

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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September 12, 2012

Start: 9:57 a.m.

Recess: 10:39 a.m.

HELD AT: Council Chambers
City Hall

B E F O R E:
ERIC MARTIN DILAN
Chairperson

COUNCIL MEMBERS:

Gale Brewer
Leroy G. Comrie, Jr.
Elizabeth Crowley
Lewis A. Fidler
James F. Gennaro
Robert Jackson
Letitia James
Brad S. Lander
Melissa Mark-Viverito
Rosie Mendez
Joel Rivera
Jumaane D. Williams
Eric A. Ulrich
James S. Oddo

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2 CHAIRPERSON DILAN: Good morning
3 everyone. My name is Erik Martin Dilan. I'm the
4 chairperson of the City Council's Committee on
5 Housing and Buildings. And today the Committee
6 will hear a piece of legislation for the purposes
7 of a vote on proposed Intro 404-A in relation to
8 fines for illegal conversions of dwelling units
9 from permanent residences. Proposed Intro 404-A
10 takes into account changes made to New York State
11 law in the year 2010, which outlawed the use of
12 permanent residential units as hotels by creating
13 a specific violation in New York City's
14 administrative code for the illegal conversions of
15 permanent residential units. It would also
16 require that a repeat violation for the illegal
17 conversion of a permanent residence or a violation
18 to more than one unit in a building be classified
19 as immediately hazardous and subject to a penalty
20 in the range of \$1000 to \$25,000. This
21 legislation we deem is necessary for a number of
22 reasons. First is that the illegal conversion of
23 permanent residential units exposes visitors to
24 our city and building residents to very serious
25 safety risks. Our building and fire codes require

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2 certain safety standards for legally operating
3 short term stay facilities and safeguards that
4 most illegal hotels do not offer. Second, as this
5 committee heard in March of this year when we
6 voted to extend rent regulations that New York
7 City continues to suffer a housing crisis with an
8 apartment vacancy rate of just 3.1%. The illegal
9 use of permanent apartments has the potential to
10 worsen this already severe crisis by narrowing the
11 market for available housing and therefore,
12 driving up rental costs. Finally, illegal hotels
13 can worsen the quality of life for permanent
14 residential occupants that reside in building uses
15 where existing short term stay visitor traffic
16 exists where they have to co-locate and live
17 together, creating a greater likelihood of
18 nuisance issues, safety concerns, and public
19 health risks. Now we understand that not
20 everything in the state law and the law before us
21 today is perfect and there are some legitimate
22 people out there that may be affected by this and
23 we may continue to listen to these, but short of
24 that, we recognize that the whole of this bill is
25 better than the few minor deficiencies that it has

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2 and recognize in these economic realities I would
3 state that the Council is open to working on these
4 issues to identify how they can be formalized and
5 allowed to be legally operated, but until such
6 time, I believe that we should move forward on
7 this bill in its current state, and ask my
8 colleagues to vote in favor of this legislation,
9 and would like to ask the original sponsor of the
10 bill, Council Member Gale Brewer if she wishes to
11 make a comment.

12 COUNCIL MEMBER BREWER: Well, I
13 certainly want to thank Chair Dilan, Speaker Quinn
14 and the Mayor's Office and certainly all of the
15 advocates as well as the union representing the
16 workers in the hotels and certainly the Hotel
17 Trade Association. All of these individuals have
18 spent a great deal of time thinking about this
19 issue and trying to come up with some solutions,
20 and I second everything that the Chairman
21 indicated. I want to just state that as Ann
22 Cunningham knows who is sitting here today, the
23 individuals living in single room occupancies,
24 residential hotels and places where there has been
25 an illegal hotel use it's very challenging when

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2 you're getting up for work in the morning to have
3 somebody living next to you often live a thin wall
4 situation, who has been out partying all night.
5 That doesn't always happen, but that is often the
6 situation. The room next door, the unit next
7 door, the apartment next door, I think should be
8 for somebody who is going to be your neighbor on a
9 long term basis. That's number one. Number two,
10 some of these conversions that have gone illegally
11 to hotels are often a fire danger. We have met
12 with the fire department on many occasions. As
13 anyone who has stayed in a regular hotel knows,
14 there needs a second point of egress, there are
15 many different kinds of sprinkler systems, and the
16 list goes on. The fire department has to know for
17 instance where are the walls, where are the rooms.
18 God forbid, there is a fire, they have to know and
19 that is the kind of information that is normally
20 in a hotel filed with the Department of Buildings,
21 so there are unforeseen problems that exist when
22 an illegal hotel takes over, and then finally, I
23 want to recognize the fact that we are a city of
24 tourists—thank goodness. It's a big economic boom
25 for the city of New York, but we would like to

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2 have more quality, legal, low cost tourist
3 accommodations. I know for instance at the
4 American Youth Hostel on 103rd Street on the West
5 Side is such a wonderful place. 654 bunks every
6 single night are filled and we need more, but we
7 need them like that—legal and safe for those who
8 are using them. Of course as the Chair indicated,
9 the real reason for all of this is to provide more
10 permanent, affordable housing for the many New
11 Yorkers who need it, and I really thank the
12 Chairman for this particular piece of legislation
13 and for holding the hearing today and the Speaker.
14 Thank you very much.

15 CHAIRPERSON DILAN: Thank you,
16 Council Member Brewer. Alright. We have to wait
17 for the clerk before we can call the roll.

18 [long pause]

19 CHAIRPERSON DILAN: Excuse me for
20 the delay, and at this juncture, I'd like to ask
21 the clerk to call the roll.

22 COMMITTEE CLERK: William Martin,
23 Committee Clerk, roll call vote Committee on
24 Housing and Buildings. Council Member Dilan?

25 CHAIRPERSON DILAN: I vote aye.

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COMMITTEE ON HOUSING AND BUILDINGS

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COMMITTEE CLERK: Rivera?

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COUNCIL MEMBER RIVERA: I vote aye.

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COMMITTEE CLERK: Brewer?

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COUNCIL MEMBER BREWER: I vote aye.

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Thank you.

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COMMITTEE CLERK: Jackson?

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COUNCIL MEMBER JACKSON: [no

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audible response]

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COMMITTEE CLERK: Comrie?

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COUNCIL MEMBER COMRIE: [no audible

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response]

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COMMITTEE CLERK: Fidler?

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COUNCIL MEMBER FIDLER: [no audible

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response]

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COMMITTEE CLERK: James?

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COUNCIL MEMBER JAMES: I vote aye.

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COMMITTEE CLERK: Mark-Viverito?

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COUNCIL MEMBER MARK-VIVERITO: I

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vote aye.

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COMMITTEE CLERK: Mendez?

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COUNCIL MEMBER MENDEZ: [no audible

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response]

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COMMITTEE CLERK: Crowley?

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COUNCIL MEMBER CROWLEY: I vote

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aye.

COMMITTEE CLERK: Lander?

COUNCIL MEMBER LANDER: Aye.

COMMITTEE CLERK: Williams?

COUNCIL MEMBER WILLIAMS: Aye.

COMMITTEE CLERK: Oddo?

COUNCIL MEMBER ODDO: May I be temporarily excused to explain my vote?

CHAIRPERSON DILAN: The Republican Leader James Oddo to explain his vote.

COUNCIL MEMBER ODDO: Mr. Chairman, I think it's pretty well established at this point that there are few folks in city government or government for that matter for whom I have as much respect as I do for Council Member Brewer. I think she does this job the way it's supposed to be done, and she is engaged in her community and knows her community better than anyone, but we're going to disagree on this one. I think the short stay rental industry as best as I understand it needs to get the relief it seeks in Albany in terms of an exemption from the existing law and new laws to regulate the industry, but I'm just struck by the fact that we

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2 all talk about jobs and small business. You have
3 Greg David [phonetic] from Queens essentially
4 making the argument that tourism has replaced
5 manufacturing in its role in our economy. This is
6 an industry that's my understanding %150-150
7 million and I think it's important that we
8 recognize it and cultivate it and help it, and I
9 don't believe—I believe my colleagues share that
10 view. I think it's from my point of view, I think
11 it's a statement if you will to vote no, not so
12 much against this bill per se, as much as it's a
13 symbol and a message to the industry that we
14 understand they need help and that we as an
15 institution here and the Council need to go up to
16 Albany and advocate on their behalf so that they
17 get the relief they need so that we grow that
18 industry and we provide not only my understanding,
19 not only spots for tourists, but for other short
20 stay needs whether they are filming in New York
21 City, et cetera, so with much respect to Council
22 Member Brewer and with a tip of the hat to the
23 industry that we as a Council will try to go to
24 Albany to help you, I'm going to respectfully vote
25 no.

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2 COMMITTEE CLERK: By a vote of
3 eight in the affirmative and one in the negative
4 and no abstentions, item is adopted. Members,
5 please sign the Committee Report.

6 CHAIRPERSON DILAN: Alright. So we
7 will allow the Committee to remain open for as
8 long as the rules allow, and then at that point,
9 the Committee will be adjourned.

10 COMMITTEE CLERK: Continuation roll
11 call Committee of Housing and Buildings
12 Introduction 404-A. Council Member Jackson?

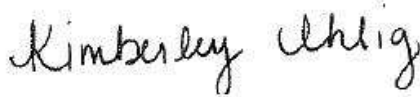
13 COUNCIL MEMBER JACKSON: Aye.

14 COMMITTEE CLERK: The vote now
15 stands at nine in the affirmative, one in the
16 negative and zero abstentions. Final vote in the
17 Committee on Housing and Buildings Introduction
18 404-A stands at nine in the affirmative, one in
19 the negative and zero abstentions.

C E R T I F I C A T E

I, Kimberley Uhlig certify that the foregoing transcript is a true and accurate record of the proceedings. I further certify that I am not related to any of the parties to this action by blood or marriage, and that I am in no way interested in the outcome of this matter.

Signature _____



Date _____

9/25/12