

U.S. agency is assisting complex's residents

April 30, 2024 at 2:39 a.m.

by David Showers

Follow



Officials wait outside the tenant relocation meeting the U.S. Department of Housing and Urban Development held for Greenbriar Apartment tenants April 24 at the Housing Authority of Hot Springs' Illinois Street offices. (The Sentinel-Record/Lance Brownfield)

HOT SPRINGS -- The U.S. Department of Housing and Urban Development is helping Greenbriar Apartments tenants relocate after it stopped paying rent subsidies at the Convention Boulevard complex, a HUD spokesperson said.

A news release an agency official provided at an April tenant relocation meeting at the Housing Authority of Hot Springs' Illinois Street offices said, "HUD is taking possession of this property due to management and unresolved substandard issues."

A HUD spokesperson clarified that the agency is not in possession of the 64-unit property. But housing assistance payments HUD provided to Greenbriar Holdings Partnership, the group that acquired the property in 2022, ceased at the end of March.

"HUD does not own the property but is providing relocation services and tenant protection vouchers," the spokesperson said in an email. "The relocation services are being managed by Leumas, HUD's third-party contractor, under the direction of HUD's Multifamily Property Disposition Office."

ADVERTISEMENT

HUD said the local Housing Authority was provided with 64 tenant-protection vouchers for past and present Greenbriar residents.

Tenants at the apartment complex were told last year that they would have to pay a monthly surcharge for air conditioning or have the window-mounted units removed from their apartments. Many said the \$130 fee for a large window unit was cost-prohibitive on their limited incomes.

Michael Cotroneo, managing partner of Greenbriar Holdings Partnership, has said the fee was needed, testifying in Garland County Circuit Court earlier this month that HUD subsidies and income-based rents tenants pay are insufficient for the operation and maintenance of the property.

He has said the property's agreement with HUD doesn't pay ownership an allowance for utilities. Utilities are included in the rent under the property's project-based agreement with HUD, but Cotroneo has argued that the agreement doesn't require him to pay for air conditioning.

ADVERTISEMENT

"I was told by a HUD consultant that in the 1960s they didn't think poor people deserved air conditioning," Cotroneo testified earlier in April.

Center for Arkansas Legal Services attorneys representing past and present Greenbriar tenants in the lawsuit they filed last summer told the court that HUD didn't authorize the air-conditioning fees. It's one of several issues of fact that are yet to be resolved, they argued earlier this month.

Division 1 Circuit Judge Ralph Ohm agreed, denying the motion for summary judgment Cotroneo filed on behalf of himself and the partnership in February and setting the matter for a three-day trial starting Aug. 28. It's one of numerous motions Cotroneo, who's not an attorney, filed on behalf of the partnership.

He and the partnership are being sued for breach of contract, fraud and discrimination under the state and federal Fair Housing acts. Cotroneo filed a countersuit in January alleging disparagement, defamation and tortious interference.

ADVERTISEMENT

"Mr. Cotroneo, you cannot represent other partnership entities," Ohm told him at the April 17 hearing. "That's a straight-up criminal violation."

Cotroneo testified that he dismissed his attorney after the agreed order prohibiting the removal of air conditioners was filed in August, telling the court that the agreement was entered into without his consent. That's when he began filing motions on behalf of the partnership, he said.

Ohm denied Cotroneo's motion to lift the agreed order prohibiting the removal of air conditioners. He said the counterclaims and motion for summary judgment could be refiled by Cotroneo's new attorney of record.

"Don't file anything else," he told Cotroneo. "Don't contact my office."