

NEW YORK, NY (February 20, 2024) - Legal Services NYC, The Legal Aid Society, and Selendy Gay PLLC, released the following joint statement in response to a decision by the United States Supreme Court to decline to review two Second Circuit decisions dismissing lawsuits by landlord groups challenging New York's long-standing Rent Stabilization Law (RSL) and Housing Stability and Tenant Protection Act of 2019 (HSTPA):

“Since 1969, New York's Rent Stabilization Laws have protected millions of tenants, preserved affordable housing, and prevented mass displacement and homelessness in a city where the rents are the highest in the country and rising. Today's decision by the U.S. Supreme Court declining to review the Second Circuit's well-reasoned dismissals of these lawsuits is in line with well-established precedent and puts an end to these cases attacking the legal protections depended upon by a million New York households amid an ongoing housing crisis.”

Background:

New York City's RSL was enacted in 1969 when rents were rising sharply in many buildings. The law has been extended and amended frequently, including by the HSTPA which was signed into law on June 14, 2019 and expanded protections for New Yorkers in rent stabilized housing and strengthened New York's longstanding rent stabilization laws. Specifically, the HSTPA enacted reforms to rules around preferential rent, vacancy increases, major capital improvements, individual apartment improvements, rent increases, owner occupancy provisions, high-rent/high-income decontrol, and other areas.

Following the implementation of the HSTPA, landlord groups filed several lawsuits seeking to dismantle the HSTPA and end rent-stabilization entirely, arguing that the laws amount to unconstitutional takings and due process violations.

The Legal Aid Society, Legal Services NYC, and Selendy Gay (led by SG lawyers Faith Gay, Sean Baldwin, and Babak Ghafarzade, together with their former colleagues Judge Caitlin Halligan and Michael Duke) successfully intervened in defense of the HSTPA and RSL on behalf of N.Y. Tenants and Neighbors, Community Voices Heard, and Coalition for the Homeless, which represent thousands of members who are rent-stabilized tenants and who stand to lose their homes if the landlord groups succeed.

These community groups successfully moved in District Court to dismiss the case, along with the City and State co-defendants. The landlords and landlord groups appealed that dismissal to the Second Circuit Court of Appeals, which upheld the District Court's decisions in three of those cases: Community Housing Improvement Program et al. v. City of New York, et al., 74 Pinehurst LLC et al. v. State of New York, et al., 335-7 LLC v. City of New York et al. Those landlords and landlord groups sought and were denied certiorari from the United States Supreme Court.

Two other cases remain pending at the Second Circuit Court of Appeals: Building and Realty Institute Of Westchester and Putnam Counties, Inc., et al. v. State of New York, et al. and G-Max Management, Inc., et al. v. State of New York, et al.

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