1	COURT OF APPEALS
2	STATE OF NEW YORK
3	MATTER OF MARINE HOLDINGS, LLC,
4	Respondent,
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6	-against- No. 45
7	NEW YORK CITY COMMISSION ON HUMAN RIGHTS,
8	Appellant.
9	
10	20 Eagle Street Albany, New York March 27, 2018
11	Before:
12	CHIEF JUDGE JANET DIFIORE
13	ASSOCIATE JUDGE LESLIE E. STEIN ASSOCIATE JUDGE EUGENE M. FAHEY
	ASSOCIATE JUDGE MICHAEL J. GARCIA
14	ASSOCIATE JUDGE ROWAN D. WILSON ASSOCIATE JUDGE PAUL FEINMAN
15	
16	Appearances:
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22	New York, NY 10016
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25	Sara Winkeljohr Official Court Transcriber



1	CHIEF JUDGE DIFIORE: Number 45, the Matter of
2	Marine Holdings v. New York City Commission on Human
3	Rights.
4	Counsel.
5	MS. FILLOW: Good afternoon. May it please the
6	court, MacKenzie Fillow for the New York City Commission o
7	Human Rights. May I please have three minutes for
8	rebuttal?
9	CHIEF JUDGE DIFIORE: Three minutes?
10	MS. FILLOW: Yes, please.
11	CHIEF JUDGE DIFIORE: You may.
12	MS. FILLOW: Thank you. This court should
13	reverse the Second Department's decision because the court
14	misapplied the burden of proof and the substantial evidence
15	standard. The court's decision did not even mention the
16	burden of proof or the fact that the landlord had complete
17	a similar renovation at a similar building 300 yards away.
18	JUDGE GARCIA: Do we have to send it back if we
19	agree with you? If they applied the wrong standard, do we
20	have to send it back to them?
21	MS. FILLOW: No, this court can apply the correct
22	standard and and then reverse the Second Department'
23	decision and that would could be the end of the case
24	JUDGE GARCIA: I have a procedural question.

This goes out to an administrative law judge, and the

Commission is a party in that proceeding.

MS. FILLOW: Yes.

JUDGE GARCIA: And the administrative law judge writes this extensive decision we have on the record, and then that goes to the Commission who's now acting as a decision-maker.

MS. FILLOW: Yes.

JUDGE GARCIA: And not surprisingly, they agree with the position they took as a party before the neutral fact-finder.

MS. FILLOW: Sure. The - - -

JUDGE GARCIA: So is there - - -

MS. FILLOW: Sorry.

JUDGE GARCIA: Is there some type of standard you would apply in reviewing the administrative law judge's decision that would in some way make that meaningful?

Because otherwise, why would the Commission never agree with itself as a litigant?

MS. FILLOW: Well, the - - - the prosecuting arm of the - - - there's a prosecuting arm and then a deciding arm. So the - - - there's - - - there's a separation at the agency, and this is very common. There are many administrative agencies that do this, the NLRB in the federal level, many other agencies have a - - - they - - - they prosecute cases and then they also decide cases. It's

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JUDGE GARCIA: Like the FCC?

MS. FILLOW: I believe so, yes.

JUDGE GARCIA: So - - -

JUDGE FAHEY: Well, at the state level, the SLA -

- - the SLA does the same thing at the state level.

MS. FILLOW: Right, I don't think - - -

JUDGE FAHEY: Yeah.

MS. FILLOW: It's not uncommon - - - it's pretty common, and the same standard applies which is that the decision has to be supported by substantial evidence in the record, and that's what we have here.

JUDGE GARCIA: So in this case, then, the record and the substantial evidence we would be looking for would be in the record created before the ALJ?

MS. FILLOW: Right, that is the record that was before the Commission when it made its decision. And that record has some evidence showing that the proposed work would be very difficult and other evidence showing that it would not be that difficult. And under those circumstances, the administrative agency's decision is entitled to deference from the courts, and the Second Department really overstepped by not even really asking that question. They didn't even ask the right question - - whether the Commission's decision was supported by

substantial evidence. Instead, they said that the landlord had made a showing which the Commission did not rebut.

That was not the question before the court, and it's not clear at all that - - -

JUDGE GARCIA: I take that language, though, to mean - - and we've seen this in criminal cases, it seems to me that language is, as I said, in a criminal case you say the defendant never has the burden of proof. But if the government has proved something beyond a reasonable doubt and nothing is offered, to use the term rebut that, then it goes this way. And it seems to me while inartful and in ways unfortunate they suggest they use that term, what they were saying was the same thing, essentially, that the landlord here had met their burden. They were going to win, and if you don't want them to win after meeting that burden you, as a party, then have to do something to push that back over the line. Why isn't that right?

MS. FILLOW: Well, it's not clear that that is what the court was doing. The court discussed whether the landlord had made a showing, and the three cases that the court cited all involved - - - they were all cases where the prosecuting agency did have the burden of proof. So it is not clear at all that the court applied the correct burden. And maybe if we had a hundred cases like this that wouldn't be such a big deal, but this is the only Appellate

Division case discussing a landlord's obligation to accommodate a tenant under the city law. So in the future when landlords are trying to figure out what are their obligations this is the case they're going to read, and they're going to think all they have to do is make a showing in which case the burden shifts to the Commission to rebut it.

JUDGE STEIN: And as I understand your position, correct me if I'm wrong, although there were experts on the Commission side of this - - - but with or without them there was an inference from the accommodation - - - or not - - - it wasn't an accommodation before - - - but the renovations that had been made on the other unit in the complex and that in and of itself constituted some evidence that the - - - that the landlord didn't counter sufficiently.

MS. FILLOW: That's exactly right.

JUDGE STEIN: Is that your - - - okay.

MS. FILLOW: The fact is that they found it feasible to cut through a cinderblock building and install a ramp. They presented - - -

JUDGE FEINMAN: Well, while that may be feasible, what about the - - - the whole issue of having to cut the gas lines, displace people, and what do we do with the fact that you have the architect saying one thing but the

structural engineer saying something different and even the architects have a bunch of caveats saying, well, you know, we're not structural engineers?

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MS. FILLOW: Sure. It's true that the structural engineer, on the one hand, testified that he thought this work would be extremely complicated so that it constituted an undue hardship. But on the other hand, you do have two architects who thought it was - - it could be done more easily, the fact that they had done something similar, a Commission employee who had testified that it was - - -

JUDGE FEINMAN: And so the Commission had no obligation to put in a structural engineer when you're talking about the integrity of the building?

MS. FILLOW: No. There - - - the question before the Commission was whether there was evidence in the record as a whole that the landlord had met their burden of proving undue hardship, and there is evidence here sufficient for the Commission to have decided that they did not meet their burden.

JUDGE GARCIA: Let's assume that was true just for purposes of this discussion that you would have to just, you know, take people out of the building, there's a gas line issue, and you would at the minimum have to relocate tenants and that was in the record and undisputed. Would that satisfy the landlord's burden?



1	MS. FILLOW: That would probably satisfy the
2	landlord's burden. But here there they did similar
3	work at another building and there is no evidence that it
4	required the evacuation of tenants or anything like that.
5	JUDGE STEIN: Well, isn't the issue again,
6	is it wasn't the issue whether the the
7	structural strength of the cinderblocks and that the
8	the concern that they would fall apart, right?
9	MS. FILLOW: That's exactly right.
LO	JUDGE STEIN: And that's what didn't happen as
11	far as we know in in the prior renovation and
L2	and that. So
L3	MS. FILLOW: That's exactly right.
L4	JUDGE STEIN: Right?
L5	MS. FILLOW: The the fact is they found it
16	structurally feasible to do this kind of work when it
L7	benefitted them, and their expert did not explain
L8	satisfactorily why they can't do it for Mrs. Politis.
L9	CHIEF JUDGE DIFIORE: Thank you, counsel.
20	MS. FILLOW: Thank you.
21	CHIEF JUDGE DIFIORE: Counsel.
22	MR. MEHLMAN: Avery Mehlman for the respondent,
23	Herrick Feinstein. May it please the court, good
24	afternoon. What was very different about the management

office and the accommodation being sought here by the

2 office, the door, did not expand width - - - width-wise or 3 length-wise the window that was - - - that was there prior. 4 JUDGE STEIN: Well, I - - - I thought Saratovsky 5 wasn't clear about that at all. 6 MR. MEHLMAN: In fact, the Commission's so-called 7 expert, the architect, admitted that for the accommodation 8 that they were seeking it needed to be expanded at least 9 two to three feet across which would remove the lintels 10 which would require, as the structural engineer - - - the only structural engineer to testify, more than substantial 11 12 evidence would require a complicated pin shoring that would 13 require basically the demolition of the building - - -14 JUDGE WILSON: Is there - - -15 MR. MEHLMAN: - - - and the rebuilding of the 16 building. 17 JUDGE WILSON: Is there evidence in the record, 18 and if so can you point me to it, as to what the width of 19 the window in the Politis' apartment was and what the width 20 of her wheelchair is? 2.1 MR. MEHLMAN: There - - - there's evidence - - -2.2 I can't point to that exact but there's evidence that - - -23 that in the - - - in the record from Mr. Geoxavier, and 24 that's 656 through 686 in the record and 578 in the record,

complainant is that it's clear in the record the management

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that there was no wide - - - widening of the window in the

management office while the Politis window would have to be widened, and I'm quoting, by "one to two feet."

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JUDGE STEIN: Wait, but was that Saratovsky's testimony before cross-examination? Because if that's what it was I thought he pulled back on that and said I really - - I don't know what the width of the window was in the office or whether it was wider.

MR. MEHLMAN: I believe that's what he testified to but there's more. Underneath the management office, it's apples and oranges, there was a small crawlspace which pin shoring could have been set up very easily without necessitating the evacuation of anybody because there's no gas lines, there was no electric lines. Where Ms. Politis' apartment was there was a complex of lines of gas, electric that needed to be cut off. There was - - - there was a full basement that had exits, emergency exits, that would have been blocked. The widening would have required the pin shoring. The widening would have required the removal of close to 150 residents. That's an undue hardship to the building's business which requires it to house people. In fact, the Politis - -

JUDGE STEIN: But - - - but what - - -

MR. MEHLMAN: - - - were offered alternative - - I apologize.

JUDGE STEIN: What you're - - - what you're

1 suggesting is that there was some evidence, but - - - but 2 the Commission didn't have to accept that evidence when 3 there was other evidence to the contrary, right? 4 MR. MEHLMAN: There was no evidence to the 5 contrary. They looked at a different building in a 6 different place under completely different circumstances 7 and said if you could do it there then you could do it 8 Saratovsky, the only structural engineer, said it 9 couldn't be done. It's structurally infeasible. 10 building may collapse. People would have to be moved out. 11 That was different because of the electric, gas, and the 12 basement went all the way down so the pin shoring would 13 have to go from the top of the building all the way down. 14 Additionally, where the ramp would go would - - - would 15 ease up against the building causing the building to 16 collapse just from the building of the ramp up against the 17 building. 18 JUDGE FAHEY: How many - - -19 MR. MEHLMAN: In fact, the only - - -20 JUDGE FAHEY: Excuse me. How many stories is the 21 building? 2.2 The building is I believe four MR. MEHLMAN: 23 stories. Four stories.



Including the basement, I think

JUDGE FAHEY: Four stories.

MR. MEHLMAN:

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it's four stories - - - four or five stories. There are pictures in the record. What's interesting is is though the Commission's architect to whom they rely upon in his first report didn't even mention this reasonable accommodation. In fact, it wasn't in his report. only after the Commission received the report that a member of the Commission staff sent an email to Mr. Geoxavier the architect - - - who by the way never went to the location, never visited the location, was unaware of the fact that the building was built with cinderblock which is obviously not a strong material. The Commission investigator emailed, and this is in the record at 896 to -97, can you at least reference the fact that to remove the window and replace it with a door appears quote "to be a reasonable accommodation"? The Commission itself, their investigators, told the expert what to put in his report and what conclusion to find.

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and even accepting the validity of your factual arguments, which you're going to know more about this than any of us here, isn't the problem with us really our question is really what's the standard of proof here and it seems that your argument requires us to weigh the opinions of two experts and decide which one makes more sense rather than just deciding whether or not the Commission had a rational

1	basis for the decision that they made?
2	MR. MEHLMAN: It's up to the court to look at -
3	_
4	JUDGE FAHEY: We would have to
5	MR. MEHLMAN: I apologize.
6	JUDGE FAHEY: say that no, it's okay
7	We would have to say that the Commission's decision was
8	essentially totally irrational, and can we do that on this
9	record?
10	MR. MEHLMAN: Absolutely. The standard is
11	substantial evidence. There is no evidence at all
12	and this is not burden-shifting in any way
13	JUDGE FEINMAN: So so you keep saying that
14	and I think the the question becomes do they need to
15	have a like expert, you know, another structural engineer?
16	Or is the testimony of their architects, who are concededl
17	not structural engineers, enough?
18	MR. MEHLMAN: It's not
19	JUDGE FEINMAN: Even if it's not how we would
20	have reweighed it
21	MR. MEHLMAN: If
22	JUDGE FEINMAN: or if we could reweigh it
23	or how we would have weighed it in the first instance?
24	MR. MEHLMAN: It's not even the architect. The



architect - - - there was an architect that was called by

the Commission, an architect that we engaged initially who made it clear I'm just an architect. When you remove walls of buildings you need to bring in a structural engineer.

Look, can it be done? Anything's possible, but you have to consult with a structural engineer. What was my client supposed to do? They got a complaint from the Human Rights Commission. You have to blow through a kitchen window in the back of someone's apartment and build a ramp.

JUDGE WILSON: Well, why wouldn't - - - why wouldn't the - - -

MR. MEHLMAN: So the first thing they did is they
--- they engage a structural engineer.

JUDGE WILSON: Why wouldn't the simple thing - - you said what your client has to do. Why wouldn't the
simple thing to do - - - be to do to put it out for bid and
see if anybody said yeah, I'll do this for X, or everybody
said, you know, I can't do this except for maybe Y, you
know, which is a huge amount of money or I can't do it at
all?

MR. MEHLMAN: Before the construction crew has to come in you have to get a structural engineer, so they engage a structural engineer, Mr. Saratovsky. They said this is what we're being asked to do by the Commission, not the Buildings Department, not anyone with any expertise with regard to this building, by Human Rights Commission.



Can it be done? Saratovsky's the only person in the record that actually went down and visited the building because the Commission's expert did not. He assessed the entire situation. In fact, he even visited where the other - - - the management office. He went to the management office. He went in the crawlspace, and he recognized the difference of putting pin shoring in a place where the - - - the foundation is a few inches from the ground level as opposed to the foundation being in the basement.

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JUDGE STEIN: But - - - but aren't you talking there then really about money? And - - - which is something that your client didn't make an issue in this case at all. So, you know, maybe it's a more extensive process to do this shoring with the different ways the buildings are - - - are constructed but doesn't mean it can't be done and it's not feasible. It may be it's just a lot more expensive, but we can't consider that issue here, right?

MR. MEHLMAN: It is nothing to do with money.

This is nothing about the money. The Human Rights Law expressly states that "Such accommodation that can be made that shall not cause an undue hardship in the conduct of the covered entity's business."

JUDGE STEIN: Yes. No, I - - - I understand that.



MR. MEHLMAN: And including the factors - - -1 2 JUDGE STEIN: It doesn't have to be financial, 3 though. 4 MR. MEHLMAN: Absolutely not. 5 JUDGE STEIN: But here I'm having trouble 6 separating them out and - - - and saying that financial has 7 nothing to do with it because in fact one of the experts 8 said if money was no object then, sure, we could do this. 9 MR. MEHLMAN: That's not what the record is - - -10 with all due respect to the court, that's not what the 11 record was. The - - - the question was is it possible, and 12 the expert said it's possible. And that's not the 13 standard. Anything is possible. It's the nature and cost 14 of the accommodation, the nature, and additionally, under 15

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the other factor in the Human Rights Law, it's the impact otherwise of such accommodation upon the operation of the facility. Here, there's no question that they would have to take out - - close to a hundred other residents would have to be removed for close to six months even if this could be done.

JUDGE STEIN: Well, there was a question because

JUDGE STEIN: Well, there was a question because some of the - - - the witnesses said, oh, this is - - - this is a piece of cake. This is - - - this is done all the time. You don't have to remove all these tenants.

MR. MEHLMAN: The person who said that was a



architect who admitted in the - - - on the record that certainly he would engage a structural engineer to get the structural engineer's point and, you know, recommendation regarding it. The individual who said it didn't even put this accommodation in his report until the Commission told him to reach - - - to reach this conclusion.

CHIEF JUDGE DIFIORE: Counsel, do you care to take another moment and address the burden-shifting argument or - - -

MR. MEHLMAN: There is no burden-shifting here.

When the court - - - the Appellate Division says rebut,
according to Black's Law Dictionary and the way attorneys
operate, rebut means, "taking away the effect of
something." So we met our burden. We met our burden,
substantial evidence, structurally infeasible, structural
engineer explaining why it's structurally infeasible to the
tee over and over and over again. Because the Commission
decided either to put on evidence or not to put on
substantial evidence or not to put on evidence at all,
that's up - - what - - - to the Commission. That in no
way shifts the burden, but rebut just means taking away the
effect of something. And here, arguably, they took away
the effect of nothing because there is no evidence.

The only evidence they continue to point to is the management office. Well, anyone could say, well, they



explained why it was different in detail. We examined the management office, and we entertained that as an option.

And we explained by the substantial evidence why it's not.

It's not two options here and the Commission decided one and the Appellate Division wrongfully decided the other.

There really isn't only one option here. The substantial evidence expressly provides that this would either cause the building to collapse, necessitate the evacuation, or both, and that is an undue hardship. If I'm supposed to provide housing for people, I can't.

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What's also important for the court to recognize is that the Politises were offered an apartment, a free move to a different apartment fifteen minutes away. Now I understand it wasn't the community that they wanted to remain in, but that was reasonable as opposed to causing a building to collapse or risking the collapse of a building and that building was completely accessible. And the rent was exactly the same, and the moving expenses were going to be paid for by my client as a reasonable accommodation recognizing that when a structural engineer tells an owner of the building don't do it, it's not feasible, the building may collapse, you're risking people's lives - - -

CHIEF JUDGE DIFIORE: Thank you, counsel.

MR. MEHLMAN: - - - I don't think they had much



of a choice.

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CHIEF JUDGE DIFIORE: Thank you, sir.

MR. MEHLMAN: Thank you.

CHIEF JUDGE DIFIORE: Counsel, what about your colleague's emphasis on the removal of 150 residents in the building?

MS. FILLOW: First of all, that was - - - that was not even the engineer's testimony. He said a couple of apartments. And when you look at why he thought that would - - - would be needed it's not very clear. He said the gas lines would have to be cut off at certain times, but he didn't say when. And certainly, there's no evidence that they had to evacuate tenants when they did it at the other building. And other evidence in the record shows that this kind of renovation is regularly done without requiring the evacuation of any tenants.

I would like to answer the question about the width of the door. In fact, there is actually evidence in the record that Ms. Politis' window is almost thirty-four inches wide, thirty-three-and-three-quarters, and that's at R-443 at 876. An ADA accessible door has to be thirty-two inches. That's in 28 CFR Part 36.

JUDGE WILSON: And that was Mr. Tilley's testimony also, I think, right, thirty-two inches?

MS. FILLOW: That - - - exactly. That's exactly



1	right. This window does not have there's no evidence
2	well, the some witnesses did testify that they
3	thought the window had to be widened, but they never
4	explained the basis of their belief for that. And the onl
5	person to have measured the window shows that it is
6	does not need to be widened. And that was actually much o
7	the reason for the engineer's belief that this work was
8	going to cause so much difficulty was his belief that the
9	window had to be widened which is not
10	JUDGE WILSON: Which as I understood his
11	testimony, the pin shoring is dependent upon the need to
12	widen the opening, right? So if you
13	MS. FILLOW: Much of much of his testimony
14	was based on that. He also did seem to believe that you
15	just cannot cut through cinderblock, but obviously, this
16	landlord found it feasible to cut through cinderblock
17	JUDGE WILSON: Or
18	MS. FILLOW: without imposing any hardship
19	on the
20	JUDGE WILSON: Or didn't have to cut through the
21	cinderblock because the opening was already large enough.
22	MS. FILLOW: Well, they still would need to cut
23	the blocks below the window, but it seems I mean I'm
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JUDGE WILSON: Those blocks are not structural

vertical - - -

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MS. FILLOW: - - - but they're not as - - JUDGE WILSON: Yeah.

MS. FILLOW: Those blocks are not - - - clearly not as important as the ones to the side of the window. I - - - my colleague here makes a big deal about the fact the architect versus a structural engineer, but in fact when we first proposed this accommodation they themselves hired an architect. They obviously thought an architect's opinion was worth something. And then when that report came back and said that this work was feasible they hid that report, and we had to get an ALJ to order them to turn it over. And that also shows that they believe that report does have evidentiary value.

And while that architect did say that he would hire a structural engineer it's very clear when you read his testimony at R-372 he would not hire the engineer to find out if this was feasible but how to do it, whether the work could be done without shoring or if shoring was needed. So there is certainly substantial evidence in the record here that they could do this work. We're not asking them to build the Brooklyn Bridge. We're asking them to turn a window into a door and install a ramp, something that they found feasible to do when it suited them, and their refusal to do it for Mrs. Politis is discrimination



1	and it's illegal.
2	CHIEF JUDGE DIFIORE: Thank you, counsel.
3	MS. FILLOW: Thank you.
4	(Court is adjourned)
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CERTIFICATION

I, Sara Winkeljohn, certify that the foregoing transcript of proceedings in the Court of Appeals of Matter of Marine Holdings, LLC v. New York City Commission on Human Rights, No. 45 was prepared using the required transcription equipment and is a true and accurate record of the proceedings.

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