FHA;

**B. Defendants 118 East 60th Owners and Matthew Adam**

WHEREAS, 118 East 60th Owners owns and operates a private housing cooperative located at 118 East 60th Street, New York, New York 10022, known as Plaza Tower;

WHEREAS, Matthew Adam, located at 127 East 59th Street, New York, New York 10022, acts as property manager of Plaza Tower on 118 East 60th Owners' behalf, as well as property manager for several other housing cooperatives located in New York City;

WHEREAS, Plaza Tower is a dwelling as defined by the FHA, 42 U.S.C. § 3602(b);

**C. Complainant Brian Schulman**

WHEREAS, Brian Schulman is a person with a disability as defined by the FHA, 42 U.S.C. § 3602(h);

WHEREAS, on or about March 28, 2016, Mr. Schulman requested a reasonable accommodation from Defendants allowing him to keep an assistance dog in Plaza Tower;

WHEREAS, on April 8, 2016, Defendants constructively denied Mr. Schulman's request by issuing him a Notice of Default dated April 5, 2016, which stated that he had violated his Proprietary Lease by harboring a dog in his apartment;

WHEREAS, on April 8, 2016, Mr. Schulman reiterated his request for a reasonable accommodation;

WHEREAS, on April 8, 2016, Defendants again constructively denied Mr. Schulman's request by instructing him not to communicate with Defendants concerning his request;

WHEREAS, on June 24, 2016, Defendants sent Mr. Schulman a Ten-Day Notice of Termination informing him that his tenancy would be terminated effective July 11, 2016, because he had kept a dog in his apartment;

**D. Procedural History**

WHEREAS, on or about June 15, 2016, Mr. Schulman filed an administrative complaint with the U.S. Department of Housing and Urban Development ("HUD") alleging that 118 East 60th Owners and Matthew Adam discriminated against him on the basis of disability in violation of the FHA;

WHEREAS, on March 28, 2018, the Secretary of HUD issued a Charge of Discrimination pursuant to 42 U.S.C. § 3610(g)(2)(A), charging 118 East 60th Owners and Matthew Adam with engaging in discriminatory housing practices against Mr. Schulman in violation of the FHA;

WHEREAS, on April 5, 2018, Mr. Schulman timely elected to have the charge resolved in a federal civil action pursuant to 42 U.S.C. § 3612(a);

WHEREAS, on March 25, 2019, the United States filed the Complaint in this Action against 118 East 60th Owners and Matthew Adam, alleging FHA violations, on behalf of Mr. Schulman;

**E. Consent of the Parties to Entry of this Decree**

WHEREAS, the parties agree that this Court has jurisdiction over the subject matter of this case pursuant to 28 U.S.C. §§ 1331 and 1345 and 42 U.S.C. § 3612(o);

WHEREAS, the parties further agree that this controversy should be resolved without further proceedings and without an evidentiary hearing or a trial;

WHEREAS, the parties further agree that this Consent Decree does not constitute evidence or findings against or an admission of 118 East 60<sup>th</sup> Owners or Matthew Adam regarding any issue of law or fact alleged in the Complaint and that 118 East 60<sup>th</sup> Owners and Matthew Adam neither admit nor deny any of the allegations in the Complaint;

WHEREAS, the parties further agree that, notwithstanding any other language in this Consent Decree, this Consent Decree does not apply to any officer or employee of 118 East 60<sup>th</sup> Owners beyond his or her role as officer or employee at 118 East 60<sup>th</sup> Owners;

WHEREAS, the parties further agree that, notwithstanding any other language in this Consent Decree, this Consent Decree does not bind any client of Matthew Adam other than 118 East 60<sup>th</sup> Owners, or require any other such client to take any action; and

WHEREAS, the parties agree to the entry of this Consent Decree;

**It is hereby ORDERED, ADJUDGED, and DECREED:**

**I. GENERAL INJUNCTION**

1. Defendants and each of their officers, employees, agents, successors, and assigns, and all other persons in active concert or participation with them, are enjoined from discriminating on the basis of disability as prohibited by the FHA. Specifically, Defendants and each of their officers, employees, agents, successors, and assigns, and all other persons in active concert or participation with them, shall not:

- a. discriminate in the sale or rental of, or otherwise make unavailable or deny, a dwelling to any buyer or renter because of disability, in violation of 42 U.S.C. § 3604(f)(1);
- b. discriminate in the terms, conditions, or privileges of sale or rental of a dwelling, or in the provision of services or facilities in connection with such a dwelling, because of disability, in violation of 42 U.S.C. § 3604(f)(2);
- c. fail or refuse to make reasonable accommodations in rules, policies, practices, or services, when such accommodations may be necessary to afford persons with disabilities equal opportunity to use and enjoy a dwelling, as required by 42 U.S.C. § 3604(f)(3)(B); or
- d. coerce, intimidate, threaten, or interfere with any person in the exercise or enjoyment of, or on account of any person having exercised or enjoyed, or on account of any person having aided or encouraged any other person in the exercise or enjoyment of, any right granted or protected by Section 3604 of the FHA, in violation of 42 U.S.C. § 3617.

## **II. REASONABLE ACCOMMODATION POLICIES**

2. As soon as reasonably possible, but no later than fifteen (15) days after entry of this Consent Decree, 118 East 60th Owners and Matthew Adam shall each adopt and implement the reasonable accommodation policy and guidelines for receiving and handling requests for



reasonable accommodations made by individuals with disabilities, entitled "118 East 60th Owners, Inc. Reasonable Accommodation Policy," attached hereto in Appendix A, and "Matthew Adam Properties Reasonable Accommodation Policy," attached hereto in Appendix B.

3. 118 East 60<sup>th</sup> Owners and Matthew Adam shall include a copy of the "Application for Reasonable Accommodation," attached to Appendix A and Appendix B, with all applications for purchasing, leasing, or taking occupancy of any apartments, cooperative units, and any other types of housing that are owned, managed, or otherwise offered for sale, lease, or occupancy by 118 East 60<sup>th</sup> Owners or Matthew Adam in regard to Plaza Tower. Within thirty (30) days of entry of this Consent Decree, 118 East 60<sup>th</sup> Owners and Matthew Adam shall mail a copy of their respective Reasonable Accommodation Policies, as well as the "Application for Reasonable Accommodation," attached to Appendix A and B, to all current shareholders in the housing cooperative located at 118 East 60th Street, New York, New York 10022.

4. 118 East 60<sup>th</sup> Owners and Matthew Adam shall provide notice and documentation to the United States within fifteen (15) days of adoption and implementation of their respective Reasonable Accommodation Policies.

5. After adopting the 118 East 60th Owners, Inc. Reasonable Accommodation Policy and the Matthew Adam Properties Reasonable Accommodation Policy, Defendants shall not make any substantive revisions to these policies without prior approval from the United States for the duration of this Consent Decree. The United States' approval of proposed substantive revisions will not be unreasonably withheld.

6. No later than thirty (30) days after entry of this Consent Decree, 118 East 60<sup>th</sup> Owners and Matthew Adam shall each provide a copy of its respective Reasonable Accommodation Policy to all of its agents and employees involved in selling, leasing, taking applications of

occupancy for, or otherwise managing apartments, cooperative units, and any other types of housing or involved in enforcing any of its rules or regulations relating to reasonable accommodations in regard to Plaza Tower. 118 East 60<sup>th</sup> Owners and Matthew Adam shall secure the signed statement from each such agent or employee acknowledging that he or she has received the applicable Reasonable Accommodation Policy, and has had an opportunity to read it (including all appendices thereto) and to have questions about the documents answered. This statement shall be substantially similar to the form of Appendix C or Appendix D, as applicable. 118 East 60<sup>th</sup> Owners and Matthew Adam will similarly provide any new agent or employee involved in selling, leasing, taking applications of occupancy for, or otherwise managing apartments, cooperative units, and any other types of housing, or involved in enforcing any related rules or regulations in regard to Plaza Tower, no later than thirty (30) days after the date he or she commences such agency or employment relationship with 118 East 60<sup>th</sup> Owners or Matthew Adam, a copy of the applicable Reasonable Accommodation Policy, and 118 East 60<sup>th</sup> Owners and Matthew Adam shall require each such new agent or employee to sign a statement acknowledging that he or she has received the applicable Reasonable Accommodation Policy, and has had an opportunity to read it and to have questions about the documents answered. For Matthew Adam, the foregoing obligations of this Paragraph shall pertain to all current or future agents or employees of Matthew Adam who (i) work directly with 118 East 60<sup>th</sup> Owners, (ii) work in Matthew Adam's primary office, including attorneys, who receive, process, review, or make determinations about any reasonable accommodation request, or (iii) are involved in enforcing any of 118 East 60<sup>th</sup> Owners' or Matthew Adam's rules or regulations with respect to reasonable accommodation requests, including attorneys.

7. 118 East 60<sup>th</sup> Owners shall post its Reasonable Accommodation Policy on its website, to the extent that it operates a website, in a conspicuous location and accessible format. Matthew Adam shall include the Equal Housing Opportunity logo and a statement on its website, in a conspicuous place, that it is committed to following the letter and spirit of the Fair Housing Act law by respecting the diversity and differences of people living and working in New York City, by providing equal professional service to all, without regard to race, color, religion, sex, disability or handicap, familial status, national origin or other protected status.

### **III. FAIR HOUSING TRAINING**

8. 118 East 60<sup>th</sup> Owners and Matthew Adam shall each provide annual training regarding the FHA and its respective Reasonable Accommodation Policy, as well as information about state and local fair housing laws: to (1) all current or future agents or employees of 118 East 60<sup>th</sup> Owners who receive, process, review, make determinations, or are involved in enforcing any of 118 East 60<sup>th</sup> Owners' or Matthew Adam's rules or regulations with regard to any reasonable accommodation request, including attorneys; (2) to members of the Board of the housing cooperative located at 118 East 60<sup>th</sup> Street; and (3) to all current or future agents or employees of Matthew Adam who (i) work directly with 118 East 60<sup>th</sup> Owners, (ii) work in Matthew Adam's primary office, including attorneys, who receive, process, review, or make determinations about any reasonable accommodation request, or (iii) are involved in enforcing any of 118 East 60<sup>th</sup> Owners' or Matthew Adam's rules or regulations with respect to reasonable accommodation requests, including attorneys.

9. Each training shall be conducted at an accessible location in Manhattan, New York, to be designated by 118 East 60<sup>th</sup> Owners and Matthew Adam. The first annual training shall occur within one hundred and twenty (120) days after entry of this Consent Decree.

10. 118 East 60<sup>th</sup> Owners and Matthew Adam shall pay the reasonable costs associated with the trainings, including the location, materials distributed at the trainings, and reasonable fees and travel costs for the trainer.

11. 118 East 60<sup>th</sup> Owners and Matthew Adam shall obtain approval of the trainer prior to the trainings from the United States Attorney's Office for the Southern District of New York, by submitting, within 45 days before the training, the proposed trainer's resume as well as the training agenda and materials to be used at the training. Prior approval of the trainer shall not be required if 118 East 60<sup>th</sup> Owners and Matthew Adam elect to utilize Westchester Residential Opportunities, a HUD certified housing counseling agency, to provide the trainings.

12. Within ten (10) days of conducting the first annual training, 118 East 60<sup>th</sup> Owners and Matthew Adam shall each (or jointly, if the training session was held jointly for both 118 East 60<sup>th</sup> Owners and Matthew Adam) provide a copy of the training materials, attendance records, and signed Acknowledgments of Receipt of its respective Reasonable Accommodation Policy to the United States Attorney's Office. 118 East 60<sup>th</sup> Owners and Matthew Adam each agrees to make future training materials, attendance records, and signed acknowledgements of receipt, available to the United States Attorney's Office upon reasonable request.

#### **IV. RECORDKEEPING**

13. For three (3) years after entry of this Consent Decree, 118 East 60<sup>th</sup> Owners shall provide the United States with a copy of any written fair housing complaints against 118 East 60<sup>th</sup> Owners, or any officers, employees, agents, successors, or assigns of 118 East 60<sup>th</sup> Owners, alleging unlawful disability discrimination under the FHA ("FHA Complaint"), and shall do so within twenty (20) days after receipt of any FHA Complaint. Matthew Adam shall maintain copies of any such complaints for at least three (3) years after entry of this Consent Decree, and to provide the United States with copies of the same upon request. Upon reasonable notice, 118

East 60<sup>th</sup> Owners and Matthew Adam shall each also provide the United States all information the United States may request concerning any FHA Complaint. Within twenty (20) days after the resolution of any FHA Complaint, 118 East 60<sup>th</sup> Owners shall provide the United States a copy of any document reflecting such resolution.

14. For three (3) years after entry of this Consent Decree, 118 East 60<sup>th</sup> Owners and Matthew Adam shall each maintain copies of any documents related to any request for reasonable accommodation, including, but not limited to, the completed application form attached to Appendix A and Appendix B received from any housing applicants or tenants, supporting documentation received, and any written decisions on requests for reasonable accommodation. Upon reasonable notice, 118 East 60<sup>th</sup> Owners and Matthew Adam shall each also provide the United States the described copies of documents.

#### **V. OTHER TERMS WITH RESPECT TO DEFENDANTS**

15. 118 East 60<sup>th</sup> Owners shall not utilize any property management company or other agent retained for similar purposes that refuses to acknowledge the 118 East 60<sup>th</sup> Owners, Inc. Reasonable Accommodation Policy, or that refuses to comply with and enforce the terms of the 118 East 60<sup>th</sup> Owners, Inc. Reasonable Accommodation Policy.

16. 118 East 60<sup>th</sup> Owners shall utilize only property management companies or other agents retained for similar purposes that have adopted their own reasonable accommodation policy or adopt a policy substantially similar to the 118 East 60<sup>th</sup> Owners, Inc. Reasonable Accommodation Policy.

17. Matthew Adam shall not take any action, or fail to take an action, while acting as property management company for 118 East 60<sup>th</sup> Owners, or for any other cooperative, condominium board, or other such principal property owner, that is inconsistent with the Matthew Adam Properties Reasonable Accommodation Policy.

18. All notifications or submissions from Defendants to the United States pursuant to this Consent Decree shall be sent to:

United States Attorney's Office  
Southern District of New York  
Attention: Chief, Civil Rights Unit  
86 Chambers Street, 3rd Floor  
New York, New York 10007

**VI. TERMS WITH RESPECT TO COMPLAINANT**

19. Should Mr. Schulman, at any time during his natural life, make an application for occupancy at one of 118 East 60th Owners's cooperative units or for occupancy in any building managed by Matthew Adam, 118 East 60th Owners and Matthew Adam shall consider his application consistent with the 118 East 60th Owners, Inc. Reasonable Accommodation Policy. If Matthew Adam is not the managing agent for 118 East 60th Owners at the time of Mr. Schulman's application for occupancy, then 118 East 60th Owners shall instruct its agent to comply with the terms of this Section.

20. Defendants agree that they will not retaliate against or interfere with Mr. Schulman's exercise or enjoyment of, or on account of his having exercised or enjoyed, rights guaranteed by the federal Fair Housing Act, including taking any action that would retaliate against him as a result of his and any others acting on his behalf, having filed administrative complaints and the present litigation against Defendants.

21. Within thirty (30) days of entry of this Consent Decree, Defendants shall pay to Complainant the sum of seventy thousand dollars (\$70,000.00), which shall be inclusive of any and all claims for damages and attorney's fees by the complainant arising out of this action, the administrative case before HUD preceding it, and any proceedings in New York state court concerning Schulman's occupancy of an apartment at 118 East 60th Street. Said sum shall be

paid by submitting a check made payable to "Emery Celli Brinckerhoff and Abady LLP, attorneys for Brian Schulman" to the following address:

ECBA - Attn: Office Manager  
600 Fifth Avenue, 10th Floor  
New York, NY 10020

22. In order for this Consent Decree to come into effect with respect to Mr. Schulman, Mr. Schulman shall execute a release of claims against Defendants within ten (10) days of Defendants' compliance with Paragraph 21 in the form attached hereto as Appendix E. Mr. Schulman shall provide the executed release to the United States Attorney's Office. In addition, and as a term of this Consent Decree, Defendants shall execute a release of claims against Mr. Schulman within ten (10) days of Defendants' compliance with Paragraph 21 in the form attached hereto as Appendix F and Appendix G. Defendants shall provide the executed releases to the United States Attorneys' Office.

**VII. RESOLUTION, DURATION OF CONSENT DECREE, AND TERMINATION OF  
LEGAL ACTION**

23. Except as provided in Paragraph 19, the Consent Decree shall remain in effect for three (3) years following its entry by the Court.
24. The Court shall retain jurisdiction for the duration of this Consent Decree to enforce the terms of the Consent Decree. The United States may move the Court to extend the duration of the Consent Decree in the interests of justice. Defendants reserve the right to oppose any such motion. The duration of the Consent Decree may also be extended by the mutual written agreement of the United States and Defendants, with approval by the Court.
25. The United States and Defendants shall endeavor, in good faith, to resolve informally any differences regarding interpretation of and compliance with this Consent Decree prior to

bringing such matters to the Court for resolution. However, in the event of a failure by Defendants to perform, in a timely manner, any act required by this Consent Decree or a failure by Defendants to act in conformance with any provision hereof, the United States may move this Court to impose any remedy authorized by law or equity, including, but not limited to, an order requiring performance of such act or deeming such act to have been performed, and an award of any damages, costs, and reasonable attorney's fees, if applicable, which may have been occasioned by the violation or failure to perform.

26. Upon the expiration of the Consent Decree, the Complaint in this action shall be deemed dismissed with prejudice.

#### **VIII. TIME FOR PERFORMANCE**

27. Any time limits for performance imposed by this Consent Decree may be extended by the mutual written agreement of the United States and Defendants.

#### **IX. COSTS OF LITIGATION**

28. Except as provided in Paragraphs 21 and 24, each party to this litigation will bear its own costs and attorney's fees associated with this litigation.

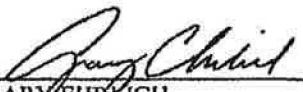
Dated: New York, New York  
March 27, 2019

GEOFFREY S. BERMAN  
United States Attorney  
for the Southern District of New York

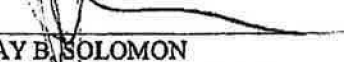
By:   
STEVEN J. KOCHAVAR  
Assistant United States Attorney  
86 Chambers Street, Third Floor  
New York, New York 10007  
Tel.: (212) 637-2715  
Fax: (212) 637-2717  
Email: steven.kochevar@usdoj.gov



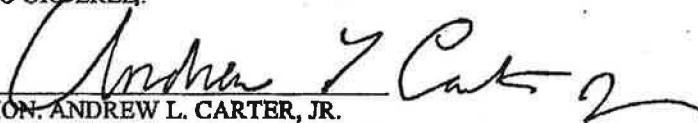
Dated: New York, New York  
March 27, 2019

By:   
GARY EHRLICH  
Boyd Richards Parker & Colonelli, PL  
7 Times Square, 19<sup>th</sup> Floor  
New York, New York 10036  
Tel.: (212) 400-0626  
*Attorneys for 118 East 60<sup>th</sup> Owners, Inc., and  
Matthew Adam Properties*

Dated: New York, New York  
March 27, 2019

By:   
JAY B. SOLOMON  
Belkin Burden Wenig & Goldman, LLP  
270 Madison Avenue  
New York, New York 10016  
Tel.: (212) 867-4466  
*Attorney for Matthew Adam Properties*

SO ORDERED:

  
HON. ANDREW L. CARTER, JR.  
UNITED STATES DISTRICT JUDGE

Date: MARCH 28, 2019