# NEW YORK CITY OFFICE OF ADMINISTRATIVE TRIALS AND HEARINGS ENVIRONMENTAL CONTROL BOARD

BOARD MEETING

VIA VIDEO CONFERENCING

100 Church Street, New York, New York

June 10, 2021

9:35 a.m. to 10:44 a.m.

### MEMBERS PRESENT:

Joni Kletter, Esq. - Commissioner/Chief Administrative Law Judge, OATH, Chair/Executive Director, OATH ECB Shamonda Graham - Department of Buildings (DOB)

Jose Marquez - New York City Fire Department (FDNY)

Elizabeth Knauer, Esq. - Appointed Member (Water)

Madelynn Liguori, Esq. - Department of Sanitation (DSNY)

Jorge Martinez, Esq. - Department of Health & Mental Hygiene (DOHMH)

Russell Pecunies, Esq. - Department of Environmental Protection (DEP)

Matthew Schneid, Esq. - Appointed Member (Real Estate)
Tom D. Shpetner, Esq. - Appointed Member (Business)
Jarrod Whittington - Appointed Member (Noise)

### ALSO PRESENT:

Rachel Amar - Special Assistant to Commissioner, OATH John Castelli - Deputy Commissioner for Legislative Affairs, OATH

Kate Cocklin, Esq. - Deputy Counsel to the Mayor

## Kelly Corso, Esq. - Assistant Commissioner for Hearings Division Adjudications, OATH

Brian Gatens - Member of Public
Samyung Han - Summer Intern, OATH
Svetlana Iosilevich, Esq. - Executive Agency Counsel,
Business Integrity Commission (BIC)

## Timothy Jones, Esq. - Senior Counsel, OATH

Susan Kassapian, Esq. - Deputy Commissioner/Appeals, OATH Richard J. LaPlant - Office of Management and Budget (OMB) Michael Ligeti - Summer Intern, OATH Karin McAvoy - Administrative Coordinator, OATH Frank Ng, Esq. - Deputy General Counsel, OATH Catherine Pelham - Summer Intern, OATH

Teresa Piccolo - Summer Intern, OATH

## Peter Schulman, Esq. - Asst. Director for Appeals, OATH

Ruth Silverfarb - Summer Intern, OATH

Amy Slifka, Esq. - Deputy Commissioner/Hearings Division, OATH

Samuel Solomon, Esq. - Chief of Staff/Special Counsel, OATH

Olga Statz, Esq. - General Counsel, OATH

Joy A. Thompson, Esq. - Assistant General Counsel, OATH
Kevin Trimmer - Summer Intern, OATH

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1	June 10, 2021
2	(The board meeting commenced at 9:35
3	A.M.)
4	JONI KLETTER, ESQ., CHAIR, EXECUTIVE
5	DIRECTOR, OATH ECB, COMMISSIONER/CHIEF
6	ADMINISTRATIVE LAW JUDGE, OATH: I'm going to

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8 everyone. I'm going to ask Joy to roll call to 9 verify quorum.

call the meeting to order. Good morning,

JOY A. THOMPSON, ESQ., ASSISTANT GENERAL COUNSEL, OATH: Thank you, Commissioner. I'm going to ask for Shamonda Graham.

13 SHAMONDA GRAHAM, DEPARTMENT OF
14 BUILDINGS: Here.

MS. THOMPSON: Thank you. Joseph
Gregory?

JOSE MARQUEZ, NEW YORK CITY FIRE

DEPARTMENT: Jose Marquez in his, in his place.

Fire Department.

MS. THOMPSON: And your name is?

MR. MARQUEZ: Jose Marquez.

MS. THOMPSON: Okay, you are, your name?

I'm sorry? I'm sorry. Can you repeat that?

MR. MARQUEZ: Sure. Jose Marquez, Fire

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2	Department.
3	MS. THOMPSON: Thank you.
4	OLGA STATZ, ESQ., GENERAL COUNSEL, OATH:
5	She has a mic here.
6	MS. THOMPSON: Okay, thank you so much.
7	Of course, Commissioner Kletter.
8	MS. KLETTER: I'm not sure that's
9	amplifying or if it's just for recording.
10	UNIDENTIFIED MALE 1: Why don't you move
11	a little bit closer?
12	MS. THOMPSON: Yes. Thank you.
13	UNIDENTIFIED MALE 1: Sure.
14	MS. THOMPSON: Okay. All right, thank
15	you. Oh, Mr. Marquez?
16	MR. MARQUEZ: I'm here.
17	MS. THOMPSON: Oh, okay. Thank you so
18	much. Commissioner Kletter?
19	MS. KLETTER: Present.
20	MS. THOMPSON: Yes. Okay. We have
21	Elizabeth Knauer?
22	ELIZABETH KNAUER, ESQ., APPOINTED MEMBER
23	(WATER): Present.

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PETER SCHULMAN, ESQ., ASSISTANT DIRECTOR

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2	FOR APPEALS, OATH: Did, did we just lose we
3	just lost the, the room. All right, hang on a
4	second. Okay, so IT is on it and they are
5	working on getting the room back right now. I'm
6	going to pause the recording until the room comes
7	back, because I guess the meeting is on hold.
8	[OFF THE RECORD]
9	[ON THE RECORD]
10	MS. THOMPSON: I think we're back.
11	MR. SCHULMAN: Okay, great.
12	MS. THOMPSON: Okay, let's, let's
13	Commissioner, would you like to introduce
14	yourself?
15	MS. KLETTER: Yeah. So if you can do
16	roll call over again.
17	MS. THOMPSON: Okay.
18	MS. STATZ: Oh, it's recording?
19	MS. KLETTER: Yes.
20	MS. THOMPSON: Very good. So we'll
21	start, and I have Commissioner Kletter.
22	MS. KLETTER: Here.
23	MS. THOMPSON: Shamonda Graham?
24	MS. GRAHAM: I'm here.

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2	(BUSINESS): Present.
3	MS. THOMPSON: Thank you. Matthew
4	Schneid?
5	MATTHEW SCHNEID, ESQ., APPOINTED MEMBER
6	(REAL ESTATE): Present. Hello.
7	MS. THOMPSON: Thank you. And welcome.
8	MR. SCHNEID: Thank you.
9	MS. THOMPSON: And I believe Matthew
10	Smith is not here today. Douglas Swann? Okay.
11	And Jarrod Whittington?
12	JARROD WHITTINGTON, APPOINTED MEMBER
13	(NOISE): Present.
14	MS. THOMPSON: Thank you. We do have a
15	quorum. Ten present.
16	MS. KLETTER: Thank you so much. Thank
17	you. And I'm glad we were able to accomplish
18	this hybrid proceeding today. It's so nice to
19	see some of you in person. I hope to see others
20	of you in person soon, to be able to formally
21	meet you in person as we continue to recover from
22	COVID.
23	And, hopefully, we'll have a very nice,
24	positive summer with the, and the infection rates

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continue to de

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continue to decline and vaccination rates continue to go up.

So, with that, does anyone have any corrections to the minutes from the last meeting of April 15, 2021? No. Okay. So I'm going to ask for a motion to adopt the minutes as presented for the April 15, 2021 meeting.

MS. LIGUORI: Motion.

MS. KLETTER: Thank you. I'll ask Joy to call for a vote to approve the minutes, as presented.

MS. THOMPSON: Thank you. Commissioner, at this time, I will just ask if there are any objections to the adoption of the minutes from the April 15, 2021 ECB Board Meeting. And hearing and seeing no objec- -- excuse me? Okay. Hearing and seeing no objections, they are approved.

MS. KLETTER: Great. Thank you so much.

I want to now introduce our new ECB Board Member,

Matthew Schneid, who was just approved with

advice and consent of the City Council and

nominated by the Mayor. I know it's been a very

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long process, Matthew, because you came to appointments almost two years ago with an interest in serving on this Board, and I really appreciate your commitment and perseverance and your service to the City. It will be of great value to have you as the real estate expert on the ECB Board. So, welcome.

And I hope you get to meet all of us.

I've already met you, but I hope you get to meet
the rest of the Board in person sometime soon.

And we're really excited to have you.

MR. SCHNEID: Thanks so much. It's an honor and a privilege.

MS. KLETTER: You want to say, say hello?

MR. SCHNEID: Yes, hi. I'm, my name is
Matthew Schneid. As Joni mentioned, this process
started a long time ago, before COVID interrupted
this. But, it's a really great honor and
privilege to be here with everyone. I look
forward to giving my input and getting to know
everyone as we proceed. So thank you so much and
I appreciate the introductions.

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MS. KLETTER: Great, thank you. I'm now going to ask Olga Statz to introduce the proposed rules on updating some of our language in the OATH Rules.

MS. STATZ: Hi. Good morning,
everybody. It's nice to be here. Oh, good
morning, everybody. Are you able to hear me? I
can't tell. I'll speak loudly.

And I want to pre- present to you, for your consideration, a draft of corr- corrections to Rules language.

Now, as you know, we've been doing a lot of rulemaking over the last few months. And as we've been doing that rulemaking, it required us to read the rules again and again and again.

And, as we've done that, we have, we've picked up errors, faulty pro-, faulty cross-references and grammatical problems in the Rules as we've been reading them. So, one of the things that we're trying to do is as, as, as we put together the substantive rules as we [unintelligible]

[09:43:13] [00:08:13] at almost every meeting, we also, we also wanted to pick up some of the

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[unintelligible] [09:43:17] [00:08:17] errors that we've been seeing and correct those, as well. And they are presented here for your consideration.

And, so, the, the ones that are really of the greatest importance to us are the ones that fix broken cross references. I'm wanting to give you just an example. For the change of proposed subdivision (c) in section 2-29, Title 48, changes the subdivision re- re- reference in 1-33 from (e) to (d)(3), and that has since been changed. And the rest, the rest of the changes are also along that line. So we propose that for your consideration. Nothing substantive, but we think that the rules should be clear and, and grammatically correct.

Does anyone have any questions? I'll be happy to answer any questions.

MR. WHITTINGTON: Hey, Olga, it's, it's really hard to hear you. Is, is there a microphone that you could maybe move closer?

MS. STATZ: Yes. Oh, can you hear me better now?

1 June 10, 2021 2 MR. WHITTINGTON: No. MS. STATZ: The, is, is this better? 3 4 MR. WHITTINGTON: I mean, it sounds very muffled. 5 6 MS. STATZ: But, it's, it's, it's got to 7 be --MR. MARTINEZ: And there's a lot of 8 9 [unintelligible] [09:44:37] [00:09:37], too. 10 MS. STATZ: -- it's got to be the mask. 11 So I'm going to, I'm going to say, it's very 12 short and it's not substantive. So I beg, beg 13 everyone else's patience. I'm just going to 14 repeat myself. This --MS. KLETTER: If you want to take down 15 16 the mask, we all have masks on. 17 MS. STATZ: Yeah. Do, do you guys mind? 18 I'm going to take down my mask, because I'm, I'm 19 sure no one else [unintelligible] [09:44:56] 20 [00:09:56]. So as, as I noted earlier, over 21 the course of this year, during this time, we've 22 putting forth a lot of substantive rules for the 2.3 Board's consideration. And, as we've done that,

we've had to read the, the [unintelligible]

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[09:45:12] [00:10:12] rules again and again and again. And, as we've done that, we've noticed that there were some broken cross-references, some grammatical problems, and some things that should just be corrected in order to make the rules as clear and as useful as possible.

So, during this, during this period of time, as we go through the rules to make sure that, that they're up-to-date substantively and legally, we're also making sure that they're up-to-date and clear, grammatically and in terms of the cross-references. So what you have before you are just some of the, some of the, the non-substantive corrections that we thought were important to make.

Of, of particular note are some broken cross-references that we've since corrected, because either amended rules or added rules or repealed rules that now have different numbering, numbers, so that, now, in the remaining sections, we want those numbers to be properly reflected.

If anyone has any questions, I'd be happy to answer them.

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MS. GRAHAM: Olga, this is Shamonda Graham from DOB.

MS. STATZ: Hi, Shamonda.

MS. GRAHAM: Good morning. I would just like to repeat back what you said, just to make sure that I did understand and hear you correctly, only because it is a bit muffled. So, if I understood you correctly, these are just minor, non-substantive -substantive changes to the rule, based on either the incorrect numbering or incorrect grammar or something you wanted to fix like that. Did I --

MS. STATZ: Yes. Uh-huh.

MS. GRAHAM: -- understand that correctly? Okay. And my second question --

MS. STATZ: That is correct.

MS. GRAHAM: Okay, that's good. And then, the second question I have based on my reading, it doesn't really look like any of these impact the cases that go before the OATH Hearings Division. I mean, I, I -- sorry. I should say it correctly. The DOB cases that go before the OATH Hearings Division. Is that correct? Am I

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2	seeing that correctly?
3	MS. STATZ: Yes. My, my yes. My
4	understanding and my recollection, because we did
5	this a while ago. As you know, this process
6	takes very, very long. By the time they get to
7	you, it's been before the Law Department for a
8	few months and
9	MS. GRAHAM: Yes.
10	MS. STATZ: in our hands for a few
11	months. But, yes, my recollection
12	MS. GRAHAM: Okay.
13	MS. STATZ: is that there is nothing
14	that affects DOB here.
15	MS. GRAHAM: Okay, thank you so much.
16	MS. STATZ: No problem. Any other
17	questions? Thank you.
18	MS. KLETTER: Thank you, Olga. I'm
19	going to ask for a motion to approve the proposed
20	rules.
21	MS. GRAHAM: Motion. Shamonda.
22	MS. LIGUORI: Motion.
23	MS. KLETTER: Thank you. Great, thank
24	you. I'm going to ask Joy to call for a vote.

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MS. THOMPSON: Okay. At this time, as, as -- thank you, Commissioner. At this time, I'm going to ask if there are any objections to the approval of the motion that we introduced, or approve the proposed rule updating, correcting the language and the rules, as proposed. Okay. Seeing and hearing no objections, the motion passes, Commissioner. Thank you.

MS. KLETTER: Okay. Thank you so much.

I'm now going to ask Olga Statz to introduce

OATH's proposed final rule regarding the

authority of the Chief Administrative Law Judge

to transfer cases between different divisions of

OATH.

MS. STATZ: Thank you, Commissioner.

This is a final, this is, we're presenting this for your consideration. This is the final, your final approval of a, of a rule that we've already discussed, that you, for which you gave previous approval. It's the authority of the Chief Administrative Law Judge to transfer cases between divisions.

I'm just going to give you a short

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summary of this again. As you know from the last time, it's within OATH's rules, the Chief Administrative Law Judge always had specific authority to transfer cases from Trials to Hearings. So what we've done, and, and, in actuality, the Chief Administrative Law Judge alalso had, and exercised, the authority to transfer from Hearings to Trials. So what we did is that we wanted to make that rule clear and we wanted to, to, to memorialize that in the rules and also make the rules symmetrical. And, in doing that, we also cleaned up the Trials Division transfer rule for, for, for grammar. what you have before you is just a transparent statement of authority that the Chief Administrative Law Judge has.

And it's been final-, it's been, it's been through the hearings process, it received final approval from the Law Department, and we're putting it before you once again. Did you have any questions? I'd be happy to answer them.

MS. SCHNEID: Hi. This is Matt Schneid. Would it be accurate to say that this is

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2	essentially already happening in terms of moving
3	the cases around, but you want to formalize it?
4	MS. STATZ: Yes. Any questions? Any
5	additional questions?
6	MS. KLETTER: Okay, thank you. I'm
7	going to ask for a motion to approve this
8	proposed final rule.
9	MS. KNAUER: Motion.
10	MS. KLETTER: Thank you, Elizabeth. I'm
11	going to ask Joy to call the vote.
12	MS. THOMPSON: Thank you so much,
13	Commissioner. And for this proposed final rule
14	regarding the authority of the Chief
15	Administrative Law Judge to transfer cases
16	between OATH's divisions, I'm going to ask if
17	there are any objections. If you could speak or
18	indicate if you are objecting to this rule, there
19	will be approval of this rule.
20	MS. GRAHAM: Yes, Shamonda Graham, DOB.
21	I object.
22	MS. THOMPSON: Thank you. Thank you,
23	Shamonda. I have your, I have you down. Any
24	other objections? Thank you again. The motion

1 June 10, 2021 2 passes, Commissioner. MS. KLETTER: Thank you so much. 3 4 now going to ask Kelly Corso to introduce the 5 pre-sealing reports. KELLY CORSO, ESQ., ASSISTANT 6 7 COMMISSIONER FOR HEARINGS DIVISION ADJUDICATIONS, OATH: Good morning. Can everyone hear me? 8 9 MS. THOMPSON: Yes. 10 MS. KLETTER: Yes. 11 MS. CORSO: Okay, great. Hi, I'm Kelly 12 I'm the Assistant Commissioner for the Corso. 13 Hearings Division, Adjudications, and I'm 14 presenting the cease and desist pre-sealing 15 reports for today. We have seven of them to 16 report. 17 Six of the reports involve backflow 18 cases and, in all of those cases, hearing 19 officers agreed with DEP's recommendation for no 20 further action or sealing in those cases. 21 The last case we have is an air case, 22 which involves a kitchen exhaust unit. And, on 2.3 that hearing, the respondent's representative 24 provided proof of work done to bring the unit

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into compliance with the Air Code. And based on that information, the hearing officer recommended that there be no sealing or further action provided at DEP's initial re-inspection of the unit and re-inspections over a period of 180 days to show that the respondent remains in compliance.

And that's it.

MS. KLETTER: All right. Any questions?

Okay. I'm going to ask for a motion to approve.

MS. LIGUORI: Motion.

MS. KLETTER: Thank you, Madelynn. I'm going to ask Joy to call for a vote.

MS. THOMPSON: Thank you, Commissioner.

I will now also ask if there are any objections
to the approval of the pre-sealing report as
presented by Kelly Corso? Seeing and hearing
none, the motion passes. The report is approved.
Thank you.

MS. KLETTER: Great. Thank you so much.

I'm now going to introduce a question that was
raised by Elizabeth Knauer regarding the issue of
res judicata in these cases in the Hearings

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Division with respect to when and how it's applied. So I know this is something Elizabeth had raised at one of the panel meetings, and I'm going to ask her to just kick it off, and then we can respond.

MS. KNAUER: Thank you, Commissioner.

Great, and thanks for giving me the opportunity to bring up this issues that's sort of been nagging at me for a long time, probably since 2012, when, when we, the Board first adopted the clarification of the Goldstein decision, which essentially lays out the parameters of the res judicata doctrine as has been applied by, by the Board in various appeals since then.

So the, I hope everybody had an opportunity to review the, the materials that were circulated, the <u>Goldstein</u> case itself and the, the clarification document. And, and I'll just, I'll just note that I confirmed with Peter that the, the res judicata rule that was adopted into the, into the, into the Board rules does not lay out the parameters of the doctrine. It's just, it's more of the procedural aspect in which

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it needs to be raised at the hearing, but then actually applied by the Board.

So the issue that I want to raise with it is, is specifically, in the clarification document, it specifically states that the res judicata doctrine will not be applied to continuing violations, including ones that are sort of a maintenance type violation, like occupancy contrary to a certificate of occupancy. And that is not, that, that rule was not established by Goldstein, it was not an issue in Goldstein, which was not a continuing violation. But there was a, a reference in the Goldstein case to the fact that it was not a continuing violation.

And I just, you know, it's something that's bothered me for a while in terms of how, how we've sort of had to apply it to exclude from the application of res judicata cases where a hearing officer has determined that an occupancy is legal. And, and thereafter, another violation or another summons is issued for the same condition on the sa-, and, arguably, at least,

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the same facts. And res judicata cannot apply, although the respondent would, you know, would naturally rely on the prior holding that the occupancy was legally maintained.

So I, I think it's a fairness issue for respondents that, if they win, and I'm, and I'm saying on the merits, substantively, that, and with a finding that an occupancy is legal, that they should be able to maintain that in reliance that they won't later get a violation for the same thing that OATH has already determined is legal.

So I don't, and I don't think that applying res judicata to cases like that would, would even require changing anything in Goldstein itself, because I think Goldstein recognized that for res judicata apply, to apply in any case, it would have to be on the exact same facts. So, if an occupancy changed from between the original hearing and the, and the later summons, then, obviously, res judicata would not apply. But I, I think that the notion that it doesn't apply to any "continuing violations," even if the, even if

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the condition is exactly the same as was already adjudicated, it's, it's an un-, it's unfair to respondents who are relying on a prior hearing decision that they can maintain that condition because it's been deemed legal.

So that's, I just, it's something that's bothered me for a while and I guess, I can't remember the case that it came up in. I don't think it really affected the out-, this, this issue didn't affect the outcome of that appeal, but it reminded me of, of, of the, of this issue and I, and I wanted to request that the Board revisit it and maybe consider revising the clarification document. And I'm happy to answer any questions, but that, that was basically [unintelligible] [09:58:44] [00:23:44].

MS. KLETTER: Thank you. No, and I
think I'm going to ask Peter to respond, because
I know he spent a lot of time researching this.
I guess my, my question to you would just be
whether this is something you all have seen
happen where there might be overzealous
enforcement agents who are coming back to the

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same property shortly, like within the same year or within the, within six months? Or is it, like is, yeah, is, is it a problem where there's just too much enforcement and it's happening, you know, just too, like, consistently? Or is this, is it not something you're seeing?

MR. SCHULMAN: I couldn't say that it's something that we've seen on appeal very often. We don't necessarily see Department of Buildings going out and issuing multiple violations to the same property over and over again. Cases have generally held, though, that for maintenance requirements, like the one, the ones Elizabeth mentioned, if it's a class 1 violation, the Department of Buildings does have that right that every day a respondent fails to maintain a premises in a Code-compliant manner, engages in an occupancy contrary to a C of O, that potentially is a new violation. So that's really, I think, where the line got drawn originally, back when Goldstein laid out this standard between continuing violations and noncontin- continuing violations.

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It was looking to see whether or not it was a discreet act which happened once, like in Goldstein, where it was the actual installation of non-ADA-compliant steps. The respondent in that case installed steps. They were being charged with installing the wrong steps. Having been dismissed, they didn't install any new steps. That one type of, that one action was very discreet. And, in fact, in that case, it was very specific. The IO didn't even go out on another day. The IO simply reissued a violation citing the same exact condition, same date of occurrence, without going out again. Just wanted another shot at the apple.

And I think in adopting the continuing versus non-continuing violation standard, the Board was trying to balance factors of fairness versus safety, that what you would potentially end up having is, say this applied to just a basic maintenance requirement that a building, walls need to be maintained in a safe condition. If, on a certain day, a certain hearing officer dismisses a charge against a building that's five

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stories tall on the grounds that this only ap-, that the requirement to maintain a building wall only applies to buildings that are six stories, that, that's an issue which has come up in cases. Respondents claim that, because of the way it's phrased. The Board has said no, it applies to all buildings, that all buildings need to maintain their walls. But if this hearing officer dismisses on that and, for some reason, it doesn't get appealed, we would essentially be saying that, because of res judicata, as long as a wall doesn't necessarily get worse, this dangerous condition that is this wall could stay --

MS. KNAUER: Yes.

MR. SCHULMAN: -- until it actually falls down, potentially. So I think that --

MS. KNAUER: Can I interject something that you --

MR. SCHULMAN: Sure.

MS. KNAUER: -- mentioned that was very important? But you say if, for some reason, it doesn't get appealed. And I think that's the,

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that is the, that's the critical issue. If the, if the Agency de-, for whatever reason, decides not to appeal it, that's on them. I mean, if, if, if the decision was wrong, it should be appealed.

But, I, I just, you know, I think in terms of the safety issue, if, if it's deemed legal, and this, and I think this often comes up in this occupancy contrary where there's a dispute over what the legal occupancy is, if the hearing officer says I agree with the respondent, this occupancy is legal, then for the, for the, for Buildings to be able to come back a week, two weeks, two years later and say the exact same occupancy is no longer, is, is, is not legal, but there's nothing that's changed, no facts have changed, the certificate of occupancy hasn't changed, it, it just, it seems unfair to me for a respondent not to be able to rely on that. if Buildings thinks that the decision was wrong, then they should have appealed it in the first place.

MR. SCHULMAN: I, I, I understand that,

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1	Page 3 June 10, 2021
2	but Buildings
3	MR. MARTINEZ: But what if
4	MR. SCHULMAN: I'm sorry?
5	MR. MARTINEZ: This is Jorge Martinez.
6	What this is Jorge Martinez, Department of
7	Health. What if a decision is incorrect, but
8	somehow the, the Department or the agencies
9	didn't appeal it? I mean, then res judicata
10	could be used as a shield to, for the, you know,
11	improper act. What happens in those cases?
12	MS. KNAUER: But that's, I mean, in, in
13	my mind, that's the agency's fault, though.
14	That's their decision not to appeal it. So I
15	think
16	MR. MARTINEZ: It is true, but the fact
17	remains that
18	MS. KNAUER: it's, it's just, to say
19	that they, to say that a hearing is
20	MR. MARTINEZ: the decision might
21	have been wrong.
22	MS. KNAUER: I just feel like that makes
23	the whole hearing process kind of worthless for
24	the respondent. Other than getting a dismissal

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of that initial violation, it, it, the legal ruling is meaningless to them, because they can't rely on it.

MS. GRAHAM: So this is Shamonda Graham from DOB. Can -- I'd like to weigh in a bit, just to provide a bit of clarity for you, Elizabeth, because I do understand your concern.

So, to provide a bit of clarity, when we, the DOB, write a summons for occupancy contrary, and if the hearing officer determines that the occupancy is acceptable, that does not mean that the condition that are at the location and the fact, and the observations by the inspector were not in violation of other sections of our rules or laws, even if they were, according to the hearing officer, occupying correctly.

I do agree with you that, if we lose a case like that and we do not appeal, that is on the issuing agency and I do not expect the Board or, you know, the, the Hearings Division to, to have any sympathy for the enforcement agency that does not appeal. But, at the same time, as it

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relates to occupancy, many times, in order to allow for the occupancy, there are conditions created that may have been described in the occupancy violation, which, I have to really stress, is, is violating the person for the way they are occupying the space. That is very different from how they set up the space in order to allow for such occupancy.

So, let's say the hearing officer at the hearing level, they dismiss the occupancy. You know what? And I'm just making this up. This location can be occupied in this say. That does not mean that the walls, the sinks, the restrooms, the things that were put in place to allow for that, that does not mean that those things are acceptable.

So I think that, even with the same set of facts and the same observations, if the inspector observed other areas of our rules and laws that were in violation, then I think it is, it is correct to issue a new violation.

MS. KNAUER: Well, I agree, Shamonda, that those would be different, those would be

1 June 10, 2021 2 different charges and res judicata would not apply to the adjudication of those charges, 3 4 because those would be separate. So I, I, I 5 agree with you there that --6 MS. GRAHAM: But, yeah. 7 MS. KNAUER: Yeah. So I, I don't --MS. GRAHAM: But that is why Peter, but, 8 9 Elizabeth, that is why Peter is saying it doesn't 10 And speaking for Buildings, because I am 11 the Executive Director of Enforcement, I can tell 12 you that if an occupancy contrary summons is 13 dismissed and we do not successfully appeal, we 14 are not going to go out and write that same 15 occupancy contrary if we did not successfully 16 appeal it. We would not do that. That is not 17 part of our practice. 18 MS. KNAUER: Well, I'm not suggesting, 19 Shamonda, that, that you would intentionally do 20 that or, you know, would direct that on the part 21 of inspectors. But I do think it's, it's, 22 there's a, there's a possibility --

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[CROSSTALK] [10:07:33] [00:32:33]

MR. SCHULMAN: Did we lose the --

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MS. GRAHAM: Well, if the inspector, even, even a zealous inspector that sent out and did such things, there are only two things that could happen. Either (1) the respondent may be able to argue res judicata because --

[CROSSTALK] [10:07:54] [00:32:54]

MR. SCHULMAN: Okay, they're back.
Okay. I'm sorry, we lost the, we lost the conference room for a second.

MS. GRAHAM: You know, either the -there are only two things that can happen in a
case like that, and I understand what you're
saying, because you can get an inspector who
maybe (1) is zealous, or maybe (2) did not
necessarily do the proper research and they
issued the same, the same exact infraction that
was already dismissed by the Board. But, in such
case, there would be two things that would
happen. (1) The hearing officer, you know,
depending on how the hearing went, may, may look
at the previous case, which the inspector should
have done, or (2) the respondent may very well
raise res judicata. And depending on what the

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circumstances are, the Board would make the decision. And that's really, I, I believe that that was why the rule was changed, to make it, to make it something that the Board needed to make the final decision, because there's so many nooks and crannies as it relates to res judicata.

MS. KNAUER: But under the Board's current policy, we would not apply res judicata in an occupancy case, even if it, even if it was raised at the hearing level. We wouldn't, we wouldn't apply it based on the parameters set forth in the clarification document.

MR. SCHULMAN: And that, yeah, that's correct. I just want to clarify. What, what he had discussed, what, what you had mentioned earlier about what was codified in our rule, it primarily is simply that a hearing officer shall establish the record, not rule on it, but the Board shall.

But it does contain one little bit about what the Board would consider, which is the interest of justice, as well as public safety.

So I do think that res judicata, in the

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enforcement context, and the rule acknowledges this, does require a bit of a different analysis than maybe res judicata in a civil litigation or something else like that. It isn't just the enforcement agency that loses, that's on the hook for losing. If you have a, a single-family house that converts to 25 SROs into it and, for some reason, it's dismissed and isn't appealed, essentially, applying res judicata would be legalizing a one-family house into a 25-family house without the required fire safety, without the required egress, lighting, all of those things. And it would potentially allow them to continue to occupy that, despite the, the inherent risks that it would pose to all those occupants.

Just like the wall instance I mentioned earlier, it's not really Department of Buildings that, that, that has suffered from that, but I wouldn't want to walk past a wall that isn't being maintained and, and which the Department of Buildings cannot charge any further as not being maintained because they lost one case. And, each

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day, it's not being maintained.

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MR. SCHNEID: Can I ask a question? And I apologize. It's my first meeting, so I don't have the same benefit of the background as everyone else. But isn't at issue the same facts? So we're saying the same facts could be applied. So if there's a violation as to the 25

if the facts were exactly the same, then we have

units in your example, wouldn't we be saying that

to apply the law as we, or the regulation that's based, that we decided, right? So if there's

different facts, it would be a different outcome,

potentially. Are, are -- isn't that the point,

that we shouldn't be relitigating the same fac-

factual issues?

MS. KNAUER: Yes.

MR. SCHNEID: And I imagine in your scenario, there could be many different factual scenarios.

MS. KNAUER: That, that's my point. I think Peter's point is that there, there, there could be this extreme situation where something falls through the cracks. I think it's, it's, I

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mean, Shamonda, you can respond to that. But it seems highly unlikely to me that Buildings would not appeal that case.

MR. SHPETNER: Also --

MS. GRAHAM: I'll tell you one thing, you know I'm over here biting at the bit, Elizabeth. Buildings had better appeal a case like that, so I wouldn't really worry about something like that. And I think what I need to make very clear, like the way the inspectors write the summonses, right. So if there's occupancy contrary, the inspector is going to write all of the facts that make them believe that the occupancy is contrary, but those facts would include other things that they observe that are, actually, violations of other sections of our rules, of our laws.

So what happens is you have this big summons that tells you this person is occupying this space incorrectly. They don't have sprinklers, they don't have this or they have 25 rooms where it should be a one-family apartment, and the inspector has given all those facts when,

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in actuality, the only fact that they have to give was the current occupancy or what is legally acceptable versus what they saw, which would have been the 25 rooms. Our inspectors are going further to state the other things that they saw. And when they do that, that is because they're writing that one summons opposed to writing the 10 or 15 or however many could be written.

I mean, in these cases -- I'm going to tell you now -- it is really simple. Once you have that occupancy contrary, depending on the type of scenario you have, like Peter said, you get, especially if it's like an AirBNB situation, it depends on the situation. You've got sprinkler requirements coming into play, egress requirements coming into play, ventilation requirements coming into play. There's all of these different requirements that then kick in, and the inspector may very well only write occupancy sometimes -- not all the time. But, when they do, if that were dismissed, then we're saying, oh, my gosh, we have this 25-room onefamily house. People can really, really get hurt

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in situations like that.

So the Department would (1) appeal, and, then, (2) if we did not prevail or, for whatever reason, lost the appeal, we would try to ramp up our enforcement in other ways, keeping in mind that the major goal is compliance and to get that location to a safe space. Because these, in these instances, this is where people lose their lives in emergencies, fires and things of that sort.

MS. KNAUER: I'll, I'll just say that I think that the concerns that Peter are raising are, are like, that the hearing officers are going to get it wrong and that, and that Buildings isn't, is going to get it wrong by not appealing. And, and/or that the Board is going to get it wrong on the appeal. So I, I think those concerns are -- I, I mean the, I, I would just say that we shouldn't be making policy based on concerns that, like, a multiple chain of events will go wrong in that fashion at OATH. You know, sort of to the, to the detriment of, of respondents who are try-, you know, who might be

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trying to just comply with the law and, and maintain their building in what they think is leg-, a legal manner.

I think in many, many cases, likely where the, you know, there's a dismissal because Buildings, for example, just didn't produce enough, enough evidence of illegal occupancy, that that also, if they, if they came forward with more evidence of illegal occupancy on a subsequent summons, then, again, res judicata wouldn't apply in that case because the ruling was not based on the same evidence.

MR. SCHULMAN: I, I, I don't think
that's the way that the Board has applied res
judicata, as far as not having sufficient
evidence. If it was simply, we can go back to
the, the stairs case. If it was dismissed
because DOB didn't come forward with sufficient
evidence that these stairs weren't ADA compliant,
and then they reissued that, the Board would say
that is res judicata.

MS. KNAUER: All right. Fair enough, fair enough.

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MR. SCHULMAN: DOB had its chance to, to submit the evidence. They didn't. But I think part of what the distinction that, that is a distinction between res judicata and collateral estoppel and, really, the Goldstein case speaks to claim preclusion, not issue preclusion, and I don't think the Board has been very stringent on issue preclusion. And a lot of the reasons why a occupancy contrary charge would be dismissed would be based on particular issues. Like you're saying, they, DOB failed to, the issue of what is illegal occupancy of this building or the issue of how many rooms were actually being occupied on a particular day. Those are things that the Board hasn't applied and those are the reasons why you would generally say, okay, you can't issue another occupancy contrary charge on Tuesday if it was dismissed Monday, because you haven't shown that the issue of how many occupants, how, how many rooms were being occupied has changed, or you haven't shown that the legal occupancy of this premises has changed. So that's the distinction, to some degree, of

1	June 10, 2021
2	what continuing violations versus non-continuing
3	violations also hinges on, is collateral estoppel
4	versus res judicata.
5	[CROSSTALK] [10:17:22] [00:42:22]
6	MS. KNAUER: I mean, I, I think that's
7	splitting hairs, to a certain extent. The
8	collateral estoppel is, is a part of the doctrine
9	of res judicata. And I guess, I guess I'm just
10	raising this issue as, as sort of a, from a
11	policy perspective of allowing people to rely on
12	decisions of the Board and whether, whether
13	that's, whether we, in fact, do that. So
14	MS. KLETTER: If I may, [unintelligible]
15	[10:17:50] [00:42:50].
16	MS. KNAUER: versus
17	MR. SCHNEID: Is there a proposed change
18	
19	MS. KLETTER: Can you guys hear me?
20	MR. SCHNEID: to the, the document
21	that's on the, the on the table?
22	MS. KLETTER: I don't think they can
23	hear me.
24	[OFF MIC CONVERSATION]

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MS. KNAUER: I don't, I, I just brought this up at a panel meeting and was invited to present on it. But I, you know, I could propose a, I could propose modifications to the, to the clarification document if, if there was interest in that.

MR. SCHULMAN: It might be appropriate to do that when a case comes up. Then, then, they take it itself and go to the full Board. A decision could be issued after debate by the full Board, and then the document could be modified based on how that decision comes out.

MS. KNAUER: I mean, I'm not on every panel, so if, you know, I may not --

MR. SCHULMAN: Well, we could, if there's a claim on a continuing violation where res judicata is raised, we will ask that the panel brings it to the full Board.

MS. KNAUER: Okay.

MR. SHPETNER: Sorry, could I --

MS. KLETTER: Hello? Hello?

MR. SHPETNER: This is, this is Tom

24 Shpetner.

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MS. KLETTER: Hi.

MR. SHPETNER: [Unintelligible]
[10:18:50] [00:43:50]. I could be in favor of us coming [unintelligible] [10:18:53] [00:43:53] worked on in 20-, I think it was 2012. I remember Julian Folsom [phonetic] cornering me back in the day.

I, I think waiting for a case to come up might, might be too little, too late. I don't mean it like we can't get it, get it right, but I think this is a very worthy debate. I think it, at face value, Shamonda's diligence and, and willingness to, you know, hunt down any, any violation, you know, you know, that isn't fully fleshed out or, you know, her thoroughness is not, not up for debate here.

I, what I'm concerned is that, if we do have an ongoing violation, I mean, a lot of our jur-, a lot of our cases, you know, we just kind, we write them and then we expect compliance, and we don't have any kinds of equitable means by which we can, you know, cram down change. What we do have is the ability to write new summonses.

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So I do think that coming up with something, you know, we can take a couple of meetings if we have to, to do it, but I would be more than happy to team up with Elizabeth and whomever from the agencies to, to flesh this out.

I, I, you know, I live in a crumbling building and I, and I do take very seriously the, the need to be vigilant for ongoing violations, and where something like a stop work order isn't observed, that's very cut and dry. But where we have a dangerous commis- condition that isn't abated promptly, we do need the ability to take action, punitive or otherwise.

So I, I, I think, Peter, you're, you're, you're right that we could probably hold on until one of these becomes ripe, but I'd rather get the information, you know, the, the respective views of everybody, you know, memorialized into something we think is appropriate. That's just my reaction to the debate, which I think is, you know, important and lively and I wish we did more of this, frankly.

MR. SCHULMAN: All right. I think Olga

	Dago /
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2	wanted to say something.
3	MS. STATZ: Yeah, hi. Hi, everybody. I
4	just wanted to point something out. It's very,
5	it would be very difficult, I think, if you want
6	to
7	MR. SHPETNER: All right, Olga, can you
8	get closer to a microphone? You're very hard to
9	hear.
10	MS. STATZ: Yes, I am, I'm as close to a
11	microphone as I can get.
12	MR. SCHULMAN: That, that's better.
13	That's better.
14	MS. STATZ: Can you hear me?
15	MR. SHPETNER: You're better now,
16	whatever you yeah.
17	MS. STATZ: So what I wanted to say,
18	basically, is we have to keep in mind that
19	there's a, there are police powers that we have
20	to keep in mind here. OATH, of course, is the
21	tribunal, but the enforcement agencies have
22	police powers that we really cannot legislate
23	beforehand or, or decide on beforehand. And I
24	think that the reason that there's so much room

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in the res judicata rule, as it exists, is to allow the Appeals Panel to do things on a case-by-case basis, which I think is critical in this, in this, in this area. I don't think that this section is really amenable to having a policy that is set in stone. There are too many factors. When we listen to Shamonda speaking or Peter, or when we just review the cases, too many things come up in individual cases for us to have some sort of a policy that will apply in every single case.

I think, perhaps, we can look at it and, and say, perhaps, not do an absolute refusal to do a continuing violation. But it's absolutely critical that we give the a-, the agency the flexibility, on a case-by-case basis, to do this. I don't think it would be very -- this is not really amenable to a hard and fast rule because I don't know the extent to which oath has authority to interfere with the police powers of like the Fire Department or Buildings Department, if they decide that they have to go back in a particular place within a number, within a particular

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number, number of days.

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So I think that those are things that have to be kept in mind as we, we try to reach some sort of consensus here. I think a consensus can be reached, but we have to be very careful about what it's going to look like and whether we're going to do something set in stone. Thank you.

MS. KNAUER: And Olga, just to respond to that, if I may. I, I didn't, I was not proposing that the rule be changed, which, as Peter mentioned, references public saf-, public interest and safety or whatever. I was just, I was proposing revisiting our internal clarification document, which now reads that it nev-, that res judicata will never apply to a continuing violation and has been sort of interpreted as kind of set in stone, I think, through, through the, through the appeals decisions. So I was just proposing maybe making it more flexible, but not proposing to put further res-, put further restraints on the Board or change the actual rule.

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MS. KLETTER: Yeah, no. Thank you so much for raising it. I think it's definitely something we should think about and talk about more. Again, from my perspective, I'm a little hesitant to consider any kind of clarclarification change or rule change without knowing how often this actually happens, because I'm, I haven't seen evidence of, again, like overzealous, overaggressive enforcement where someone is inspecting and then, six months later, it's the same condition, as opposed to maybe four or five years later, going back to the same unit.

Now, you, again, you're all seeing more cases than I am, but I would be interested in seeing evidence of that kind of overzealous enforcement that would require some type of clarification change.

Is there anyone else that wanted to speak on this issue, or can we move on?

MR. MARQUEZ: Just quickly, this is FDNY. As the first responders, I would just remind that everyone that's put this forth to remember that this deals with the health and

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safety standards, which are changing constantly. So I, we wouldn't be in favor of putting a legal straitjacket on OATH; rather, allowing OATH, as they have been doing, to decide on a case-by-case basis, what they, they deem appropriate and what, when res judicata should apply. Remember, this has a, a definite finality to it, and, and I, I believe that in order to protect life and property, the agency should not be prevented from relitigating these issues and, and for OATH to then consider it in the light of what is best for the public.

Remember, the one side of it is, well, this is a burden for the respondent. However, the other side of it is that lives are in danger and what's best for the public at large. And, as first responders, we're very concerned with that, because if Department of Buildings loses a case like this -- and let's face it, there is no system that's perfect. So with all respect to Department of Buildings and their ability, and I know they're very competent, but no system is perfect. And if something does fall through the

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cracks, we're the ones responding to the building and we're the ones that are trying to save the lives that are in there. So please take this into account when deciding. It's not just one sided, well, you know, it's not fair to the respondent. It's also what's in the best interests of the public at large.

MS. KLETTER: Okay, thank you. I think we're going to move on, unless someone wants to make a final comment.

MS. KNAUER: I'll just make one, that having heard, having heard all of those concerns, I, I would say, if we were going to revisit the clarification, certainly, the egregious case or the dangerous case could be taken into account, that there would be a caveat on the application of res judicata where there was a real danger to, to the public or, or occupants, etcetera.

MS. KLETTER: Okay. Very good. Thank you, again, Elizabeth, for bringing this to us. I'm now going to ask for a motion to go into Executive Session to discuss new decisions and the cases listed in the Judicial Report.

1	June 10, 2021
2	MS. LIGUORI: Motion.
3	MS. KLETTER: Thank you.
4	MR. SCHULMAN: Okay. So if everybody
5	who is not employed or interning with OATH or
6	part of the Board either want to disconnect. If
7	you don't want to disconnect, I can put you into
8	a waiting room and bring you back in when the
9	Executive Session is over. I don't think there's
10	much to discuss after that, but I can do that.
11	There's a lot of new names, particularly interns.
12	So, Tim, you're, you recognize all the intern
13	names and you can tell me if anybody is on who is
14	not an intern?
15	TIMOTHY JONES, ESQ., SENIOR COUNSEL, OATH:
16	Done. LaPlante, that doesn't, I'm not sure who
17	that is. But the other names
18	MR. SCHULMAN: All right. Okay.
19	MR. JONES: all seem familiar.
20	MR. SCHULMAN: Yeah. Hold on a second.
21	Okay, I'm going to pause the recording now.
22	[OFF THE RECORD]
23	[ON THE RECORD]
24	MS. THOMPSON: Thank you, Commissioner.

1	June 10, 2021
2	MS. KLETTER: Okay. Is there any
3	additional questions? We're now back in public
4	session. Okay. And, as you all know,
5	additional, future panel meetings are divided
6	into A.M. and P.M. sessions with different Board
7	members for lighter packages of draft decisions.
8	The next Board meeting will be August 12, 2021.
9	And I'm going to ask for a motion to adjourn the
10	meeting.
11	MS. LIGUORI: Motion.
12	MS. KLETTER: Great. Meeting adjourned.
13	Thank you all so much.
14	MS. LIGUORI: Thank you. Bye,
15	everybody.
16	MS. THOMPSON: Bye.
17	MS. GRAHAM: Thank you. By, everybody.
18	(The board meeting concluded at 10:44
19	A.M.)
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## Environmental Control Board, 6/10/2021 CERTIFICATE OF ACCURACY

I, Claudia Marques, certify that the foregoing transcript of Board Meeting of the Environmental Control Board on June 10, 2021, was prepared using the required transcription equipment and is a true and accurate record of the proceedings.

Certified By

Claudia Marques

Date: July 26, 2021

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