

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF ONONDAGA

THE PEOPLE OF THE STATE OF NEW YORK,
by LETITIA JAMES, Attorney General of
New York, ONONDAGA COUNTY, NEW YORK,
and the CITY OF SYRACUSE, NEW YORK,

**SUMMONS (with
attached complaint)**

Index No.

Plaintiffs,

-against-

TODD L. HOBBS, TLH HOLDINGS, LLC, and
TLH PROPERTIES, LLC,

Defendants.

TO THE ABOVE-NAMED DEFENDANTS:

YOU ARE HEREBY SUMMONED to answer the Complaint in this action, a copy of which is herewith served on you, and to serve copies of your Answer upon the undersigned attorneys for Plaintiffs at the addresses set forth below, within twenty (20) days after the service of the Complaint upon you, exclusive of the date of service or within thirty (30) days after the service is complete if this summons is not personally delivered to you within the State of New York.

In the event you fail to answer the Complaint, judgment will be taken against you by default for the relief demanded in the Complaint.

The trial of this action is to be held in the County of Onondaga.

Dated: July 17, 2023
New York, New York

FOR THE PEOPLE OF THE STATE
OF NEW YORK

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SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF ONONDAGA

THE PEOPLE OF THE STATE OF NEW YORK,
by LETITIA JAMES, Attorney General of
New York, ONONDAGA COUNTY, NEW YORK,
and the CITY OF SYRACUSE, NEW YORK,

COMPLAINT

Index No.

Plaintiffs,

-against-

TODD L. HOBBS, TLH HOLDINGS, LLC, and
TLH PROPERTIES, LLC,

Defendants.

Plaintiffs, The People of the State of New York (the State), by Letitia James,
Attorney General of New York, together with Onondaga County, New York (the
County), and the City of Syracuse (the City) respectfully allege upon information
and belief:

NATURE OF THE ACTION

1. Poisoning of children from lead-based paint in aging rental housing is
an ongoing public health crisis. Although lead has been banned from paint for over
forty years, lead remains among the most common environmental toxins for young
children. Lead poisoning in Syracuse is highest among children of color and children
living in low-income neighborhoods. By this action, the State, the County, and the
City aim to reduce lead-based paint hazards and poisoning of children in Syracuse.

2. Lead is a toxic heavy metal that impairs neurological development and physical growth in children. There is no level of lead in the human body that is safe for children.

3. Before 1960, paint with dangerous levels of lead was commonly used to paint the interiors and exteriors of buildings, including residential buildings in Syracuse. In 1970, New York State banned the use of leaded paint for residential use, followed by the federal government in 1978. However, paint with high lead levels remains in many homes built before those bans were imposed. Even when painted over several times, lead from paint with high levels of lead is accessible to small children when paint chips or peels; is on surfaces like windowsills that small children may touch or chew; or is on surfaces like doors and windows where friction and/or impacts generate lead dust. As a result, paint with high levels of lead remains a pervasive and serious health risk, particularly for children under six years old.

4. Thousands of rental properties in Syracuse constructed before 1978 contain paint with lead in it which, if not properly maintained and managed, can cause lead poisoning. If such properties are properly maintained, however, lead poisoning can be prevented.

5. The Onondaga County Sanitary Code, the City of Syracuse's Property Conservation Code and Lead Abatement and Control Ordinance, the New York State Public Health Law and its attendant regulations, and the State Property

Maintenance Code all require property owners to prevent paint deterioration and to maintain their properties in a condition that is not conducive to lead poisoning.

6. Additionally, federal law and regulations require that: (1) owners or agents disclose both lead-based paint and lead-based paint hazards before selling or renting out residential properties built before 1978; and (2) in properties receiving federal rental financial assistance for low-income tenants, owners alleviate any lead-based paint hazards identified during initial or periodic inspections or during investigations concerning children with elevated blood lead levels, and that owners conduct ongoing maintenance.

7. Federal regulations adopted by the U.S. Environmental Protection Agency (EPA) require the use of lead-safe work practices and to take numerous measures to protect occupants from exposure to toxic lead dust and paint chips during renovations of lead-containing homes. The County Code and City Ordinances likewise mandate the use of lead-safe work practices.

8. For nearly a decade, Todd L. Hobbs through his companies TLH Holdings, LLC and TLH Properties, LLC (collectively Hobbs), has owned or managed at least 62 rental properties with at least 91 individual rental units in Onondaga County, New York (the Hobbs Properties). Hobbs repeatedly violated the laws and regulations of the City of Syracuse, Onondaga County, the State of New York, and the United States by failing to maintain the Hobbs Properties in a lead-safe condition, putting children who live in those rental homes at risk of lead poisoning has and its permanent injurious effects.

9. According to City and County records, all of the Hobbs Properties were built between 1870 and 1960; 90 percent of these were built before 1940. The vast majority of the Hobbs Properties in the City are single- or two-family homes located in low-income neighborhoods and/or neighborhoods of color. All are presumed to contain lead-based paint.

10. Over the years, Hobbs has repeatedly and persistently violated County, City, State, and federal laws by failing to maintain the Hobbs Properties in a lead-safe condition, allowing lead-based paint to deteriorate, and routinely violating local laws and federal regulations governing the way painting repairs are conducted, and lead hazards are communicated to tenants.

11. Because Hobbs has repeatedly allowed conditions conducive to lead poisoning to persist and failed to employ lead-safe work painting practices, in violation of the law, during the past six-and-a-half years, at least 19 of the Hobbs Properties were cited by inspectors from the County Health Department or the City of Syracuse Division of Code Enforcement for chipping, peeling, or deteriorating paint and other conditions conducive to lead poisoning. In total, 165 interior and 248 exterior lead-based paint violations were cited at the 19 properties.

12. During the past six-and-a-half years, eleven children have been poisoned by lead while residing in a Hobbs Property (these children recorded new or increased blood lead levels above 5 micrograms per deciliter (“µg/dL”)).

13. In Syracuse, 60% of the occupied housing units are rental units.¹

Rental housing is particularly important for low-income households and households of color. Ninety percent of households living below the poverty level in Syracuse rent their housing.² While people of color make up 51% of occupied housing in Syracuse, they make up 62% of renter-occupied housing in Syracuse, and only 34% of owner-occupied housing.³ By depriving the Syracuse community of lead-safe rental housing, Hobbs is causing and contributing to a public nuisance.

14. Lead-based paint in rental housing presents a major health crisis in the City and one of environmental justice: every day that children are exposed to lead-based paint in the Hobbs Properties, they risk suffering irreversible injuries. Hobbs' failure to maintain properties in a lead-safe condition is contributing significantly to this lead poisoning crisis.

15. New York Executive Law § 63(12) authorizes the Attorney General to enjoin and seek other relief for "repeated fraudulent or illegal acts" or "persistent fraud or illegality" in the transaction of business. "Illegal" acts under Executive Law § 63(12) include violations of state and local laws like the Onondaga County Sanitary Code, the City of Syracuse's Property Conservation Code and Lead Abatement and Control Ordinance, the New York State Public Health Law, the

¹ U.S. Census Bureau. (2021). *Selected Housing Characteristics, 2017-2021. American Community Survey 5-Year Estimates* (Table DP04) [Data set].

<https://data.census.gov/table?q=tenure+syracuse&tid=ACSDP5Y2021.DP04>

² U.S. Census Bureau. (2021). *Poverty Status in the Past 12 Months of Families by Household Type by Tenure, 2017-2021. American Community Survey 5-Year Estimates* (Table B17019) [Data set].

<https://data.census.gov/table?q=poverty+syracuse+tenure&tid=ACSDT5Y2021.B17019>

³ U.S. Census Bureau. (2021). *Demographic Characteristics for Occupied Housing Units, 2017-2021 American Community Survey 5-Year Estimates* (Table S2502) [Data set].

<https://data.census.gov/table?q=syracuse+race+housing&tid=ACSST5Y2021.S2502>

New York State Property Maintenance Code, and federal laws relating to property rentals, lead-safe work practices, and the conduct of business within New York.

16. By this action, the State, County, and City seek to stop Hobbs' illegal and dangerous housing practices. The State, County, and City seek to compel Hobbs to provide lead-safe housing and complete and truthful lead disclosures to their tenants, and to use lead-safe work practices in compliance with County, City, and federal law at all of the Hobbs Properties.

17. To protect the children of Syracuse from further lead poisoning, the State, County, and City seek an order requiring Hobbs to, among other things, inspect every rental unit at least once every six months for conditions conducive to lead poisoning and remediate all dangerous lead conditions immediately and in a lawful, lead-safe manner. Plaintiffs also seek an order mandating that Hobbs remediate lead hazards in the Hobbs Properties and communicate lead hazards to tenants in full compliance with federal, State, County, and City laws, and similar relief aimed at protecting the children in Hobbs' rental homes from harmful exposure to lead.

PARTIES

18. Plaintiff, The People of the State of New York, brings this action by and through Attorney General Letitia James.

19. Plaintiff County of Onondaga, New York is a municipality in the State of New York.

20. Plaintiff the City of Syracuse, New York is a municipality in Onondaga County, New York.

21. Defendant TLH Properties, LLC is a New York limited liability company, with its principal place of business in Syracuse, New York.

22. Defendant TLH Holdings, LLC is a New York limited liability company with its principal place of business in Syracuse, New York.

23. Defendant Todd L. Hobbs is a resident of Memphis, New York and has been, at all relevant times, the president, chief executive officer, and sole member of TLH Properties and TLH Holdings. At all relevant times, Mr. Hobbs has owned, controlled, and managed the Hobbs Properties either directly or indirectly through his solely-owned LLCs. At all relevant times, Mr. Hobbs has been responsible for all decisions concerning the management and communication of lead-based paint hazards at the Hobbs Properties.

24. Hobbs leases rental properties to residents in Syracuse and collects rental payments from a variety of sources including tenants and low-income rental assistance providers such as the Syracuse Housing Authority and the County Department of Social Services.

JURISDICTION AND VENUE

25. This Court has jurisdiction over this proceeding pursuant to Executive Law § 63(12), which authorizes the Attorney General to commence an action for injunctive relief and other relief against any person or business entity that has

engaged in or is engaging in repeated or persistent fraudulent or illegal acts in the conduct of business within New York.

26. Venue is proper in Onondaga County pursuant to CPLR § 503(a) because Onondaga County is the county in which a substantial part of the events or omissions giving rise to the claim occurred.

LEGAL BACKGROUND

I. LEAD PAINT HAZARD CONTROL LAWS AND REGULATIONS

A. Onondaga County Laws

27. The Onondaga County Sanitary Code (County Code) seeks “to protect, preserve, and promote the physical and mental health and social well-being of the people” by ensuring that “the quality of housing is adequate for protection of public health, safety, and general welfare.” County Code, Article X § 21.2.

28. The County Code establishes minimum housing standards to prevent conditions “likely to affect adversely the public health,” and to “achieve and maintain such levels of residential environmental quality.” *Id.* art. X § 21.1.

29. Among these standards, the County Code mandates that “[n]o owner or other person shall occupy or let to another person any vacant dwelling or dwelling unit unless it and the premises are clean, sanitary, fit for human occupancy, and comply with the requirements of ... all applicable laws.” *Id.* art. X § 21.8.

30. Article VII of the County Code generally prohibits a property owner to allow a condition to persist on any premises that creates a nuisance or a condition which may be dangerous to life or health. *Id.* art. VII.

31. Under the County Code, for all dwellings constructed prior to 1978, it is presumed that the paint thereon is lead-based paint. *Id.* art. X § 21.20(k)(1).

32. The County Code declares the existence of conditions conducive to lead poisoning in any dwelling or part thereof to be a nuisance. *Id.* art. X, § 21.20(k)(3)a. The County Code also requires the use of Lead Safe Work Practices and prohibits certain unsafe practices, when addressing lead hazards in dwellings. *Id.* art. X, § 21.20(k)(3)b. and c.

B. City of Syracuse Laws

33. The Property Conservation Code of the City of Syracuse, Chapter 27 of the Revised General Ordinances of the City of Syracuse (City Code), establishes uniform standards governing the “condition, occupancy and maintenance of all premises” to “enhance the residential neighborhoods and to protect the safety, health and welfare of the persons who live, work and recreate in the city.” City Ordinances § 27-2. The City Code has explicit requirements for the maintenance of paint and the control of lead-based paint hazards.

34. The City Code provides, in relation to “Protective coating for wood surface,”

All exterior wood surfaces of a structure or building that are not of a species inherently resistant to decay shall be treated when necessary with a protective coating or other preservative to prevent deterioration. However, any exterior surface which has had a

protective coating or preservative applied to it, must be maintained to prevent deterioration.

City Code § 27-32(d)(1).

35. Interior surfaces of floors, walls and ceilings must also be maintained “free of deterioration in a clean and sanitary condition.” *Id.* § 27-33(e)(1).

36. The City Code mandates that “[n]o person shall use a paint containing more than six one-hundredths of one percent (.06%) of metallic lead, based on the total nonvolatile content of the paint, on the interior of any apartment or room in any dwelling . . . or in any location accessible to children on the interior or exterior of any said dwelling.” *Id.* at art. VII § 27-77.

37. Owners must remove any paint revealed by inspection containing more than one percent of lead from its surface and cover the surface with paint containing less than .06% of lead, or may cover the lead-based paint without first removing it “if the material and the method used to cover the surface are approved” by the Division of Code Enforcement of the Department of Community Development of the City of Syracuse. *Id.*

38. In 2020, the City Legislature enacted the Lead Abatement and Control Ordinance, Chapter 54 of the Revised General Ordinances of the City of Syracuse (the Lead Ordinance), which will allow City inspectors to inspect homes for lead and cite appropriate violations of the presence of lead in homes. The stated intent of the Lead Ordinance is to help prevent the poisoning of its residents by requiring that the presence of deteriorated lead-based paint on the interior and exterior of pre-1978 residential structures and on the exterior of pre-1978 nonresidential

structures be identified and be correctly addressed by reducing and controlling lead-based paint hazards which may be present, in order to prevent human exposure to such hazards. City Ordinances § 54-1. The Lead Ordinance took effect on October 1, 2020.

39. Under the Lead Ordinance, all paint on residential buildings constructed prior to 1978, is presumed to be lead-based paint. *Id.* § 54-4(A).

40. Among other things, the Lead Ordinance requires residential buildings to “be maintained free of lead-based paint hazards.” *Id.* § 54-4(D).

41. The Lead Ordinance also mandates the use of lead safe work practices for correcting lead hazards in buildings as well as EPA certified personnel and firms. *Id.* § 54-9 through § 54-11.

42. The existence of conditions conducive to lead poisoning in a residential rental property is a nuisance, a condition which may be dangerous to life or health and violates the City Code.

C. New York State Laws and Regulations

i. New York State Public Health Law

43. In 1970, finding that childhood lead poisoning was a “major public health concern”, the New York State Legislature enacted Title X of Article 13 of the Public Health Law. N.Y. Public Health Law §§ 1370 – 1376-a (the Public Health Law). The Public Health Law banned the use and sale of lead-based paint in New York State. *Id.* §§ 1371 – 1372. The Law authorized the State Commissioner of Health, local county health departments, and local housing code agencies to

designate areas of residential dwellings with paint “condition[s] conducive to lead poisoning” and order the removal of these conditions. *Id.* §§ 1370(2), 1373(1).

Conditions conducive to lead poisoning include lead-based paint that is chipping, peeling, or otherwise accessible for ingestion or inhalation by children. *Id.* § 1370(3).

44. In 1992, the Public Health Law was amended to authorize, *inter alia*, mandatory blood lead level screenings for children and the creation of a Lead Poisoning Prevention Program within the State Department of Health. *Id.* §§ 1370-(a)(2); 1370-a. Physicians and other medical providers who provide care to children must screen children at 12 and 24 months of age, and at each well-child visit or annually up to age six (6). 10 NYCRR § 67-1.2. The results of all blood lead tests must be reported to the state and local health department. *Id.* § 67-3.1(b).

45. When a blood lead level test is administered pursuant to state public health law, the testing site must report all blood lead level test results to the state and local health departments. Public Health Law § 1370-(e)(1). In 2019, the Public Health Law § 1370 and its implementing regulations were amended to lower the definition of an elevated blood lead level in a child from 10 µg/dL to 5 µg/dL. *See* 10 NYCRR § 67-1.1(e) (last updated Oct. 1, 2019). In practice, the results are registered with the state health department, which then enters the elevated blood lead level test results into the state’s Lead Tracking and Environmental Reduction (“Leadweb”) Registry. The local health department is responsible for proactively checking the Leadweb Registry for county cases involving categorical elevated blood lead level results, and bears responsibility for follow up on those cases.

46. Once a child with elevated blood lead levels has been identified to the local health department, the department shall perform a lead exposure assessment evaluating conditions “conducive to lead poisoning” for any dwelling, child facility, or other area in which the child spends a significant period of time. *Id.* § 67-2.3. Such investigation may involve the sampling and testing of peeling or chipping paint in an approved laboratory or the use of X-ray fluorescence testing. *Id.* § 67-2.4.

47. If the lead exposure assessment identifies a condition conducive to lead poisoning, the local health department shall provide the property owner a written notice and demand for discontinuance. *Id.* § 67-2.7. Actions required to abate a lead-based paint hazard condition may include “encapsulation, replacement, enclosure, or removal” and may involve the removal of chipping paint, the replacement of building components with lead-free materials, and the scraping and/or sanding of surfaces to remove paint *Id.* §§ 67-2.2(a); 67-2.7.

48. If the owner of a dwelling fails to comply with the notice and demand, the county health department may conduct a formal hearing and, on proof of violation, may order the abatement of the paint condition and assess a penalty of up to \$2,500. Public Health Law § 1373(3).

ii. Property Maintenance Code

49. The State Code is part of the New York State Fire Prevention and Building Code. *See* State Code § 101.1.

50. The State Code requires that all exterior building surfaces, including but not limited to doors, door frames, window frames, and porches, be maintained in

“good condition.” *Id.* § 304.2. It further provides that “[p]eeling, flaking, and chipped paint shall be eliminated and surfaces repainted.” *Id.*

51. The State Code also requires that all interior building surfaces, including doors and windows, be maintained in “good, clean and sanitary condition” and provides that “[p]eeling, chipping, flaking or abraded paint shall be repaired, removed or covered.” *Id.* § 305.3.

52. Appendix J of the State Code sets forth provisions that apply to the repair, alteration, change of occupancy, addition, and relocation of existing buildings. *Id.* § AJ101.2.

53. Specific to lead-based paint, the State Code provides:

In addition to requirements of this code, 40 CFR 745 (titled “Lead-based Paint Poisoning Prevention in Certain Residential Structures”), a regulation issued and enforced by the Federal Environmental Protection Agency, applies to certain activities in buildings that may contain lead-based paint, including renovations performed for compensation in “target housing” and “child-occupied facilities,” “abatement” of lead-based paint hazards and other “lead-based paint activities” (as those terms are defined in 40 CFR Part 745).

Id. § AJ102.6.

54. Any person who violates an order to remedy a condition pursuant to the State Code or who knowingly violates the State Code is subject to a fine of up to \$1,000 per day. *See* Executive Law § 382.

55. In 1975, the New York State Legislature codified the common law warranty of habitability by enacting Real Property Law § 235-b. The statute requires that all leased residential premises be “fit for human habitation and for the uses reasonably intended by the parties and that the occupants of such premises

shall not be subjected to any conditions which would be dangerous, hazardous or detrimental to their life, health or safety.” *Id.*

56. A rental property that has conditions conducive to lead poisoning is unfit for human habitation and violates the warranty of habitability owed by the landlord to all tenants of such property.⁴

D. Federal Laws and Regulations

57. In 1976, Congress enacted the Toxic Substances Control Act (TSCA), 15 U.S.C. § 2601, *et seq.* In 1992, Congress enacted the Residential Lead-Based Paint Hazard Reduction Act, Pub. L. 102-550 (October 28, 1992; 106 Stat. 3910), also referred to as Title X of the Housing and Community Development Act of 1992. This law amended TSCA by adding a new Subchapter IV, entitled “Lead Exposure Reduction” and was intended, among other things, to eliminate lead-based paint hazards in housing and to prevent childhood lead poisoning.

58. In 2008, the EPA promulgated regulations thereunder, codified at 40 C.F.R. part 745, Subpart E, the Residential Property Renovation Rule, also known as the Renovation, Repair and Painting Rule (the “Renovation Rule” or “Rule”).

59. The Renovation Rule addresses the risk of lead exposure that can occur during property renovations by ensuring that occupants of target housing (i.e., housing built prior to 1978) and child-occupied facilities are informed of lead-based paint hazards before renovations begin. The Rule also establishes, among other things, training and certification requirements for renovators and mandates that

⁴ See, e.g., *Chase v. Pistolese*, 190 Misc.2d 477 (City Court of NY, Watertown 2002).

specified work practices are followed during the renovations to eliminate the potential for lead-based paint exposure to occupants.

60. In general, the Rule applies to renovations conducted in exchange for compensation of most residential buildings constructed before 1978, the year the federal government first banned consumer use of lead-based paint in residential housing. Residential buildings constructed before that year are presumed to contain lead-based paint. *See* 15 U.S.C. § 2681(17). However, the Rule does not apply to renovations of residential buildings that have been tested and found to be free of lead, as defined in 40 C.F.R. § 745.82.

61. The Rule contains certification requirements designed to ensure that individuals performing renovations have been trained to minimize lead exposure. Under the Rule, all covered renovations must be performed or directed by at least one “Certified Renovator” who has successfully completed training in lead-safe renovation work practices from an accredited training provider. 40 C.F.R. §§ 745.81(a)(3), 745.89(d)(2), and 745.90(a).

62. The Rule requires that all renovations for compensation of target (i.e., pre-1978) housing and child-occupied facilities be performed by certified firms. *Id.* § 745.89(a)(2)(i).

63. The Rule requires that any individual working on a renovation who is not a Certified Renovator be trained by a Certified Renovator on safe work practices required by the Rule. *Id.* §§ 745.81(a)(3) and 745.89(d)(1).

64. The Certified Renovator must be physically present at the work site at various times during a renovation and is responsible for, among other things, training workers performing the renovation and ensuring compliance with required work practices and record preparation requirements. *Id.* § 745.90(b).

65. The Rule sets forth safe work-practice requirements designed to contain any lead in dust and debris in the renovation work area and eliminate exposure of occupants to lead dust and debris.

66. Under the Rule, renovators are required to close off the entire work area by sealing doors, closing windows, and covering air ducts, among other things. *Id.* §§ 745.85(a)(2) and 745.86(b)(6)(v).

67. The Rule requires renovators to “clean the work area until no dust, debris or residue remains” after the renovation has been completed. *Id.* § 745.85(a)(5).

68. The Rule requires the provision of safety information designed to alert individuals in the vicinity of the renovation work area, particularly occupants, of the risks of lead exposure.

69. Under the Rule, renovators that perform renovations of pre-1978 housing for compensation must provide a lead-hazard information pamphlet entitled “Renovate Right: Important Lead Hazard Information for Families, Child Care Providers, and Schools” (the “Lead Hazard Information Pamphlet” or “pamphlet”) to the occupants of applicable housing before renovations begin, and to obtain either a written acknowledgment of receipt of the pamphlet from the

occupants, or a certificate of mailing of the pamphlet. *Id.* §§ 745.81(b) and 745.84(a). Among other things, the pamphlet describes the risks of lead exposure for children under 6 years of age, pregnant women, women of childbearing age, persons involved in home renovation, and others residing in a dwelling with lead-based paint hazards; and describes the risks of renovation in a dwelling with lead-based paint hazards.

70. In rental houses that are not owner-occupied, renovators must provide prior notice to occupants of paint renovation work that will be done in the building. *Id.* § 745.84.

71. Renovators must also post signs “clearly defining the work area and warning occupants and other persons not involved in renovation activities to remain outside of the work area.” *Id.* § 745.85(a)(1).

72. Finally, the Rule sets forth recordkeeping requirements to permit EPA to ensure that the public health is being protected. The Rule requires firms performing renovation to “retain and, if requested, make available to EPA all records necessary to demonstrate compliance” with the Rule requirements described above. *Id.* § 745.86(a) and (b). Such records must be retained for three years after completion of a renovation. *Id.*

73. Violation of a rule issued under Subchapter IV of TSCA, including the Renovation Rule, is a prohibited act under Section 409 of TSCA, 15 U.S.C. § 2689.

74. Violations of the Rule are subject to civil penalties of up to \$37,500 for each violation and criminal penalties for a willful violation of up to \$50,000 per day for each violation. 15 U.S.C. § 2615.

75. Compliance with the federal Rule is mandated by the City Ordinances, County Code, and State Code. See City Ordinances, §§ 54-9 through 54-11; County Code, § art. X, Part 21; State Code, § AJ102.6.

II. NEW YORK STATE GENERAL BUSINESS LAW § 349

76. Deceptive acts or practices in the conduct of any business or in the furnishing of any service in the state are unlawful. *See* New York General Business Law § 349(a).

77. The Attorney General is authorized pursuant to General Business Law § 349(b) to bring an action to enjoin a person or entity from engaging in deceptive acts or practices in the conduct of business and to seek restitution of any moneys or property obtained directly or indirectly by any such unlawful acts or practices. *See* General Business Law § 350-d.

78. Violations of General Business Law § 349(b) may also be penalized by a civil penalty of up to \$5,000 per violation. *Id.*

III. NEW YORK STATE EXECUTIVE LAW § 63(12)

79. The Attorney General is authorized pursuant to Executive Law § 63(12) to bring an action to enjoin “repeated fraudulent or illegal acts” and “persistent fraud or illegality” in the “carrying on, conducting or transaction of business.”

80. “Illegal” conduct includes the violation of any state, federal, or local law or regulation. Executive Law § 63(12). “Repeated” fraud or illegality includes the “repetition of any separate and distinct fraudulent or illegal act, or conduct which affects more than one person,” and “persistent” fraud or illegality includes “continuance or carrying on of any fraudulent or illegal act or conduct.” *Id.*

81. In addition to an order enjoining such activity, the Attorney General may seek restitution, disgorgement of ill-gotten gains, damages, and other relief. *Id.*

FACTS

I. EXPOSURE TO LEAD-BASED PAINT HARMS CHILDREN

82. Lead is highly toxic to humans and can cause serious and irreversible adverse health effects, especially in children.

83. Lead exposure is a serious public health concern and is toxic to every organ system in the body.⁵

84. Lead has no health benefit and no amount of lead in the human body has been identified as safe.⁶

85. For decades, doctors and scientists have recognized that lead-based paint in older homes is the leading source of lead exposure for children.⁷ The U.S.

⁵ U.S. Department of Health and Human Services. (2020). *Toxicological Profile for Lead*, at 4. <https://www.atsdr.cdc.gov/toxprofiles/tp13.pdf>.

⁶ *Id.*

⁷ Lanphear, B. P., Matte, T. D., Rogers, J., Clickner, R. P., Dietz, B., Bornschein, R. L., Succop, P., Mahaffey, K. R., Dixon, S., Galke, W., Rabinowitz, M., Farfel, M., Rohde, C., Schwartz, J., Ashley, P., & Jacobs, D. E. (1998). The contribution of lead-contaminated house dust and residential soil to children's blood lead levels. A pooled analysis of 12 epidemiologic studies. *Environmental research*, 79(1), 51–68. <https://doi.org/10.1006/enrs.1998.3859>; Lanphear, B. P., & Roghmann, K. J. (1997). Pathways of lead exposure in urban children. *Environmental research*, 74(1), 67–73. <https://doi.org/10.1006/enrs.1997.3726>; U.S. Department of Health and Human Services. (2020) *Toxicological Profile for Lead*, at 421. <https://www.atsdr.cdc.gov/toxprofiles/tp13.pdf>.

Department of Health and Human Services has well documented that most lead poisoning in children is the result of dust and chips from deteriorating lead-based paint on interior surfaces in older homes.⁸

86. In children, lead typically enters the body by being inhaled or ingested. The degree to which exposure to lead has resulted in entry to the body is measured by testing an individual's blood lead level. Both the Department of Health and Human Services and the Centers for Disease Control and Prevention (the CDC) have stated that "no safe blood lead level in children has been identified."⁹ In other words, any level greater than 0 µg/dL may be associated with a detrimental health effect.

87. The CDC uses a blood lead reference value of 3.5 µg/dL to identify children with the top 2.5% blood lead levels nationally. For these children, the CDC recommends an environmental investigation to identify potential sources of lead, as well as medical case management. However, states independently decide which blood lead level measurements trigger action within their jurisdiction.¹⁰

⁸ U.S. Department of Health and Human Services. (2020). Toxicological Profile for Lead, at 421. <https://www.atsdr.cdc.gov/toxprofiles/tp13.pdf>.

⁹ Centers for Disease Control and Prevention. (2022, August 29). *Childhood Lead Poisoning Prevention: Lead Poisoning Prevention*. <https://www.cdc.gov/nceh/lead/prevention/default.htm>; U.S. Department of Health and Human Services. (2020). Toxicological Profile for Lead, at 4. <https://www.atsdr.cdc.gov/toxprofiles/tp13.pdf>.

¹⁰ Centers for Disease Control and Prevention. (2021, October 27). *Childhood Lead Poisoning Prevention: Blood Lead Reference Value*. <https://www.cdc.gov/nceh/lead/data/blood-lead-reference-value.htm>; Centers for Disease Control and Prevention. (2022, August 30). *Childhood Lead Poisoning Prevention: Recommended Actions Based on Blood Lead Level*. <https://www.cdc.gov/nceh/lead/advisory/acclpp/actions-blls.htm>.

88. Since October 2019, New York State has defined an “elevated blood lead level” as a blood lead concentration equal to or greater than 5 µg/dL.¹¹

89. Lead poisoning results in an array of adverse neurological effects including decreased cognitive function as reflected in declines in intelligence quotient (IQ) scores, changes in hearing and speech processing, increased impulsivity and irritability, and altered motor skills.¹²

90. While lead can adversely affect all systems in the body, lead is particularly detrimental to the brain and central nervous system. Children’s brains and nervous systems are especially vulnerable to the adverse effects of lead because they are in a critical period of rapid growth and development.¹³

91. The negative neurological effects of lead exposure can have detrimental impacts on a child’s future. Increased blood lead levels are correlated with increased risks of neurobehavioral challenges, such as attention-deficit/hyperactivity disorder, anxiety, and depression.¹⁴ In addition, it is widely acknowledged that decreased academic achievement is associated with childhood exposure to lead.¹⁵ Lead exposure has also been associated with negative outcomes in adulthood, such as lower IQ and socioeconomic status.¹⁶

¹¹ Unless otherwise noted, any mention of an EBLI in this complaint refers to a blood lead level at or above 5 µg/dL.

¹² Department of Health and Human Services. (2020). Toxicological Profile for Lead, at 133-134. Available at: <https://www.atsdr.cdc.gov/toxprofiles/tp13.pdf>.

¹³ *Id.*

¹⁴ *Id.* at 171-173.

¹⁵ *Id.* at 170-171.

¹⁶ Reuben, A., Caspi, A., Belsky, D. W., Broadbent, J., Harrington, H., Sugden, K., Houts, R. M., Ramrakha, S., Poulton, R., & Moffitt, T. E. (2017). Association of childhood blood lead levels with cognitive function and socioeconomic status at age 38 years and with IQ change and socioeconomic

92. Children are more susceptible than adults to negative effects of lead exposure for several reasons. First, children naturally engage in behavior that increases ingestion of lead-based paint, such as hand-to-mouth activity and consuming non-food items. Second, their bodies can absorb more lead than adults' bodies are after ingestion. Additionally, because children are smaller, their breathing zone is in closer proximity to surfaces on which lead surface dust may rest.¹⁷

93. Lead poisoning is an environmental justice issue, burdening children from low-income families and children of color at disproportionately high rates.¹⁸ Low-income households are more likely to have lead-based paint hazards than high-income households; the same applies for households of people of color when compared to White households.¹⁹ Because many low-income individuals and families live in rental housing, they are likely to be reliant on landlords to fix problems such as chipping lead-based paint and other home-based environmental

mobility between childhood and adulthood. *JAMA*, 317(12), 1244-1251.

<https://doi.org/10.1001/jama.2017.1712>.

¹⁷ Department of Health and Human Services. (2020). Toxicological Profile for Lead, at 281; 321-320. This report compared White, African-American, and "Other" races, including Asian, American Indian or Alaskan Native, Native Hawaiian or other Pacific Islander, and more than one race.

¹⁸ Bullard, R. D. (1993). Race and environmental justice in the United States. *Yale Journal of International Law*, 18(1), 319-336; Centers for Disease Control and Prevention. (2021, October 29). *Childhood Lead Poisoning Prevention: Populations at Higher Risk*.

<https://www.cdc.gov/nceh/lead/prevention/populations.htm>; Kraft, M. E., Scheberle, D. (1995). Environmental justice and the allocation of risk: the case of lead and public health. *Policy Studies Journal*, 23(1).

¹⁹ Cox, D. C., Dewalt, G., O'Haver, R., & Salatino, B. (2011, April). *American Healthy Homes Survey: Lead and Arsenic Findings*. U.S. Department of Housing and Urban Development.

https://www.hud.gov/sites/documents/AHHS_REPORT.PDF. This report compared White, African-American and "Other" races including Asian, American Indian or Alaskan Native, Native Hawaiian or other Pacific Islander, and more than one race.

hazards. Further, for low-income individuals and families, relocating from hazardous housing can be economically challenging.²⁰

94. In addition, Black children have elevated blood lead levels at disproportionately high rates compared to children of other races in the United States. Black children of all income levels are three times more likely to present with an elevated blood lead level compared to both White and Hispanic children, and Black children living in poverty are four times more likely than their poor White and Hispanic counterparts. This disparity has been attributed to the fact that Black families live in substandard housing at high rates, and Black children are more likely to reside in homes with lead-based paint hazards than their non-Black peers.²¹

95. While the effects of childhood lead exposure are permanent, “childhood lead poisoning is 100% preventable.”²² As the CDC stresses, to prevent lead poisoning, lead hazards in a child’s surroundings must be “identified and controlled or removed safely.”²³ Indeed, the solution to childhood lead poisoning is preventing children from being exposed to lead in the first place.²⁴

²⁰ Rauh, V. A., Landrigan, P. J., & Claudio, L. (2008). Housing and health: intersection of poverty and environmental exposures. *Annals of the New York Academy of Sciences*, 1136(1), 276-288. <https://doi.org/10.1196/annals.1425.032>.

²¹ Yeter, D., Banks, E. C., & Aschner, M. (2020). Disparity in risk factor severity for early childhood blood lead among predominantly African-American Black children: The 1999 to 2010 US NHANES. *International Journal of Environmental Research and Public Health*, 17(5), 1552. <https://doi.org/10.3390/ijerph17051552>

²² Centers for Disease Control and Prevention. (2021, October 27). *Childhood Lead Poisoning Prevention: Prevent Children’s Exposure to Lead*. <https://www.cdc.gov/nceh/features/leadpoisoning/index.html>.

²³ *Id.*

²⁴ *Id.*

II. LEAD-BASED PAINT IS PERVASIVE IN SYRACUSE

96. Lead-based paint in residential housing is a pervasive problem, and it is the most common source of childhood lead poisoning.²⁵ For much of the 1900s, residential paint was marketed based on its lead content—the more lead, the purportedly higher quality the paint. Despite widespread knowledge of lead’s negative health impacts, leaded paint was advertised as more durable, easier to wash, and brighter than other paints.²⁶

97. Although New York banned the use of lead-based paint in 1970, with the federal government following suit in 1978, buildings constructed prior to 1978 often still have lead-based paint.²⁷

98. Most of Syracuse’s housing stock was built before the federal and state bans on lead-based paint. Eighty-nine percent of housing in Syracuse was built before 1980, and 81% was built before 1970. In fact, 44% was built before 1940,²⁸ when heavily leaded paint was widely used on the interior and exterior surfaces of homes.²⁹

²⁵ See *supra* n. 22 at 171-173.

²⁶ Markowitz, G., Rosner, D. (2000). “Cater to the children”: the role of the lead industry in a public health tragedy, 1900-1955. *American Journal of Public Health*, (90)1, 36-46.
<https://doi.org/10.2105/ajph.90.1.36>.

²⁷ Protect Your Family from Exposures to Lead, EPA, <https://www.epa.gov/lead/protect-your-family-exposures-lead> (last visited April 25, 2023).

²⁸ U.S. Census Bureau. (2021). *Year Structure Built, 2017-2021 American Community Survey 5-Year Estimates* (Table B25034) [Data set].
<https://data.census.gov/table?q=b2503+syracuse&tid=ACSDT5Y2021.B25034>

²⁹ Dignam, T., Kaufmann, R. B., LeSturgeon, L., & Brown, M. J. (2019). Control of lead sources in the United States, 1970-2017: public health progress and current challenges to eliminating lead exposure. *Journal of Public Health Management Practice*, 25(Suppl 1 LEAD POISONING PREVENTION): S13-S22. <https://doi.org/10.1097/phh.0000000000000889>

III. THE VAST MAJORITY OF LEAD-POISONED CHILDREN IN ONONDAGA COUNTY RESIDE IN SYRACUSE

99. In 2022, 510 children in Onondaga County were found to have elevated blood lead levels of at least 5 µg/dL, and 90% of these children lived in Syracuse.³⁰ From 2016 through 2022, 89% of all lead-poisoned children in Onondaga County resided in Syracuse.³¹ Lead poisoning in Onondaga County is highest among children of color.³² Of the Black children tested in Onondaga County in 2021, 11.6% had elevated blood lead levels, while the same was true for only 2.0% of White children tested.³³ For decades, researchers have found that Black children have a significantly higher chance of registering elevated blood lead levels than White children in Syracuse.³⁴

IV. LEAD-BASED PAINT HAZARDS ARE PERVASIVE ACROSS THE HOBBS PROPERTIES, AND AT LEAST ELEVEN CHILDREN HAVE BEEN LEAD-POISONED WHILE LIVING IN THEM

100. Hobbs began its rental property business in Syracuse in 2014 with the acquisition of its first property located at 128 Wiman Ave. It has expanded over the

³⁰ Onondaga County. (2022, March 8). *Number of Children Tested and Identified with Elevated Blood Lead Levels, Onondaga County* [Data set]. <http://www.ongov.net/health/lead/data.html>; Onondaga County. (2022, March 8). *Number of Children Tested and Identified with Elevated Blood Lead Levels, Syracuse* [Data set]. <http://www.ongov.net/health/lead/data.html>

³¹ *Id.*

³² Sandra D. Lane, et al. (2007, October 4). Environmental Injustice: Childhood Lead Poisoning, Teen Pregnancy, and Tobacco. *Journal of Adolescent Health*, 42(1) 43-49. <https://doi.org/10.1016/j.jadohealth.2007.06.017>

³³ Onondaga County. (2023, January 24). *Lead Poisoning Prevention Data*. <http://www.ongov.net/health/lead/data.html>

³⁴ Griffith, D. A., Doyl, P. G., Wheeler, D. C., Johnson, D. L. (1998). A tale of two swaths: urban childhood blood-lead levels across Syracuse, New York. *Annals of the Association of American Geographers*, 88(4), 640-665. <https://www.jstor.org/stable/2564096>; Lane, S. D., Webster, N. J., Levandowski, B. A., Rubinstein, R. A., Keefe, R. H., Wojtowycz, M. A., Cibula, D. A., Kingson, J. E.F., Aubry, R. H. (2008). Environmental injustice: childhood lead poisoning, teen pregnancy, and tobacco. *Journal of Adolescent Health*, 42(2008), 43-49. <https://doi.org/10.1016/j.jadohealth.2007.06.017>

intervening decade. At the height of their operations, Hobbs owned and managed at least 62 rental properties with at least 91 individual rental units in Onondaga County; 58 of these properties are in the City of Syracuse. **Exhibit A** includes a list of Hobbs Properties.

101. At all relevant times, Mr. Hobbs handled the day-to-day maintenance and management of lead-based paint hazards at the Hobbs Properties.

102. According to City and County records, all of the Hobbs Properties were built between 1870 and 1960; 90% of these were built prior to 1940. As such, each of the Hobbs Properties is presumed to contain lead-based paint.

103. Most of these properties are single- or two-family homes, predominantly located in low-income neighborhoods and/or neighborhoods of color.³⁵ The Hobbs Properties with violations and/or lead-poisoned children are in neighborhoods with supermajorities of people of color.³⁶

104. Many of the tenants who have lived in Hobbs Properties have received federally funded rental assistance from Section 8 public housing agencies, including the Syracuse Housing Authority.

³⁵ The Environmental Protection Agency defines percent low-income for environmental justice purposes as the percent of the population whose ratio of household income to poverty level is than 200%. For Census tracts in Syracuse, an average of 55% of the population is low-income. Eighty-eight percent of Hobbs Properties in Syracuse are in Census tracts where over 55% of the population is low-income. People of color is defined as Total Population minus the “White and non-Hispanic” population. For Census tracts in Syracuse, an average of 52% of the population are people of color. Ninety-three percent of Hobbs Properties in the City of Syracuse are in Census tracts where over 52% of the population are people of color.

³⁶ The median percent of people of color in the Census tracts where Hobbs Properties with lead paint violations and/or lead-poisoned children were found was 88%, as compared to 42% people of color in Syracuse Census tracts with no Hobbs Properties with lead paint violations and/or lead-poisoned children. People of color for Census data is defined as Total Population minus the “White and non-Hispanic” population.

105. In the last six-and-a-half years alone, since September 2016, at least 19 of the Hobbs Properties have been cited for chipping, peeling, or deteriorating paint and other conditions conducive to lead poisoning by County Health and/or the City of Syracuse Division of Code Enforcement. In total, 165 interior and 248 exterior lead-based paint violations were cited at the 19 properties.

106. From September 2016 to August 2022, at least eleven children have been poisoned by lead while residing in a Hobbs Property (these children recorded new or increased blood lead levels at or above 5 µg/dL).

107. These eleven children lived in nine separate Hobbs Properties at the time of their lead poisoning. In one of these nine Hobbs Properties there have been three children from the same family with elevated blood lead levels. All of these nine Hobbs Properties were found to have lead-based paint hazards.

108. The eleven children poisoned by lead while residing in one of the Hobbs Properties between September 2016 to August 2022 included at least eight children of color.

V. HOBBS PERSISTENTLY VIOLATED AND CONTINUE TO VIOLATE THE RENOVATION RULE AND THE CODES, CREATING FURTHER RISK OF LEAD EXPOSURE AND LEAD POISONING OF CHILDREN

109. Between at least 2016 and 2022, Hobbs regularly violated the Renovation Rule in multiple ways in conjunction with paint-related renovation work at the Properties that had been cited by the City and/or County Health for chipping, peeling, or deteriorating paint and other conditions conducive to lead poisoning conditions conducive to lead poisoning.

110. Hobbs' violations of the Renovation Rule exacerbate tenants' exposure to lead hazards and the harmful effects of such exposures.

111. The Rule requires that firms conducting renovation, repair, or painting activities in homes, childcare facilities, and pre-schools built before 1978 be certified by EPA in lead-safe work practices.

112. Hobbs is a "firm" that performs renovations, as defined in 40 C.F.R. § 745.83.

113. Hobbs receives compensation, within the meaning of 40 C.F.R. § 745.82(a) for renovation work performed at each of the Properties in the form of rents received from and on behalf of tenants.

114. In attempting to address conditions conducive to lead poisoning at the Hobbs Properties, Hobbs, its employees, and contractors violated the Rule in the following ways, among others:

- a. failed to use lead-safe work practices when performing renovation work in violation of 40 C.F.R. § 745.85;
- b. failed to post signs "clearly defining the work area and warning occupants and other persons not involved in renovation activities to remain outside of the work area" in violation of 40 C.F.R. § 745.85(a)(1);
- c. failed to close off the entire work area by sealing doors, closing windows, and covering air ducts as required by 40 C.F.R. § 745.85(a)(2);

- d. failed to “clean the work area until no dust, debris or residue remains” after the renovation has been completed as required by 40 C.F.R. § 745.85(a)(5);
- e. failed to provide the Lead Hazard Information Pamphlet to the owner of applicable housing before renovations begin, and to obtain either a written acknowledgment of receipt of the pamphlet from the owner, or a certificate of mailing of the pamphlet and required by 40 C.F.R. §§ 745.81(b) and 745.84(a); and
- f. failed to create and retain all records necessary to demonstrate compliance with the Renovation Rule requirements as required by 40 C.F.R. §§ 745.86(a) and (b).

115. Hobbs and the individuals it hired to perform renovations at the Hobbs Properties repeatedly failed and continue to fail to use lead-safe work practices as required by the Rule, the City Code, County Code, and State Code.

116. Hobbs and the individuals it hired to perform renovations at the Hobbs Properties also repeatedly failed and continue to fail to provide prior written notice to tenants of renovation work involving disturbance of lead-based paint in their homes, as required by federal law. 40 C.F.R. §§ 745.84(a)(2) and (b)(2).

117. Hobbs and the individuals it hired to perform renovations at the Hobbs Properties also repeatedly failed and continue to fail to provide EPA-approved lead hazard information pamphlets to some or all of defendants’ tenants prior to

performing renovation work involving disturbance of lead-based paint in their homes, as required by federal law. *Id.*

VI. HOBBS FAILS TO PROVIDE TENANTS WITH LEGALLY REQUIRED NOTICES AND ACCURATE INFORMATION ABOUT LEAD IN THEIR HOMES

118. Since 1996, the federal government has required lessors and sellers of housing constructed before 1978 to provide all lessees and purchasers with disclosures concerning the presence of any known lead-based paint and/or lead-based paint hazards, as well as EPA-approved lead hazard information pamphlets. 40 C.F.R. §§ 745.102 and 745.107.

119. Hobbs repeatedly and persistently failed to provide its tenants with any federally required lead disclosure statement.

VII. HOBBS CREATED AND MAINTAINED A PUBLIC NUISANCE BY BOTH FAILING TO PREVENT AND EXACERBATING CONDITIONS CONDUCTIVE TO LEAD POISONING IN THEIR RENTAL HOUSES

120. In Syracuse, 60% of the occupied housing units are rental units.³⁷ Rental housing is particularly important for low-income households and households of color. Ninety percent of households living below the poverty level in Syracuse rent their housing.³⁸ While people of color make up 51% of occupied housing in Syracuse, they make up 62% of renter-occupied housing in Syracuse, and only 34%

³⁷ U.S. Census Bureau. (2021). *Selected Housing Characteristics, 2017-2021. American Community Survey 5-Year Estimates* (Table DP04) [Data set].

<https://data.census.gov/table?q=tenure+syracuse&tid=ACSDP5Y2021.DP04>

³⁸ U.S. Census Bureau. (2021). *Poverty Status in the Past 12 Months of Families by Household Type by Tenure, 2017-2021. American Community Survey 5-Year Estimates* (Table B17019) [Data set].

<https://data.census.gov/table?q=poverty+syracuse+tenure&tid=ACSDT5Y2021.B17019>

of owner-occupied housing.³⁹ By depriving the Syracuse community of lead-safe rental housing, Hobbs is causing and contributing to a public nuisance.

121. As described *supra* ¶ 100, Hobbs has owned, controlled, or managed approximately 63 residential rental properties since 2014 in Syracuse. Hobbs has allowed conditions conducive to lead poisoning to persist, and the repeated lead poisoning of children to occur, on a scale that constitutes a public nuisance.

122. Lead poisoning has a lifelong impact on children, as well as their families and the greater community. Lead poisoning causes a downward shift in the poisoned cohort's IQ and other cognitive indicators, which increases the number of students who require remedial assistance. A ten-fold increase in blood lead levels can cause a decrease in IQ of between one and six IQ points, with the largest decreases occurring at low-level increases in blood lead concentrations.⁴⁰ A downward shift of just five points in IQ at the population level would increase the number of children at the "very low" IQ level by 57%, requiring additional public spending on social services and special education of more than \$12,000 per year for each of these students.⁴¹

³⁹ U.S. Census Bureau. (2021). *Demographic Characteristics for Occupied Housing Units, 2017-2021 American Community Survey 5-Year Estimates* (Table S2502) [Data set].

<https://data.census.gov/table?q=syracuse+race+housing&tid=ACSST5Y2021.S2502>

⁴⁰ U.S. Department of Health and Human Services. (2020). *Toxicological Profile for Lead*, at 140-167. <https://www.atsdr.cdc.gov/toxprofiles/tp13.pdf>.

⁴¹ Issue Brief: Childhood Lead Exposure and Educational Outcomes, National Center for Healthy Housing, at 2, https://nchh.org/resource-library/Childhood_Lead_Exposure.pdf (last accessed May 8, 2023).

123. Numerous studies have also associated higher childhood blood lead levels with attention issues, hyperactivity, impulsivity, delinquency, and conduct disorders, among other altered behaviors.

124. Nationwide, the annual cost of lead exposure is estimated at \$50 billion due to lost economic productivity because of decreased cognitive potential.⁴² Lead poisoning also imposes great economic burdens on families, schools, communities, health care providers, and governments, including the increased costs to New York by, for example, increasing the annual Medicaid budget and the budgets for special education and other programs for children.⁴³

125. The County, City, and State are affected by the older housing stock, poverty, and high rates of lead poisoning in Syracuse, and are engaged in substantial efforts to address this pervasive health problem.

126. In 2019, the County spent approximately \$2.6 million on its lead programs, including the Childhood Lead Primary Prevention Program and the Lead Poisoning Prevention Program. Funding for the County programs is provided, in part, by HUD as well as State and County funds. The County also incurs additional annual expenses addressing the broader impacts caused by lead poisoning in the form of law enforcement and social services.

127. The City also provides numerous services addressing and/or directly related to the impacts of lead-based paint poisoning described herein. Employees of

⁴² *Id.*

⁴³ Landrigan, P. J., Collins, G., Galvez, M., Sheffield, P., Forman, J. (2013). (rep.). New York State's Children and The Environment. New York, NY: Icahn School of Medicine at Mount Sinai. Retrieved from: https://nyscheck.org/wpcontent/uploads/2019/08/NYS-Children-Environment_2013.pdf.

the City's Division of Code Enforcement are tasked with performing property inspections, educating tenants and owners about the dangers of lead-based paint, and informing tenants and owners whom to contact properly.

128. The City typically spends approximately \$700,000 per year on its lead poisoning prevention efforts. Funding for the City's lead-related programs is provided, in part, by HUD as well as State and City funds. The City also incurs additional annual expenses addressing the broader impacts caused by lead poisoning in the form of law enforcement and social services.

129. New York State also provides services and incurs expenses directly and indirectly related to lead-based paint poisoning. The State Department of Health partners with local health departments to provide education and testing for lead poisoning. The State's programs including, educational services and medical health services, are burdened by high rates of lead poisoning in the City.

130. The financial consequences of lead poisoning in New York State include millions of dollars in public spending on special education and other social services. In addition, New York State loses tens of millions in tax dollars each year because of lowered earnings from lead poisoning.

FIRST CAUSE OF ACTION

EXECUTIVE LAW § 63(12) REPEATED AND PERSISTENT ILLEGALITY Lead-Based Paint Violations (Asserted Only by The People of the State of New York)

131. Plaintiffs repeat and reallege each of the foregoing paragraphs.

132. Hobbs has repeatedly and persistently violated the City, County, and State Codes and Real Property Law § 235-b(1) by renting out dwellings that are not

clean, safe, or fit for human occupancy, by, among other things, allowing conditions conducive to lead poisoning, such as chipped, peeling, or deteriorating paint, to persist and poison children.

133. From 2016 to present, at least 19 of the Hobbs Properties have been cited by inspectors from County Health and/or the City of Syracuse for chipping, peeling, or deteriorating paint and other conditions conducive to lead poisoning.

134. As a result of allowing conditions conducive to lead poisoning to persist, at least eleven children have been poisoned with lead while residing at Hobbs Properties. From 2016 to present, children with elevated blood lead levels have been reported as residing in at least nine of the Hobbs Properties; in one of the Hobbs Properties, three lead-poisoned children have been reported.

135. By repeatedly and persistently violating the City, County, and State Codes and Real Property Law § 235-b(1), Hobbs has committed repeated fraudulent or illegal acts or persistent fraud or illegality within the meaning of Executive Law § 63(12).

SECOND CAUSE OF ACTION

EXECUTIVE LAW § 63(12) REPEATED AND PERSISTENT ILLEGALITY Violations of City and County Codes and Federal Renovation Rule – Lead Safe Work Practices (Asserted Only by The People of the State of New York)

136. Plaintiffs repeat and reallege each of the foregoing paragraphs.

137. Hobbs has conducted painting repair and renovation work throughout the Hobbs Properties without being an EPA certified firm and without implementing lead-safe work practices required by the federal Renovation Rule, the

City Code, and the County Code. *See* 40 CFR, part 745 Subpart E; City Ordinances, §§ 54-9 through 54-11; County Code, § art. X, Part 21.

138. Instead, Hobbs repeatedly employs untrained, uncertified workers who use unauthorized, unsafe, and illegal work practices that result in the creation and dispersal of lead-containing dust and paint chips in tenants' living areas. Such dust and paint chips are hazardous to the health and safety of the Hobbs Properties' occupants, especially children.

139. Hobbs also routinely fails to provide tenants of the Hobbs Properties with notice and information relating to lead hazards and renovations to be performed at their residences, in violation of the federal Rule and City and County Codes.

140. By so doing, Hobbs has repeatedly and persistently violated the federal Rule and City and County Codes.

141. By repeatedly and persistently violating the federal Rule and the City and County Codes, Hobbs has committed repeated fraudulent or illegal acts or persistent fraud or illegality within the meaning of Executive Law § 63(12).

THIRD CAUSE OF ACTION

EXECUTIVE LAW § 63(12) REPEATED AND PERSISTENT ILLEGALITY Lead Disclosure Violations (Asserted Only by the People of The State of New York)

142. Plaintiffs repeat and reallege each of the foregoing paragraphs.

143. Since 1996, the federal government has required lessors of housing constructed before 1978 to provide tenants with disclosures concerning the presence

of any known lead-based paint and/or lead-based paint hazards and reports pertaining to lead-based paint and/or lead-based paint hazards, as well as EPA-approved lead hazard information pamphlets. 40 C.F.R. §§ 745.102 and 745.107; 24 C.F.R. §§ 35.84 and 35.88.

144. Since 2014, Hobbs has been renting residential properties in Syracuse to others.

145. Hobbs repeatedly failed to provide lead disclosures to tenants, in violation of federal regulations.

146. By repeatedly and persistently failing to accurately notify tenants of the presence of lead-based paint and lead-based paint hazards, failing to identify or provide reports or records of lead-based paint or lead-based paint hazards, and failing to provide EPA-approved lead hazard information pamphlets, all in violation of federal regulations, Hobbs has committed repeated fraudulent or illegal acts or persistent fraud or illegality within the meaning of Executive Law § 63(12).

FOURTH CAUSE OF ACTION

GENERAL BUSINESS LAW § 349(A)

Lead Disclosure Violations

(Asserted Only by the People of The State of New York)

147. Plaintiffs repeat and reallege each of the foregoing paragraphs.

148. Deceptive acts or practices in the conduct of any business or in the furnishing of any service in the state are unlawful. *See* General Business Law § 349(a).

149. Hobbs, either directly or indirectly, violated General Business Law § 349(a) by failing to provide tenants with legally required statements regarding its knowledge of lead-based paint and/or lead-based paint hazards in the property being rented, and the existence of reports or records pertaining to such lead-based paint or lead-based paint hazards.

150. Hobbs is liable for civil penalties of up to \$5,000 pursuant to General Business Law § 350-d for each false, deceptive, or misleading disclosure statement in violation of General Business Law § 349(a).

FIFTH CAUSE OF ACTION

PUBLIC NUISANCE (All Plaintiffs)

151. Plaintiffs repeat and reallege each of the foregoing paragraphs.

152. The existence of conditions conducive to lead poisoning is a public nuisance pursuant to the City Code, County Code Art. VII, and the common law.

153. By allowing conditions conducive to lead poisoning to proliferate across a fleet of at least 62 residential properties between 2016 and 2023 and by failing to remediate those conditions using lead-safe work practices as required by County, State, and federal law, Hobbs has created and contributed to a public nuisance on a community-wide scale.

154. The People of the State of New York, Onondaga County, and the City of Syracuse have a common right to be free from the detrimental effects of lead in their residence and in, on, and around residential rental properties in Syracuse.

155. As a direct and proximate result of Hobbs' conduct, conditions conducive to lead poisoning are present in, on, and around the Hobbs Properties. In addition, at least eleven children residing at the Hobbs Properties have tested with elevated blood lead levels and dozens of other children and adults have been exposed or will be exposed to lead in, on, and around the Hobbs' houses and Properties.

156. The community suffers from the impacts of lead poisoning of its children, including but not limited to decreased performance in schools, increased behavioral disorders, and generational impacts on families.

157. As a direct and proximate result of Hobbs' conduct, the County, City, and State have incurred and will continue to incur substantial expenses arising from the presence of conditions conducive to lead poisoning in, on, and around the Hobbs Properties, including but not limited to costs of monitoring for and treating children suffering from lead poisoning, and addressing the special educational needs of children with lead poisoning.

158. The Attorney General is authorized under Executive Law § 63(12) to bring an action to enjoin Hobbs' public nuisance.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs pray for a judgment against defendants, jointly and severally, as follows:

1. Ordering defendants to perform the following actions:

- a. immediately correct all existing lead paint-related violations that have been cited by the City or County and which are past the respective deadline(s) for correcting such violations;
- b. within 30 days of the judgment, through a third-party EPA certified risk assessor approved by OAG and appointed at the defendants' expense, have a lead-based paint risk assessment performed at each residence they own and/or manage in New York for conditions conducive to lead poisoning, as defined by the Public Health Law § 1370(3);
- c. for each property where conditions conducive to lead poisoning are identified by the third-party risk assessor, prepare a Lead Safe Work Plan for removing and/or remediating all conditions conducive to lead poisoning, within 15 days of receipt of such inspection report;
- d. for each property where conditions conducive to lead poisoning are identified by the risk assessor, fully correct all conditions conducive to lead poisoning within 45 days of the inspection date or an otherwise appropriate timeframe using EPA certified lead-based paint professionals and properly trained and licensed workers and in full compliance with the Onondaga County Sanitary Code, federal Renovation Rule, and all other local, state and federal laws;

2. Ordering the appointment of an independent monitor to oversee and report on Hobbs' compliance with their Court-ordered obligations to assess each property and correct conditions conducive to lead poisoning in full compliance with the Onondaga County Sanitary Code, the Property Conservation Code of the City of Syracuse and federal Renovation Rule, such monitor to be fully paid by Hobbs;

3. Ordering Hobbs, for each property where work will be undertaken, to correct conditions conducive to lead poisoning, to provide tenants with safe and conveniently located accommodations while remediation work is being performed and/or appropriate compensation to terminate their tenancy and leave the premises;

4. Ordering Hobbs, for as long as it owns and/or manages residential rental properties in New York State, to inspect and perform lead dust clearances at each residence they now or in the future own and/or manage in New York before a new tenant moves into the residence and at a minimum of once every six months for conditions conducive to lead poisoning, and to remedy all such conditions within 30 days of such inspection, using a Certified Firm, Certified Renovators and properly trained workers and in full compliance with Onondaga County Sanitary Code and all other local, state, and federal laws;

5. Ordering Hobbs to provide, within 15 days of the judgment, every lessee in each residential property it now or in the future owns and/or manages in New York with a full and accurate lead disclosure statement that conforms to the content required by the federal Lead Disclosure Rule and a copy of the EPA-approved lead hazard information pamphlet;

6. Ordering Hobbs to provide Plaintiffs, within 15 days of the judgment, a list of each property owned and/or managed by Hobbs in New York State and further mandating that Hobbs provide an updated, accurate list containing all such information on the first of every month thereafter for 3 years from the date of judgment;

7. Ordering Hobbs to file reports generated by the independent monitor with the Office of the Attorney General at Hobbs' expense, regarding:

- a. Hobbs' compliance with paragraph 1 above, such reports to be filed each month until all work required by paragraph 1 is complete; and
- b. Hobbs' compliance with paragraph 3 and 4 above within 180 days of the judgment and subsequent reports every 6 months for 3 years following the date of judgment.

At the independent monitor's discretion, the monitor may require production of EPA lead certification or additional information relevant to Hobbs' compliance with any orders of the Court;

8. Ordering Hobbs to post an appropriate performance bond to assure compliance with all legal obligations and injunctive relief;

9. Appointing a receiver to immediately collect, hold in escrow, and disburse rent monies on properties Hobbs currently owns and/or manages, such that Hobbs shall not be entitled to receive proceeds of rent until Plaintiff, People of the State of New York, by the Attorney General, has certified that Hobbs has complied with their obligations to have a risk assessment performed at each property they own and/or manage in New York and remedy every property of all conditions conducive to lead poisoning;

10. Permanently enjoining Hobbs from further illegal acts relating to lead disclosures, lead-safe work practices, compliance with 40 C.F.R. Part 745, Subpart E, and conditions conducive to lead poisoning in rental housing;

11. Awarding restitution to tenants of the Hobbs Properties who were provided with false or misleading lead disclosures by defendants and to the City, County, and State for failing to comply with City, County, and State Codes and the Renovation Rule;

12. Ordering disgorgement of all profits and ill-gotten gains Hobbs has realized from failing to comply with City, County, and State Codes and the Renovation Rule;

13. Ordering disgorgement of profits and/or restitution as monetary relief for Hobbs' repeated and persistent fraud and/or illegality in their property rental operation;

14. Ordering Hobbs to pay fines and penalties in an amount to be determined by the Court;

15. Retaining jurisdiction over this matter to assure compliance with any Orders and Judgments in this action;

16. Awarding Plaintiffs the costs and disbursements of the proceedings herein; and

17. Granting such other and further relief as the Court deems just and proper.

Dated: July 17, 2023
New York, New York

FOR THE PEOPLE OF THE STATE
OF NEW YORK


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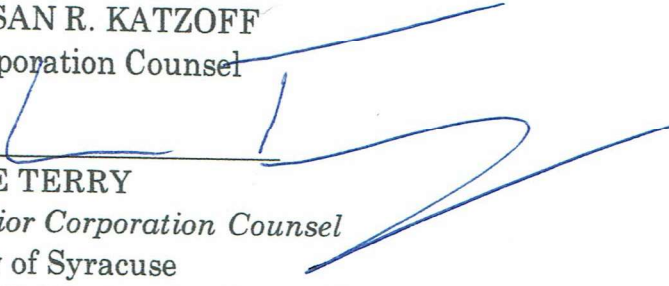
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EXHIBIT A

List of properties located in Onondaga County, New York within ownership, management, or control of Todd Hobbs at any time between 2014 and present day.

102 Herriman St *	232 Seneca St
102-104 Loehr Ave	236-238 Webster Ave
104 Fenton St	237 McKinley Ave *
104 Lydell St *	258-260 W Brighton Ave
105 Steuben St *	310 Pleasant Ave [†] *
108 Schneider St	310 W Pleasant Ave
112 Elk St *	319 Bellevue Ave
115 Delong Ave	321-325 Bellevue Ave *
115 White St	328-330 Baker Ave
116 Alexander Ave *	334-336 Fitch St
128 Wiman Ave	345-347 W Kennedy St
130 Baldwin Ave *	369-371 W Kennedy St *
133 Hobart Ave	411 Bradley St *
138-140 Glenwood Ave *	411 Carbon St
139 Peck Ave *	416 Shonnard St
142 W Ostrander Ave *	416 W Brighton Ave
147 Clyde Ave *	424 Shonnard St *
147 Coolidge Ave	4440 S Salina St *
156 W Newell St *	460 Shonnard St
166 Hope Ave	503 W Lafayette Ave
178 Anderson Ave *	524 Carbon St *
184 W Matson Ave	56 Salina St [†]
190 Hope Ave	613 Montrose Ave [†]
201 Fillmore Ave	614 Hawley Ave
207 Apple St *	616-618 Richmond Ave *
214 Fitch St	716-718 Pond St *
219 Grand Ave	922-924 Onondaga Ave *
220 Gere Ave *	1204 N State St
221-223 McLennan Ave *	1835-1837 South Ave [♦]
224 Sabine St *	3514 S Salina St
231 Grand Ave *	6210 Bradford Rd [†] *
231 Hier Ave *	

[♦] Property is commercial and not residential

^{*} Properties have been sold at some time between 2020 and present.

[†] Properties are located in Onondaga County but outside of the City of Syracuse.