NYSCEF DOC. NO. 64

INDEX NO. 653839/2020

RECEIVED NYSCEF: 01/18/2021

COUNSEL:

PLEASE TAKE NOTICE, that Defendants Union 16 Parking LLC and TMO Parent LLC hereby appeal to the Appellate Division of the Supreme Court of the State of New York, First Department, from the annexed Order of the Supreme Court, New York County (Bluth, J.), dated December 17, 2020 and entered in the Office of the New York County Clerk on December 17, 2020.

This appeal is taken from each and every part of that Order, as well as from the whole thereof.

Dated: New York, New York January 18, 2021

Yours, etc.,

/s/ Heath Olnowich

Heath Olnowich, Esq.
Mavrides, Moyal, Packman & Sadkin, LLP
Attorneys for Defendants
276 Fifth Avenue, Suite 404
New York, NY 10001
(212) 396-4288
HBO@mmps.com

NYSCEF DOC. NO. 64

INDEX NO. 653839/2020
RECEIVED NYSCEF: 01/18/2021

TO: New York County Clerk 60 Centre Street New York, NY 10007

> Menachem J. Kastner, Esq. Cozen O'Connor Attorneys for Plaintiff 45 Broadway, 16th Floor New York, NY 10006 (212) 453-3811 mkastner@cozen.com

File: W:\1 - PERSONAL FOLDERS\Heath Olnowich\Active Files\lcon Parking Holdings, LLC\East 16th Street Owner v. Union 16 Parking\Notice of Appeal of 12-17-20 Order.wpd

NYSCEF DOC. NO. 53

INDEX NO. 653839/2020 RECEIVED NYSCEF: 02/18/2020

SUPREME COURT OF THE STATE OF NEW YORK **NEW YORK COUNTY**

| PRESENT: | HON. ARLENE P. BLUTH | | PART | IAS MOTION 1 | |
|----------------|--|---------|---------------------|--------------------|--|
| | | Justice | | | |
| | | X | INDEX NO. | 653839/2020 | |
| EAST 16TH | STREET OWNER LLC, | | MOTION DATE | N/A | |
| | Plaintiff, | | MOTION SEQ. NO. | 001 | |
| | - V - | | | | |
| UNION 16 PA | ARKING LLC,TMO PARENT LLC | | DECISION + C | | |
| | Defendant. | | MOTIC | ON | |
| | | X | | | |
| • | e-filed documents, listed by NYSCEF d , 20, 21, 22, 23, 24, 38, 41, 47, 48, 49, 5 | | mber (Motion 001) 1 | 1, 12, 13, 14, 15, | |
| were read on t | this motion to/for | | PENDENTE LITE | | |

The motion by plaintiff for an order directing defendant to pay rent *pendente lite* is granted.

Plaintiff seeks an order directing defendants, who operate a parking garage at a building owned by plaintiff, to pay ongoing use and occupancy. Defendant Union 16 Parking LLC is the tenant and defendant TMO Parent LLC signed a good guy guarantee in connection with Union 16's lease. Plaintiff claims that the tenant has not paid rent since April 1, 2020 and now owes over \$1 million to plaintiff through November 1, 2020. It argues that the lease does not permit the tenant to withhold rent under any circumstance. Plaintiff also observes that the lease does not contain a force majeure provision which might absolve defendants of their obligations.

In opposition, defendants cite the ongoing pandemic as the reason they have been unable to pay rent. They observe that their monthly business was down 60 percent in August 2020. Defendants claim that this motion is simply an effort to circumvent New York State's moratorium on commercial evictions and evict defendants. They claim that since the pandemic

653839/2020 EAST 16TH STREET OWNER LLC vs. UNION 16 PARKING LLC Motion No. 001

Page 1 of 3

COUNTY CLERK 02/18/2020 09:50 RM

NYSCEF DOC. NO. 53

INDEX NO. 653839/2020 RECEIVED NYSCEF: 02/18/2020

began, they have lost revenue and incurred additional expenses to implement health and safety measures.

Defendants argue that the reasons behind the eviction moratorium were to preserve jobs and keep businesses from closing and the relief the instant motion seeks contravenes those purposes. They point out that orders requiring the payment of rent pendente lite are normally reserved for holdover proceedings where tenants refuse to vacate the premises. Defendants argue that plaintiff has a remedy—sue for the amount it seeks.

In reply, plaintiff stresses that defendants have offered no basis for the denial of the instant motion. It attaches printouts from defendants' website advertising which shows they are actively offering parking spaces, including a spot for \$559 per month. Plaintiff questions how defendants could suddenly be unable to afford rent in April 2020 merely one week after orders went into effect reducing the workforce in New York City. It speculates that defendants saw an opportunity to stop paying rent.

The Court grants the motion. A "court has broad discretion in awarding use and occupancy pendente lite" (Alphonse Hotel Corp. v 76 Corp., 273 AD2d 124, 124, 710 NYS2d 890 (Mem) [1st Dept 2000]). While the Court understands that nearly every business, especially those that rely on commuters or tourists, has faced significant hardships due to the ongoing pandemic, that does not justify denying plaintiff's motion. The undisputed fact is that defendants have continued to operate a large parking garage throughout the Covid-19 pandemic while not having paid plaintiff a nickel since March.

The policies undergirding the moratorium on commercial evictions do not extend to a landlord's ability to recover payments. And the goal of the policy was not to allow a tenant to run its business while paying no rent whatsoever. Moreover, defendants attached nothing, such

653839/2020 EAST 16TH STREET OWNER LLC vs. UNION 16 PARKING LLC Motion No. 001

Page 2 of 3

NYSCEF DOC. NO. 53

INDEX NO. 653839/2020 RECEIVED NYSCEF: 02/18/2020

as monthly revenue statements and payroll data, that might substantiate its claim about not being able to pay employees. This is not a case where the restrictions related to the pandemic shut down a business or forced it to dramatically scale down its operations. Defendants run a garage, a business that does not require extensive face-to-face interactions like that of a restaurant. If the downturn in business due to fewer commuters and tourists makes the garage less profitable – enough to shut down - then defendant can surrender possession and limit the good guy guarantor's exposure. But it is only fair that plaintiff receive rent while defendants continue to run their business.

Accordingly, it is hereby

ORDERED that the motion by plaintiff for an order directing defendants to pay plaintiff rent and additional rent in the amount of \$127,316.67 per month starting from November 2020 throughout the pendency of this action is granted.

| Return Date for | · Mo | tion Sequence 002 is Janua | ry 1 | 3, 2021. | | |
|-----------------------|------|----------------------------|------|-----------------------|---------|-----------|
| 12/17/2020 | | - | | Jas. | <u></u> | <i>)</i> |
| DATE | _ | | • | ARLENE P. BLUT | H, J.: | S.C. |
| CHECK ONE: | | CASE DISPOSED | Х | NON-FINAL DISPOSITION | | |
| | Х | GRANTED DENIED | | GRANTED IN PART | | OTHER |
| APPLICATION: | | SETTLE ORDER | | SUBMIT ORDER | | |
| CHECK IF APPROPRIATE: | | INCLUDES TRANSFER/REASSIGN | | FIDUCIARY APPOINTMENT | | REFERENCE |

NYSCEF DOC. NO. 64

INDEX NO. 653839/2020

RECEIVED NYSCEF: 01/18/2021

Supreme Court of the State of New York Appellate Division: First Indicial Department

Informational Statement (Pursuant to 22 NYCRR 1250.3 [a]) - Civil

| Case Title: Set forth the title of the show cause by which the matter v | r to For Court of Original Instance | | | | |
|--|--|---------------------|---|--|--|
| EAST 16TH STREET OW | NER LLC, | | | | |
| - against - | Date Notice of Appeal Filed | | | | |
| UNION 16 PARKING LLC | For Appellate Division | | | | |
| | Defendants. | | | | |
| Case Type Civil Action CPLR article 75 Arbitration Action Commenced under CPLR 2 | ☐ CPLR article 78 Proceed ☐ Special Proceeding Oth 214-g ☐ Habeas Corpus Proceed | er Original Proceed | Transferred Proceeding CPLR Article 78 Executive Law § 298 CPLR 5704 Review 220-b w § 36 | | |
| Nature of Suit: Check up to three of the following categories which best reflect the nature of the case. | | | | | |
| ☐ Administrative Review | ☐ Business Relationships | ■ Commercial | ■ Contracts | | |
| ☐ Declaratory Judgment | ☐ Domestic Relations | ☐ Election Law | ☐ Estate Matters | | |
| ☐ Family Court | ☐ Mortgage Foreclosure | ☐ Miscellaneous | ☐ Prisoner Discipline & Parole | | |
| ☐ Real Property (other than foreclosure) | ☐ Statutory | ☐ Taxation | ☐ Torts | | |

NYSCEF DOC. NO. 64

INDEX NO. 653839/2020

RECEIVED NYSCEF: 01/18/2021

| | A = = = = = = = = = = = = = = = = = = = | | | | | |
|--|---|---|---|--|--|--|
| Paper Appealed From (Check one onl | Appeal y): | judgment by the filing of indicate the below inform | en from more than one order or this notice of appeal, please nation for each such order or on a separate sheet of paper. | | | |
| ☐ Amended Decree | ☐ Determination | ■ Order | ☐ Resettled Order | | | |
| ☐ Amended Judgement | ☐ Finding | ☐ Order & Judgment | ☐ Ruling | | | |
| ☐ Amended Order | ☐ Interlocutory Decree | ☐ Partial Decree | Other (specify): | | | |
| ☐ Decision | ☐ Interlocutory Judgment | ☐ Resettled Decree | in other (specify). | | | |
| ☐ Decree | ☐ Judgment | ☐ Resettled Judgment | | | | |
| Court: Supreme Cour | t | County: New York | | | | |
| Dated: 12/17/2020 | | Entered: 12/17/2020 | | | | |
| Judge (name in full): Arlene P. Bluth, JSC | | Index No.: 653839/20 | | | | |
| Stage: 🗏 Interlocutory 🗌 Final 🗌 | Post-Final | Trial: 🗌 Yes 🗏 No | If Yes: ☐ Jury ☐ Non-Jury | | | |
| | Prior Unperfected Appeal ar | d Related Case Information |)n | | | |
| If Yes, please set forth the Appellate Division Case Number assigned to each such appeal. Where appropriate, indicate whether there is any related action or proceeding now in any court of this or any other jurisdiction, and if so, the status of the case: Original Proceeding | | | | | | |
| | | | | | | |
| Commenced by: Order to Show C | · · · · · · · · · · · · · · · · · · · | | Date Filed: | | | |
| Statute authorizing commencement o | f proceeding in the Appellate | Division: | | | | |
| | Proceeding Transferred Pursu | ant to CPLR 7804(g) | | | | |
| Court: Choose Court | Cou | nty: Choos | e County | | | |
| Judge (name in full): | | er of Transfer Date: | | | | |
| | CPLR 5704 Review of E | Parte Order: | | | | |
| Court: Choose Court | Cou | nty: Choos | e County | | | |
| Judge (name in full): | Date | | , | | | |
| Description of Appeal, Proceeding or Application and Statement of Issues | | | | | | |
| Description: If an appeal, briefly describe the paper appealed from. If the appeal is from an order, specify the relief requested and whether the motion was granted or denied. If an original proceeding commenced in this court or transferred pursuant to CPLR 7804(g), briefly describe the object of proceeding. If an application under CPLR 5704, briefly describe the nature of the ex parte order to be reviewed. This appeal is taken from the annexed Order of the Supreme Court, New York County (Bluth, J.), dated December 17, 2020 and entered in the Office of the New York County Clerk on December 17, 2020. By the subject Order, the Court granted Plaintiff's motion to direct Defendants to pay rent and additional rent (collectively, "Rent") in the sum of \$127,316.67 directly to Plaintiff pendente lite. The effect of the Order was to direct the payment of Rent beginning in November 2020 and continuing throughout the pendency of this action. | | | | | | |

NYSCEF DOC. NO. 64

INDEX NO. 653839/2020

RECEIVED NYSCEF: 01/18/2021

Issues: Specify the issues proposed to be raised on the appeal, proceeding, or application for CPLR 5704 review, the grounds for reversal, or modification to be advanced and the specific relief sought on appeal.

- (1) Whether the Court incorrectly granted Plaintiff's motion; and
- (2) Such other, further and different grounds on the facts and/or law as may become apparent upon a review of all papers comprising the record on appeal.

Party Information

Instructions: Fill in the name of each party to the action or proceeding, one name per line. If this form is to be filed for an appeal, indicate the status of the party in the court of original instance and his, her, or its status in this court, if any. If this form is to be filed for a proceeding commenced in this court, fill in only the party's name and his, her, or its status in this court.

| No. | Party Name | Original Status | Appellate Division Status |
|-----|----------------------------|-----------------|---------------------------|
| 1 | EAST 16TH STREET OWNER LLC | Plaintiff | Respondent |
| 2 | UNION 16 PARKING LLC | Defendant | Appellant |
| 3 | TMO PARENT LLC | Defendant | Appellant |
| 4 | | | |
| 5 | | | |
| 6 | | | |
| 7 | | | |
| 8 | | | |
| 9 | | | |
| 10 | | | |
| 11 | | | |
| 12 | | | |
| 13 | | | |
| 14 | | | |
| 15 | | | |
| 16 | | | |
| 17 | | | |
| 18 | | | |
| 19 | | | |
| 20 | | | |

NYSCEF DOC. NO. 64

INDEX NO. 653839/2020

RECEIVED NYSCEF: 01/18/2021

| Attorney Information | | | | | |
|--|--|-------------------------------------|---|--|--|
| Instructions: Fill in the nam | Instructions: Fill in the names of the attorneys or firms for the respective parties. If this form is to be filed with the | | | | |
| | | | commenced in the Appellate Division, | | |
| | | | ent that a litigant represents herself or | | |
| himself, the box marked "Pro | o Se" must be checked and | the appropriate inform | nation for that litigant must be supplied | | |
| in the spaces provided. | | | | | |
| | | | | | |
| Attorney/Firm Name: Cozen C | | Esq.) | | | |
| Address: 45 Broadway, 16th Floor | | ····· | | | |
| City: New York | State: NY | Zip: 10006 | Telephone No: 212-453-3811 | | |
| E-mail Address: mkastner@coze | · · · · · · · · · · · · · · · · · · · | | | | |
| <u> </u> | Retained Assigned | | Pro Se | | |
| Party or Parties Represented | (set forth party number(s) |) from table above):1 | | | |
| Attorney/Firm Name: Mavride | s, Moyal, Packman & Sadkin, LLF | ⁵ (Heath Olnowich, Esq.) | | | |
| Address: 276 Fifth Avenue, Suite | | | | | |
| City: New York | State: NY | Zip: 10001 | Telephone No: 212-396-4288 | | |
| E-mail Address: HBO@mmps.co | om | | | | |
| Attorney Type: | Retained Assigned | ☐ Government ☐ | Pro Se | | |
| Party or Parties Represented | (set forth party number(s) | from table above): 2, 3 | | | |
| Attorney/Firm Name: | Altrana | | | | |
| Address: | | | · · | | |
| City: | State: | Zip: | Telephone No: | | |
| E-mail Address: | | | | | |
| | | | Pro Se | | |
| Party or Parties Represented | (set forth party number(s) | from table above): 6 | | | |
| Attorney/Firm Name: | | | | | |
| Address: | | | | | |
| City: | State: | Zip: | Telephone No: | | |
| E-mail Address: | | | | | |
| Attorney Type: | Retained Assigned | ☐ Government ☐ | Pro Se | | |
| Party or Parties Represented (set forth party number(s) from table above): | | | | | |
| Attorney/Firm Name: | | | | | |
| Address: | | A | | | |
| City: | State: | Zip: | Telephone No: | | |
| E-mail Address: | | | • | | |
| Attorney Type: | Retained Assigned | ☐ Government ☐ | Pro Se | | |
| Party or Parties Represented (set forth party number(s) from table above): | | | | | |
| Attorney/Firm Name: | | | | | |
| Address: | | | | | |
| City: | State: | Zip: | Telephone No: | | |
| E-mail Address: | | 1 1 | | | |
| | Retained Assigned | ☐ Government ☐ I | Pro Se | | |
| Party or Parties Represented (set forth party number(s) from table above): | | | | | |

NYSCEF DOC. NO. 64

INDEX NO. 653839/2020

RECEIVED NYSCEF: 01/18/2021

SUPREME COURT OF THE STATE OF NEW YORK COUNTY OF NEW YORK

Index No. 653839/20

EAST 16TH STREET OWNER LLC,

Plaintiff,

-against-

UNION 16 PARKING LLC and TMO PARENT LLC,

Defendants.

NOTICE OF APPEAL AND APPELLATE DIVISION INFORMATIONAL STATEMENT

Mavrides, Moyal, Packman & Sadkin, LLP Attorneys for Defendants 276 Fifth Avenue, Suite 404 New York, NY 10001 (212) 396-4288

File: W:\1 - PERSONAL FOLDERS\Heath Olnowich\Active Files\lcon Parking Holdings, LLC\East 16th Street Owner v. Union 16 Parking\Blueback - Notice of Appeal & Appellate Division Informational Statement.wpd