



November 17, 2021

Illegal Short-Term Rentals

NYC™ Department of
Housing Preservation
& Development

NYC® Office of
Special
Enforcement

 **CENTER** for **NYC**
NEIGHBORHOODS

Who We Are

The **New York City Department of Housing Preservation and Development (HPD)** promotes the quality and affordability of the city's housing and the strength and diversity of its many neighborhoods.

The **Mayor's Office of Special Enforcement (OSE)** is an innovative, solutions-oriented task force that works to ensure NYC communities are safe from harmful, illegal, and unregulated industries that one agency and one set of enforcement tools alone can't address.

The **Center for NYC Neighborhoods** is nonprofit organization that promotes and protects affordable homeownership in New York so that middle- and working-class families can build strong, thriving communities.

Objectives of Webinar

1. Fulfill commitment in the [Bedford-Stuyvesant Housing Plan](#) to enhance education for homeowners on illegal short-term rentals in Bed-Stuy
2. Notify homeowners of planned enforcement and encourage compliance without facing penalties
3. Contribute to turning short-term rentals into long-term rentals
4. Share resources that enable homeowners to stabilize their homes without the income from illegal short-term rentals

**The
Bedford-
Stuyvesant**

**Housing
Plan**

NYC Department of
Housing Preservation
& Development

*Building on 50 Years
of Community Power*

Agenda

- 1. Introductions & Objectives**
- 2. Illegal Short-Term Rentals**
- 3. Resources for Homeowners**
 - Homeowner Help Desk
 - HPD Loan Programs
- 4. Q & A**

Illegal Short-Term Rentals

Mayor's Office of Special Enforcement



What We Do

OSE coordinates joint initiatives among multiple city agencies, including the Department of Buildings, Fire Department of the City of New York, New York City Law Department, and Office of the Sheriff of the City of New York. Our multi-agency team devises strategic solutions that span public outreach, education, investigation, enforcement, and litigation. OSE is currently focused on addressing the proliferation of illegal short-term home and apartment rentals throughout the City.

Why the Issue Is Important

- Illegal short-term rentals are impacting the stability, safety, affordability, and availability of housing for New Yorkers.
- There are fewer, and often inadequate, protections in short-term rentals. Traditional and legal transient lodgings are required to meet standards related to building and fire safety, security, accessibility, sanitary conditions, and non-discrimination policies.
- The negative effects of illegal short-term rentals are felt across every neighborhood. Community members express concerns about a range of conditions, including rowdy or noisy guests, parties, overcrowding, trash, and guests inappropriately accessing common or private areas.

Nearly All Short-Term Rentals in NYC Are Illegal

- Short-term rental refers to renting out a home or apartment for any period shorter than 30 days.
- You cannot rent out an entire apartment or home to visitors for less than 30 days, even if you own or live in the building.
- This applies to all permanent residential buildings.
- If the person renting out the home or apartment is not present, the short-term rental is illegal.
- Short-term rentals are only permitted if you are staying in the same unit or apartment as your guests, and you have no more than two paying guests at a time.

If you rent or own in NYC:



APARTMENT
(in a building with
more than 3 units)



or CO-OP | CONDO

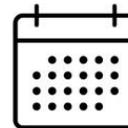


or SINGLE-FAMILY
HOME



or TWO-FAMILY
HOME

and want to rent out your place:



FOR LESS THAN 30 DAYS

+



WHILE YOU'RE NOT HOME

=



Illegal Short-Term Rentals in Bedford-Stuyvesant

- Bed-Stuy has been an epicenter of illegal short-term rental activity for the past several years. In 2018, it ranked sixth in citywide activity for illegal short-term rentals.
- On January 3, 2021, New York City's Booking Service data reporting law took effect. This law applies to online platforms that provide short-term rental booking services for a fee. It also requires those Booking Services to provide OSE with information regarding all transactions for listings that have five or more nights booked per quarter if the listings offer entire home rentals or home rentals to three or more individuals at the same time.
- Bed-Stuy led the city in illegal short-term rentals in this period for number of locations and nights booked.
- Since January 2021, over 400 of these qualifying listings for at least 320 locations in Bed-Stuy were used for short-term rentals based on data produced by Airbnb. These listings were booked for approximately 27,800 nights through over 6,500 bookings.

OSE's Enforcement Priorities

- **“Commercial Operators” who use permanent housing as a business:**
 - Remove one or more entire units of permanent housing, regardless of building type, from the housing market
- **“Dangerous Operators” who:**
 - Significantly exceed the legal occupancy load of a dwelling unit
 - Engage in illegal physical alteration to create additional space for illegal rentals
 - Rent in a non-residential space, such as commercial or manufacturing space
- **“Disruptive Operators” who:**
 - Generate complaints to 311 or OSE from neighbors who experience the activity as nuisance
- Those who infrequently rent their primary residence are not priorities, barring inclusion in a category above.

Violations and Fines for Illegal Short-Term Rentals

Building type	Occurrence	Violations				Total fines
		Illegal conversion of permanent residence to transient use	Inadequate sprinklers for transient use	Inadequate fire alarm system for transient use	Inadequate egress for transient use	
Single or Two-Family House	First offense	\$2,500	\$1,250	\$2,500	\$2,500	\$8,750
	Subsequent offense - min	\$6,250	\$3,125	\$6,250	\$6,250	\$21,875
	Subsequent offense - max	\$12,500	\$6,250	\$12,500	\$12,500	\$43,750
Multiple Dwellings (3 or more)	First offense	\$2,500	\$1,250	\$2,500	\$2,500	\$8,750
	Multiple units*	\$5,000	\$1,250	\$2,500	\$2,500	\$11,250
	Subsequent offense - min*	\$5,000	\$3,125	\$6,250	\$6,250	\$20,625
	Subsequent offense - max*	\$25,000	\$6,250	\$12,500	\$12,500	\$56,250
	* indicates additional assessment of daily penalties of \$1000/day up to \$45,000 until condition corrected					
Illegal advertising of short-term rentals in a multiple dwelling (issued to host)		\$1000 first offense; \$5000 second offense; \$7500 third or more				

**CONSULT THE
OSE WEBSITE**



Visit nyc.gov/stayintheknow to access more information about the issue. Multiple languages are available.



**CALL OR
TEXT 311**

If you see illegal activity and wish to report it, you can call 311 or text 311-692 and mention the term “short-term rental.”

**What
Can You
Do?**

**CONNECT WITH
YOUR COMMUNITY**



You can share your concerns with a block or tenant association, a local community group, or a housing advocate.



**TALK TO YOUR
LOCAL OFFICIAL**

You can also contact your local representative to share your concerns or access more information.

Resources for Homeowners

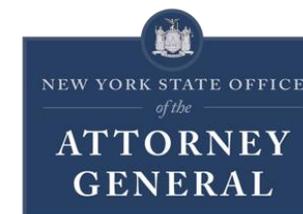
Homeowner Help Desk

Objectives & Timeline

- Connect struggling homeowners with free **housing counseling, financial assistance, and legal services**
- Raise awareness about **deed theft and scams**, which disproportionately impact homeowners of color
- Address **acute housing and displacement risks** made worse by COVID-19 and natural disasters
- One-year program, April 2021 – March 2022



Protect Our Homes



Focus on Scams

- Emphasis on **increasing awareness** of common housing/ownership scams, such as foreclosure, refinance, and home improvement scams
- Many scammers are preying on desperate homeowners who are struggling to make payments on their mortgages
- The Help Desk seeks to **help homeowners experiencing scams** and get homeowners the services and financial stability they need to **protect against scams**



Geographies & Partners

Selected Geographies	Community Partners
<p>Central Brooklyn:</p> <p>Bed-Stuy*, Crown Heights, Bushwick*, Brownsville, East New York*, Canarsie*, Flatbush*, and East Flatbush*</p>	<p>Brooklyn Neighborhood Services Brooklyn Legal Services Corp A Neighborhood Housing Services of Brooklyn</p>
<p>Southeast Queens:</p> <p>Jamaica*, South Jamaica*, Hollis*, Queens Village*, Springfield Gardens/Laurelton, Cambria Heights, Rosedale, Rochdale, Far Rockaway, South Ozone Park*, Richmond Hill*, and South Richmond Hill*</p>	<p>Neighborhood Housing Services of Jamaica Jewish Association Serving the Aging Legal Aid Society Brooklyn Legal Services Corp A</p>
<p>North Bronx:</p> <p>Wakefield, Baychester*, Eastchester, Woodlawn, Westchester Square, Parkchester* and Co-op City</p>	<p>Bronx Legal Services Legal Aid Society Neighborhood Housing Services of NYC</p>

*Priority neighborhoods identified by the Mayor’s Taskforce on Racial Inclusion and Equity, selected based on equity burdens and the impact of COVID-19 in 2020

Expected Outcomes

- Number of homeowners who receive outreach materials: **16,000**
- Number of homeowners engaged: **3,600**
- Number of homeowners assisted: **800**
- Number of homeowners who improved their finances: **260**
- Number of copies of the Homeowner Manual distributed to homeowners in the neighborhood: **3,000**



Expected Outcomes

- By focusing on predominantly **Black and Hispanic** homeowners vulnerable to scams and displacement, the Help Desk's *Protect Our Homes* campaign will have a **long-term stabilizing effect on Central Brooklyn, Southeast Queens, and the North Bronx**
- Preventing displacement **preserves affordable housing** and creates an **economic multiplier** that boosts local business and benefits NYC as a whole



Program Activities to Date

Direct Outreach by Network Partners

- Organized and participated in **59 neighborhood outreach events**, engaging **8,071 residents**
- Distributed **2,265 flyers** via targeted events and mass mailings
- Tabled **two sessions** with the HPD Van at NYC Mobile Vaccine Clinics in June and August
- Engaged and served **671** homeowners, using **Homeowner Wellness Check Surveys** to identify hardship and track follow up, which resulted in **at least 84** positive outcomes

How to Get Help



Protect Our Homes

Contact the Help Desk at

1-855-466-3456 or

visit **homeownerhelpny.org** to

get help today!

Resources for Homeowners

HPD Loan Programs

HomeFix

Administered partnership with the Center for NYC Neighborhoods (CNYCN), HomeFix provides access to affordable low- or no-interest and potentially forgivable loans for home repairs.

Eligibility

- Own a one- to four-family home in any of the five boroughs in New York City
- Occupy the home as their primary residence (defined as residing in the home 270+ days per year)
- Have a household income that is no more than 165% Area Median Income (~196K for a family of 4)

Terms

- Loan amount will be based on the rehabilitation needs of the home, with a maximum of \$60,000 for one-unit buildings, \$90,000 for two-unit buildings, \$120,000 for three-unit buildings, and \$150,000 for four-unit buildings
- HomeFix loans will be amortizing or deferred and offered at low or no interest rates, ranging from 0% to 5%, based on the HomeFix Lending Criteria Chart in the Term Sheet

For more information, visit homefixnyc.org or call 646-513-3470.

Project HELP

Administered partnership with Neighborhood Housing Services (NHS) offices throughout NYC, Project HELP provides forgivable loans for repairs to address hazardous home conditions.

Eligibility

- Homeowners must be primary residents of a one- to four-family home.
- The total household income must be at or below 120% AMI (~\$143K for a family of 4)
- Homeowners must have an approved housing deficiency (e.g., electrical repairs, roof and windows, plumbing)

Terms

- The maximum conditional loan amount is \$20,000
- No repayment is required unless the property is sold or refinanced during the term of the conditional loan

For more information, call NHS of NYC or the NHS office in your borough: NHS NEW YORK CITY: (212) 519-2500, NHS BROOKLYN BEDSTUY: 718-919-2100, NHS BROOKLYN CDC (EAST FLATBUSH): (718) 469-4679, NHS QUEENS: (718) 457-1017, & NHS BRONX: (718) 881-1180

Additional HPD Financing

Lead Hazard Reduction and Healthy Homes Program

If you own a single- or multi-family building built before 1960, you may be eligible for a grant averaging \$10,000 per unit, to repair lead paint hazards and address other health and safety issues. For more information, email hpdlead@hpd.nyc.gov or visit nyc.gov/lead-reduction.

Green Housing Preservation Program for Small Buildings

If you own a building with three to 15 units, you may be eligible for low- or no-interest financing to finance energy efficiency and water conservation improvements and help manage your utility costs. For more information, email hpdpres@hpd.nyc.gov.

Questions?
