

CIVIL COURT OF THE CITY OF NEW YORK
COUNTY OF KINGS: HOUSING PART B

In the Matter of the Application of
MARIA GALICIA, et al.,

Index No.: 2190/2019

Petitioners,

DECISION/ORDER

Remy Smith, JHC

For a judgment pursuant to Article 7A of the
Real Property Actions and Proceedings Law,
appointing a Court-designated administrator
for the premises known as:
196 Huron Street, Brooklyn, New York 11222
Block 02533, Lot 0021 (Kings County).

Hon. Remy Smith

Recitation, as required by CPLR 2219(a), of the papers considered in the review of this Motion
#4 to relieve the 7A Administrator and terminating the administration:

Papers:	Numbered
Owner's Order to Show Cause and supporting papers.	1
Petitioner's Opposition	2
Owner's Reply Affirmation	3

Owner 196 Huron Holdings, LLC moves pursuant to RPAPL §778 and §779 to terminate the administration of 196 Huron Street, Brooklyn, New York ("premises") and relieve 7A Administrator Michael Rochford, as well as to disburse remaining funds that he is holding pursuant to his obligations as 7A Administrator. Petitioning tenants oppose the motion. This court grants the motion and relieves Administrator Michael Rochford from the obligations set forth in the Order dated December 13, 2021 and terminates the administration. The court further orders Michael Rochford to present a final accounting to owner and turn over any funds that he is holding subject to disbursements reflected on said final accounting.

In order to remove the 7A Administrator, the movant must establish that the violation/conditions have been removed/corrected, that the movant establish an ability and plan to complete repairs, and maintain the premises and that the movant have the financial capability to satisfy all obligations of the building. DHPD v. 7a-2655 8th Ave, 1990 NYLJ LEXIS 8506 (Civ. Ct. N.Y.Cty. 1990). The relevant provisions of RPAPL§778 require that an administrator be discharged “if the owner has paid in full or entered into a payment agreement to pay in full all outstanding real property tax liens claimed by the city of New York, all outstanding emergency repair liens filed and recorded by the city of New York, all outstanding charges and liens assessed in connection to the alternative enforcement program.” If the removal would render a building in a state of abandonment, then the court should refrain from ordering this relief. Mercer v. 944 Marcy Ave. Holding Corp., 92 Misc. 2d 564, 400 N.Y.S.2d 991 (Civ. Ct. 1977)

Owner substantiates its argument that it is ready and able to commence repairs on the HPD violations and has the financial ability to pay the property taxes and fund the work. Owner has attempted to gain access to inspect the apartments in order to formulate a repair plan (NYSCEF Document #126). The owner was able to obtain a contractor’s estimate (NYSCEF Doc. #127) and presented proof of payment of property taxes¹ (NYSCEF Doc. #124) as well as proof of funds to cover the contractor’s proposal (NYSCEF Doc. #128). This is consistent with the affidavit of Steven Surizon, member of corporate owner, dated November 15, wherein he states that there is a construction plan and finances available to correct the growing violations at the premises. In addition, respondent owner relies on the Affidavit of Surinder Singh, president of A Peter Luger Construction, Inc., dated November 14, 2022. Mr. Singh’s statements set forth

¹As of the date of this Decision, the New York City Department of Finance web site reflects that there are additional taxes due at this time since the April 2022 payments by owner.

more detail about the proposal, including but not limited to a 3-month time frame to complete repairs. Owner's submissions therefore establish that the owner has a viable plan to complete repairs to the building and pay the open tax bill; removal of the Administrator will not therefore not result in a state of abandonment.

The petitioners oppose the motion but their papers are devoid of any record of repairs completed at the premises or proof of compliance with the bookkeeping and financial obligations set forth in the Order. 7A Administrator was appointed over a year ago in December 2021. At the time of petitioner's motion seeking appointment in May 2021 and attached thereto as NYSCEF Doc. #22, there were 25 "a" violations, 45 "b" violations, and 31 "c" violations (non-hazardous, hazardous, and immediately hazardous, respectively). There are now, as per the HPD website as of the date of this Decision, 21 "a" violations, 82 "b" violations, and 51 "c" violations.

Administrator's supervisee explains, in his affidavit in opposition dated January 26, 2023, that, as coordinator of the administration, he oversees the staff who collects rents, handles building expenses, and arranges for repairs. He represents that certain violations were certified as corrected, and that additional work was completed. Also, while he refers to contracts to perform work and permit applications, he does not include a copy of the contract or proof of how the job would be funded. He does not present proof of repairs or show any attempts to obtain permits until after this motion was filed. Neither petitioner nor the Administrator included in their opposition papers any proof of contractors' bills, insurance, proof of payment of liens and/or taxes, or rent rolls. There is no proof that any violations or conditions have been corrected. No basis therefore exists in the record to warrant denial of owner's motion and the court therefore grants same and discharges the 7A Administrator.

RPAPL §779 requires that the 7A Administrator provide a presentation or settlement of accounts for the premises on motion of one seeking same. The appointment order dated December 14, 2021 imposes various obligations on the Administrator regarding the premises finances, including but not limited to rent rolls, obtaining insurance, paying for repairs and satisfying liens. Administrator was to send reports to court and HPD as per paragraph 10 g,h of the Order and make available financial records pursuant to paragraph 10a of the Order.

Based on the above, the court awards the relief requested and discharges the 7A Administrator, effective upon service of Owner's Order with a Notice of Entry. The court also orders the 7A Administrator to provide a presentation or settlement of accounts as per paragraph 10a of the Order on or before April 5, 2023. The court schedules a conference to renegotiate and revise certain portions of the stipulation dated May 27, 2021 that no longer apply due to the expired deadlines and firm changes, particularly paragraphs 4, 5, 9, 12 and 16. Parties shall return to court on April 20, 2023 at 10:00 a.m. for this purpose, as well as to discuss the outstanding property taxes and any HPD charges on the building.

The foregoing constitutes the Decision/Order of this court.

Dated: Brooklyn, New York
March 22, 2023


Hon. Remy Smith, J.H.C.