

New York, NY (February 6, 2023) – The Legal Services NYC, Legal Aid Society, and Selendy Gay Elsberg PLLC, together with the New York State Attorney General and the New York City Law Department, secured a ruling on two Federal appellate cases – [*Community Housing Improvement Program \(CHIP\), et al. v. City of New York et al.*](#) and [*74 Pinehurst LLC, et al. v. State of New York, et al.*](#) – upholding the Housing Stability and Tenant Protection Act of 2019 (HSTPA) and New York’s Rent Stabilization Law (RSL).
CHIP, et al. v. City of New York, et al. ruling: <https://tinyurl.com/33fu7ajp>.

74 Pinehurst LLC, et al. v. State of New York, et al. ruling: <https://tinyurl.com/2rhwhtyf>.

In response, Legal Aid, Legal Services NYC, and Selendy Gay Elsberg, stated:

“Today’s ruling rightfully follows both United States Supreme Court and Circuit Court precedents, upholding these laws that have served millions of New Yorkers, preserving affordable housing and preventing displacement and homelessness.

These lawsuits were meritless from the outset. They have failed in both the district court and the court of appeals, and we’re confident that any further attempts at appeal will fail as well. Regardless, we will continue to challenge any and all efforts aimed at eroding these well-established and lawful protections. We laud the Court for its ruling, which fully comports with the facts and long standing legal precedent.”

In the 74 Pinehurst LLC et al. v. State of New York et al. ruling, the Court stated that: “Among other reasons, the RSL was enacted to permit low- and moderate-income people to reside in New York City when they otherwise could not afford to do so. It is beyond dispute that neighborhood continuity and stability are valid bases for enacting a law.”

In the CHIP et al. v. City of New York et al. ruling, the Court stated that: “The legislature has determined that the RSL is necessary to prevent serious threats to the public health, safety and general welfare. No one can seriously contend that these are not important public interests and courts are not in the business of second-guessing legislative determinations such as this one.”

Background:

The HSTPA was signed into law on June 14, 2019, expanding protections for New Yorkers in rent-stabilized housing and strengthening New York’s longstanding rent stabilization laws. Specifically, HSTPA enacted changes to 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 New York’s Rent Stabilization Law, arguing that the laws were unconstitutional takings and due process violations. Two of those cases – *Community Housing Improvement Program et al. v. City of New York, et al.* and *74 Pinehurst LLC et al. v. State of New York, et al.* – were filed in July and November 2019, respectively, in the U.S. District Court for the Eastern District of New York by various landlords and two landlord groups, CHIP and the Rent Stabilization Association.

Legal Aid, Legal Services NYC, and Selendy Gay Elsberg successfully intervened in defense of the HSTPA and New York’s Rent Stabilization Law on behalf of N.Y. Tenants and Neighbors (T&N), Community Voices Heard (CVH), 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. Counsel moved to dismiss, along with the City and State co-defendants, and the District Court granted those motions. The landlords and landlord groups appealed.

Today, the Second Circuit affirmed the dismissal of their claims.

The team at Selendy Gay Elsberg includes Caitlin Halligan, Sean Baldwin, Michael Duke, Babak Ghafarzade, and Katya Stynes.

The team at Legal Aid includes Judith Goldiner, Ellen Davidson, and Edward Josephson.

Legal Aid, Legal Services NYC, and Selendy Gay Elsberg have also intervened on behalf of CVH and T&N in three similar suits pending in the U.S. Court of Appeals for the Second Circuit: *335-7 LLC v. City of New York et al.*, *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.* All three cases remain pending before the Second Circuit.

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The Legal Aid Society exists for one simple yet powerful reason: to ensure that New Yorkers are not denied their right to equal justice because of poverty. For over 145 years, we have protected, defended, and advocated for those who have

struggled in silence for far too long. Every day, in every borough, The Legal Aid Society changes the lives of our clients and helps improve our communities. <https://www.legalaidnyc.org>

Legal Services NYC fights poverty and seeks racial, social, and economic justice for low-income New Yorkers. For over 50 years, LSNYC has challenged systemic injustices that trap people in poverty and helped clients meet basic needs for housing, income and economic security, family and immigration stability, education, and health care. LSNYC fights every day to ensure New Yorkers and their families have access to the services, resources, and protections they need to survive. www.legaservicesnyc.org

Selendy Gay Elsberg is a premier litigation law firm based in New York. In addition to its commercial trial, appellate and arbitration practices, the firm has a foundational commitment to public interest and pro bono work. Selendy Gay Elsberg regularly takes on substantial pro bono individual and class representations, supporting legal service organizations and partnering with federal, state, and local government officials to identify cases where the firm can make a meaningful contribution. In 2022, Chambers and Partners named Selendy Gay Elsberg “Outstanding Firm for Pro Bono in the U.S.” <https://www.selendygay.com/>