



Court shoots down RSA challenge to state unit that investigated Croman

Landlord group sued to challenge multiple changes to rent stabilization code, including creation of Tenant Protection Unit

By [Rich Bockmann](#) | June 13, 2017 04:00PM



Joseph Strasburg of the RSA and Gov. Andrew Cuomo (credit: Getty Images)

A state judge dismissed a lawsuit filed three years ago by the Rent Stabilization Association challenging several amendments to the rent stabilization code, including the creation of the special investigative unit that led to the felony charges landlord [Steven Croman](#) pleaded guilty to last week.

State Supreme Court Justice Richard Velazquez on Friday handed down his decision, upholding the nearly two dozen code amendments the state division of Homes and Community Renewal passed in 2014.

The RSA and several landlords challenged the rules, which include changes to things like preferential rents and the four-year lookback window DHCR could use when investigating alleged rent overcharges.

One of the more consequential amendments was the creation of the Tenant Protection Unit, which – in addition to [probing rent overcharges](#) – investigates claims of tenant harassment and can make criminal referrals.

It was a TPU investigation that led to the criminal fraud charges Croman pleaded guilty to last week. [Croman accepted](#) a one-year jail sentence and agreed to pay \$5 million in a tax settlement.

Gov. Andrew Cuomo, who created the TPU, claimed the decision as a victory for renters.

“This ruling upholds the creation of the TPU and additional renter protections advanced by this administration, which is a victory for the more than 2 million rent-regulated tenants across New York. Make no mistake: We will continue to protect tenants and move aggressively against unscrupulous landlords who seek to violate their rights and the law,” Cuomo wrote in a statement.

Attorney Sherwin Belkin, who represented the RSA in its legal challenge, said he was surprised Cuomo limited his remarks to the TPU.

“Certainly, this case goes far beyond the TPU,” he said. “Of course, we’re disappointed with the decision. We believe we raised significant issue of due process and separation of powers . . . and we continue to review the decision.”

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