

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON HOUSING AND BUILDINGS

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December 8, 2021
Start: 11:03 a.m.
Recess: 11:14 a.m.

HELD AT: REMOTE HEARING (VIRTUAL ROOM 1)

B E F O R E: Robert Cornegy, Jr.
CHAIRPERSON

COUNCIL MEMBERS:
Fernando Cabrera
Margaret Chin
Mark Gjonaj
Barry Grodenchik
Farah Louis
Bill Perkins
Carlina Rivera
Helen Rosenthal

A P P E A R A N C E S (CONTINUED)

2 SERGEANT-AT-ARMS: PC started.

3 SERGEANT-AT-ARMS: Cloud is rolling. Good
4 morning and welcome to today's remote New York City
5 Council vote for the Committee on Housing and
6 Buildings. At this time, will all panelists please
7 turn on their video for verification purposes and, to
8 minimize disruptions, please place all electronic
9 devices to vibrate or silent mode. Thank you for
10 your cooperation. Chair Cornegy, we ready to begin.

11 CHAIRPERSON CORNEGY: Thank you,
12 sergeant-at-arms. Good morning, everyone, and thank
13 you for coming. I'm Council member Robert Cornegy,
14 Chair of the Council's Committee on Housing and
15 Buildings. This, unfortunately, is the second to
16 last Housing and Buildings vote for this session. We
17 are here to hold a vote on a bill that would regulate
18 short-term rentals within the city. Proposed Intro
19 number 2309, sponsored by Council member Ben Kallos,
20 would require applicants seeking to rent out rooms or
21 housing accommodations for fewer than 30 consecutive
22 days to register annually with the Mayors Office of
23 Special Enforcement and obtain a registration number
24 before being permitted to rent out rooms and such a
25 manner. This bill also requires booking service to

2 obtain a registration from the Mayor's Office of
3 Special Enforcement and verify the short term rental
4 registration number of any accommodation or listing
5 it on their service. I am joined today-- I am
6 limited by my capacity to see members, again, so I
7 would ask committee counsel to alert us of who is
8 present this morning.

9 COMMITTEE COUNSEL: Sure, Council
10 member. We have Council members Grodenchik, Chin,
11 Kallos, Rivera, Louis, Gjonaj, Cabrera. I think
12 that's it. That sounds about right. Oh. And
13 Rosenthal. And Gjonaj if I didn't say it yet.

14 CHAIRPERSON CORNEGY: Pretty much my
15 favorite usual suspects are all here this morning.
16 We now ask the clerk to call the roll.

17 COUNCIL MEMBER KALLOS: Could I make a
18 quick statement imploring my colleagues to vote for
19 it?

20 CHAIRPERSON CORNEGY: All right, Council
21 member. Absolutely. Can we have the bill sponsors--
22 the bill's sponsor, Ben Kallos, make an opening
23 statement? I apologize.

24 COUNCIL MEMBER KALLOS: Good morning. I'm
25 Council member Ben Kallos, author of Introduction

2 2309. I've been a tenant most of my life and am
3 tired of having to compete with tourists for housing
4 in this city. Housing should be New Yorkers and
5 hotels should be for tourists. It's as simple as
6 that. What is worse is that, as a renter, every
7 renter and I had to pay an additional \$384 more in
8 increased rent due to Air B&B's expansion from 2015
9 to 2017. This spike in rent actually forced me and
10 my wife to move during a high risk pregnancy and I
11 didn't know where that spike was coming from until
12 the hearing. There were 37,000 units on Air B&B,
13 according to Inside Air B&B and half of them listed
14 entire homes which is not allowed in buildings with
15 three or more units under state law. Short-term
16 rentals are restricted to less than 30 days where the
17 resident is home at the time. There are many bad
18 actors out there like one person who rented
19 apartments to 10,000-- tens of thousands of guests
20 over 55,441 nights over three years across 35
21 different buildings which the city, thankfully,
22 caught. That is 150 years of housing the market. It
23 is possible that many posts don't even know what they
24 are doing is illegal. Today, we are voting on
25 legislation to require every host on every platform

2 to register their units. Through the registration
3 process, hosts will learn whether it is illegal to
4 rent their units. Units that are rent regulated or
5 in nature public housing will be allowed. Market
6 rate rentals would be able to register and list other
7 units. Property owners would get a notice of
8 registration. Cooperatives, condominiums, and
9 building owners will be able to register and list
10 their buildings as not-- as opted out. I might add
11 that cooperatives on the Upper East Side do not
12 usually permit rentals. I live in a building that
13 does, but the board is always able to adopt new house
14 rules and join a list, if they wish to. Single-
15 family homeowners would be free to register and list
16 their spare rooms or any habitable sleeping
17 accommodations. By passing this legislation, we are
18 actively responding to New York City's affordable
19 housing crisis by hopefully bringing as many as
20 19,000 apartments back on the market-- many of which
21 might even be affordable. This morning, we had
22 roughly 40,000 people at our homeless shelters.
23 14,000 word children, 11,000 were adults, and this is
24 part of 8000 families. We could and family
25 homelessness with just half the units that workup may

back. With only 16,000 single adults in shelter system, we can house every homeless New Yorker in these soon to be vacant air B&B units. We have to be specific at the problem and we aim to fix that.

Housing is a human right and, by working to make sure there is more of it available in New York City, we are also making a real difference. I want to take a moment to thank Housing and Buildings Chair Robert Cornegy, Michael McKee, and Tenants PAC, the Coalition Against Illegal Hotels and it's working group, in particular, Tom Kahler and Mauri Cox, the many colleagues who provided insight into this legislation, including State Senator Liz Kruger and Council member Carlina Rivera who is a co-prime sponsor, my legislative counsel Wilfredo Lopez. At the time is now to get this housing back on the market. Thank you.

CHAIRPERSON CORNEGY: Thank you, Council member. We will now ask the committee clerk to call the roll.

COMMITTEE CLERK: Thank you. Good morning, everyone. William Martin, committee clerk. Roll call vote Committee and Housing and Buildings.

2 Proposed Introduction 2309-A. Council member
3 Cabrera?

4 COUNCIL MEMBER CABRERA: I vote aye.

5 COMMITTEE CLERK: Thank you. Chin?

6 COUNCIL MEMBER CHIN: I vote aye.

7 COMMITTEE CLERK: Thank you. Rosenthal?

8 COUNCIL MEMBER ROSENTHAL: Thank you.

9 Permission to explain my vote?

10 CHAIRPERSON CORNEGY: Of course.

11 COUNCIL MEMBER ROSENTHAL: Thank you,
12 Chair Cornegy. And I just wanted to express my full
13 support of this bill. Congratulations to the Chair
14 Kallos. Yes, Council member Rivera and all other
15 prime sponsors. Tom Kahler, Mike McKee-- everyone
16 who is been fighting so hard to protect affordable
17 housing in New York City. Congratulations. This
18 bill will have its intended effect. I think the
19 pieces that Council member Kallos added in about
20 education efforts and, you know, making sure people
21 have every chance to understand what the law is so
22 that they will not, you know, be penalized in any way
23 is incredibly important. And, hopefully, will make
24 the job of the Office of Special Enforcement a little
25 bit easier. Christian Klausner and his team have

2 done a remarkable job trying to make sure that
3 apartments and people who are renting out their
4 apartment or home are following the law.

5 Congratulations to everyone. So delighted and it is
6 such the right thing that this bill is passing. So,
7 congratulations to all.

8 COMMITTEE CLERK: Thank you. Grodenchik?

9 COUNCIL MEMBER GRODENCHIK: Aye.

10 COMMITTEE CLERK: Thank you. Gjonaj?

11 COUNCIL MEMBER GJONAJ: I vote aye.

12 COMMITTEE CLERK: Thank you. Rivera?

13 COUNCIL MEMBER RIVERA: Thank you.

14 Permission to explain my vote?

15 CHAIRPERSON CORNEGY: Of course.

16 COUNCIL MEMBER RIVERA: Thank you. I just
17 had my hand up earlier because I wanted to make just
18 short remarks, but I think that Council member Kallos
19 did in absolute excellent job, so I want to associate
20 myself with what he said on this bill and to thank
21 all of the advocates for getting us to this point and
22 I proudly vote aye.

23 CHAIRPERSON CORNEGY: By the way, I
24 didn't see her hand up. I apologize, Council member.

2 COUNCIL MEMBER RIVERA: That's okay, Chair.
3 Thank you.

4 COMMITTEE CLERK: Thank you. Louis?

5 COUNCIL MEMBER LOUIS: Permission to
6 explain my vote?

7 CHAIRPERSON CORNEGY: Of course.

8 COUNCIL MEMBER LOUIS: First, I just want
9 to thank Council member Kallos on his leadership for
10 this bill. I do have concerns regarding the fees for
11 registration and just in general specification on the
12 Office of Special Enforcement and as much as we want
13 the city to protect, we also don't want to penalize.
14 I do have three family homes in my district that have
15 a lot of concerns regarding what would happen to
16 those constituents who have three families which
17 would be considered multiple dwellings. I can change
18 my vote at stated, but would need more information.
19 So, I look forward to getting that information. So,
20 for today, I will abstain. Thank you.

21 COMMITTEE CLERK: Thank you. Chair
22 Cornegy?

23 CHAIRPERSON CORNEGY: So, this is one of
24 those bills that the intended use of the bill is
25 absolutely laudable. I applaud my friend and

2 colleague, Ben Kallos, for always being on the front
3 lines of protecting residents and affordability
4 throughout the city. However, the devil is in the
5 details. The Office of Special Enforcement has
6 disproportionately negatively gone after small
7 homeowners in my district and districts like mine and
8 giving them a tool to do that has the cautiously
9 optimistic about the program. The intent is 100%,
10 like I said, laudable. We have to protect
11 affordability and get those units on the market. It
12 just doesn't seem like the enforcement from the
13 Office of Special Enforcement focuses-- it seems as
14 though they focus in my district in the first round
15 of legislation on actually what seemed to be low
16 hanging fruit. So, I will be voting yes to get it
17 out of the committee and will be looking closely at
18 the details because the enforcement portion of this
19 has negatively impacted my community and small
20 homeowners throughout the city of New York. The
21 Office of Special Enforcement seems as though it was
22 just given a blank slate to just work and operate in
23 communities and chose to operate largely-- and the
24 statistics will bear this out-- in communities like
25 mine. So, I vote aye. I am cautiously optimistic

2 that we are doing the right thing here and it is not
3 going to further negatively impact small homeowners
4 who are operating below the margins right now as we
5 speak. Thank you.

6 COMMITTEE CLERK: Thank you. By vote of
7 seven in the affirmative, zero in the negative, and
8 one abstention, proposed Introduction 2309 has been
9 adopted by the committee. And you can close, Mr.
10 Chair, at your convenience.

11 CHAIRPERSON CORNEGY: Thank you so much
12 for this and, again, great work. The bill sponsors,
13 thank you so much for the advocacy on behalf of
14 affordability in the city. This hearing on Housing
15 and Buildings has now commenced.

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C E R T I F I C A T E

World Wide Dictation certifies that the foregoing transcript is a true and accurate record of the proceedings. We further certify that there is no relation to any of the parties to this action by blood or marriage, and that there is interest in the outcome of this matter.



Date January 26, 2022