

Illegal Hotels Working Group

c/o Housing Conservation Coordinators
777 Tenth Avenue, New York, NY 10019, 212-541-5996

FOR IMMEDIATE RELEASE

March 18, 2016

Contacts:

Sarah Desmond, Housing Conservation Coordinators, 212-541-5996

Marti Weithman, MFY Legal Services, 212-417-3755

Stephanie Buhle, Councilmember Helen Rosenthal's Office, 646-647-4395

Sarra Hale-Stern, State Senator Liz Krueger's Office, 212-490-9535

Andrew Goldston, Manhattan Borough President Gale Brewer's office, 917-960-1187

Lauren Schuster, Assembly Member Linda Rosenthal's Office, 212-873-6368

Wendi Paster, Assembly Member Gottfried's Office, 212-312-1492, 917-723-5646

Ilana Maier, Councilmember Jumaane D. William's Office, 813-957-8309

COURT UPHOLDS ILLEGAL HOTEL LAW

Landlord Cannot Rent for "Short-stays"

Tenants and the City won an important battle in the fight against illegal hotels this week when a state appellate court ruled that a major illegal hotel operator was not entitled to break the law just because it had been renting out short-stay rooms before the 2010 Illegal Hotel Law was passed.

Imperial Court at 307 West 79th Street is rent-stabilized Single Room Occupancy (SRO) building that was meant to provide a home to low-income residents who have few other options. Instead, the management has operated more than two-thirds of the building as an illegal hotel, complete with maid service, mini-bars, and a notice warning guests that staying past check-out time would cause them to be charged for an extra day. Yesterday, March 17, the New York County Supreme Court Appellate Division again confirmed that this building was operating unlawfully in violation of the State's 2010 Multiple Dwelling Law, which does not allow rentals for less than 30 days in residential buildings with three or more units.

"This is a victory for affordable housing and for New Yorkers who need an affordable place to live, and we look forward to seeing these units returned to the affordable housing stock," said **Councilwoman Helen Rosenthal, whose district includes the Imperial Court building**. It's also a relief for the Imperial Court tenants who have had to live with tourists coming in and out of their building at all hours of the night."

"The Appellate Division's ruling reinforces the purpose of the Illegal Hotel Law, which was passed by the legislature to protect the safety of residents and the surrounding communities and preserve affordable housing. This decision should serve as a warning to the owner of the Imperial Court and similar bad actors in the City who convert residential units into illegal hotels and deprive New Yorkers of desperately needed affordable housing," said **Marti Weithman, Supervising Attorney, MFY Legal Services**.

"The Appellate Division decision affirms the clear intent of the Illegal Hotel law to end the illegal conversion of residential units. Its ruling both stopped a willful violator of the 2010 law and also restored endangered SRO units to permanent residential use. This is a victory for SRO tenants citywide and for New Yorkers in need of a home," said **Sarah Desmond, Executive Director, Housing Conservation Coordinators**.

"This is an important decision for SRO tenants in New York City. It will protect the rights of SRO tenants, and help to preserve affordable housing. We hope that the decision will help ease the harassment tenants experience when landlords attempt to displace them in order to engage in short-term tourist rentals," said **Dan Evans, Tenant Organizer at the Goddard Riverside Law Project**.

"I am extremely pleased that the court recognized that there are no exceptions to the Illegal Hotel Law and acted to preserve the City's ability to protect SRO tenants. This is an important victory for all the everyday New Yorkers who struggle to remain in safe, affordable homes," said **State Senator Liz Krueger, the Senate sponsor of the 2010 law**.

"The Imperial Court has been running an illegal hotel scheme since I checked in for a two night stay back in 2007 to prove that it was illegally renting out apartments to tourists," said **Assemblymember Linda B. Rosenthal (D/WF-Manhattan)**. "The Court affirmed what we who

fight for tenants every day have known all along – that the Imperial Court and others like it have been breaking the law against transient occupancy with impunity for years. This decision is a major victory for tenants, affordable housing and against illegal hotel operators.”

“The appellate court recognized the clear legislative intent of the Illegal Hotel Law’s amendments to the state multiple dwelling law. I’m glad that the city stood up to protect tenants and that the court agreed – and I’m thrilled for our Manhattan neighborhoods,” said **Manhattan Borough President Gale A. Brewer, sponsor of Local Law 45 of 2012, which increased fines for illegal short-term rentals in New York City.**

"If the court had ruled the other way," said **Assembly Member Richard N. Gottfried, one of the authors of the 2010 law,** "it would have crippled City law enforcement and allowed thousands of illegal hotel rooms to continue to operate. It would have meant more safety hazards and quality of life violations for tenants and loss of affordable housing."

“New York City is facing a housing crisis and we can’t afford to allow Airbnb to turn affordable homes – meant for permanent New Yorkers – into hotels,” said **Council Member and Chair of the Housing and Buildings Committee Jumaane D. Williams.** “The Appellate Division’s ruling is a victory for tenants and I hope Airbnb takes notice: we will continue fighting for working families, seniors and low income New Yorkers and we won’t stop simply because they’ve discovered breaking the law, and encouraging tenants to break their leases, is profitable.”

###