

Airbnb Key Issues

Top Line Fact Sheet

NYC Council Bill Summary & Facts:

Int. No. 981-A: <https://on.nyc.gov/2MIXL1l>

- Passed by the City Council unanimously by a vote of 45-0, signed into law by the Mayor and expected to go into effect by mid-January 2019.
- Requires online rental platforms, such as Airbnb, who accept fees in connection with providing booking services for short-term rentals to disclose address and other host information to the city's enforcement agency (OSE), including:
 - The exact physical address of the short-term rental;
 - The full legal name and address of the rental host;
 - The URL of the short-term rental listing;
 - Whether the short-term rental was for the entire unit or part of it;
 - The number of days the unit is rented;
 - The fees collected by the online platform for booking services; and
 - Information about rent collected by the booking service, where applicable.
- Failure to provide this information by an online platform would result in a fine that is the greater of either \$1,500 per listing for each reporting period in which the required information is not provided completely or accurately, or the total amount of the fees collected during the preceding year for transactions related to such listing, whichever is greater.
- Platforms would be required to disclose data on a monthly basis to the city's enforcement agency (OSE), or less frequently as determined by such agency.
- Any personal information obtained by the City must be protected to the fullest extent of all relevant state, federal and local laws including, where applicable, the state Freedom of Information Law and local laws 245/2017 and 247/2017, and maintained, stored and handled in a manner consistent with such laws.
- The legislation does NOT change any aspect of the state 2010 State Multiple Dwelling Law, under which people are prohibited from renting an unoccupied entire home/apartment in a multiple dwelling building (3+ units) for a period of less than 30 days. This bill simply adds a data transparency requirement (much



like the requirement that for-hire-vehicles like Uber and Lyft disclose drop off and pick up data to the TLC) to the city's existing enforcement of the current state law.

- The bill does NOT add any liability to Airbnb or other online platforms for content posted on their website by hosts or guests. The bill specifically mandates that the platform get consent to disclose host information and then requires the online platforms to disclose such information on a specified schedule, with liability incurred only for the failure to meet the disclosure requirements.
- In San Francisco, roughly 50% of listings were removed in the 6 months following new requirements for registration and address disclosure. When hosts know their name and address can be tracked they're less likely to list illegal units. Without address disclosure the city has to rely on someone filing a complaint.
- Given the fact that Airbnb made \$435 million off illegal rentals in New York City last year alone – more than they made in any other U.S. city, it's not surprising they would continue to refuse to share address data even though they have agreed to do so in other cities like San Francisco, Chicago, New Orleans, and even China!
- Every time we see another landlord pushing tenants out of a rent-regulated building for illegal rentals, Airbnb goes quiet and ignores the problem. Instead of remaining silent, the company should stop playing games and start sharing data on their illegal listings. But since they won't, the city must step up to force their hand.
- Airbnb has ignored the laws passed to protect affordable housing, and it's tenants who pay the price for Airbnb's actions, having lost 13,000 housing units and had to pay an additional \$616 million in rent. No corporation should get to pick and choose what laws to follow or get to play by their own set of rules while New York's working families pay the price for Airbnb's housing subterfuge.
- Since Airbnb won't disclose any data that would put a crimp in their money-making housing schemes, it's up to the city to force Airbnb's hand by requiring the company to share this data.

NYC Comptroller Report – Impact of Airbnb on NYC Rents:

- **\$616 million More in Rent:** New York City renters had to pay an additional **\$616 million in rent in 2016** because of Airbnb reducing available housing units citywide.

- **9.2% increase in rental rates attributed to Airbnb:** 9.2 percent of the citywide increase in rental rates (2009-16) can be attributed to Airbnb.
- **Rent increase (2009-16) neighborhood highlights:**
 - Greenpoint & Williamsburg: \$66M
 - Murray Hill, Gramercy, Stuy-Town: \$69M
 - Chelsea, Clinton & Midtown: \$61M
 - Battery Park City, Greenwich Village & Soho: \$49M
 - Bedford-Stuyvesant: \$24M
 - Bushwick: \$25M
 - Brooklyn Heights & Fort Greene: \$23M
 - Lower East Side & Chinatown: \$34M
 - Upper East Side: \$40M
 - Hamilton Heights, Manhattanville & West Harlem: \$17M
 - Park Slope, Carroll Gardens & Red Hook: \$14M
 - Upper West Side & West Side: \$27M
 - Astoria & Long Island City: \$20M
 - Central Harlem: \$14M
 - Sunnyside & Woodside: \$9M
- Average monthly rents in neighborhoods with a high number of Airbnb listings rose at substantially higher rates than the borough average between 2009-2016:
 - **Greenpoint and Williamsburg** – 18.6% (\$123) of the monthly rent increase of \$659 can be attributed to Airbnb. The total monthly rent increase in the neighborhood was 62.6%, almost 38% higher than the citywide average of 25%.
 - **Bedford-Stuyvesant** – 14.4% (\$59) of the monthly rent increase of \$407 can be attributed to Airbnb. The total monthly rent increase in the neighborhood was 47.2%, almost 22% higher than the citywide average of 25%.
 - **Bushwick** – 15.6% (\$58) of the monthly rent increase of \$369 can be attributed to Airbnb. The total monthly rent increase in the neighborhood was 39.5%, almost 14.5% higher than the citywide average of 25%.
 - **Murray Hill, Gramercy and Stuyvesant Town** – 21.5% (\$105) of the monthly rent increase of \$488 can be attributed to Airbnb. The total monthly rent increase in the neighborhood was 25.9%, almost 1% higher than the citywide average of 25%.
 - **Chelsea, Clinton and Midtown Business District** - 21.6% (\$86) of the monthly rent increase of \$398 can be attributed to Airbnb. The total

monthly rent increase in the neighborhood was 23.4%, almost 1.6% less than the citywide average of 25%.

- **Chinatown and Lower East Side** – 19.6% (\$47) of the monthly rent increase of \$242 can be attributed to Airbnb. The total monthly rent increase in the neighborhood was 23%, 2% lower than the citywide average of 25%.
- **Battery Park City, Greenwich Village and Soho** – 19.3% (\$79) of the monthly rent increase of \$411 can be attributed to Airbnb. The total monthly rent increase in the neighborhood was 21.4%, 3.6% lower than the citywide average of 25%.

McGill University Report – Impact of Airbnb on NYC Housing:

- **13,500 Units of Lost Housing:** Citywide, Airbnb has removed 13,500 units of housing from New York City's long-term rental market, including 12,200 frequently rented entire home listings that were available for rent 120 days or more and 5,600 entire home listings available for rent 240 days or more.
- **\$435M In Illegal Revenue:** Entire-home/apartment listings, which are likely illegal under New York State law, accounted for \$435 million (66%) of all of Airbnb's revenue in New York City last year.
- **75% White Hosts in African American Neighborhoods:** White Airbnb hosts in majority African American neighborhoods control nearly 75% of Airbnb listings, even though the White resident population is only 13.9%.
- **White Hosts Profit Off African American Neighborhoods:** White Hosts in majority African American neighborhoods earned 73.7% of all income generated by Airbnb in African American neighborhoods – 3 times more than African American hosts, despite only representing only 13.9% of the population.
- **Disproportionate Impact on African American Residents:** The loss of housing and neighborhood disruption due to Airbnb is 6 times more likely to affect African American residents, based on their majority presence in these areas.
- **28% Of Revenue:** Commercial operators that control multiple entire-home/apartment listings or large portfolios of private rooms are only 12% of hosts but they earn more than 28% of revenue in New York City.
- **Top 10% of Hosts:** The top 10% of hosts earned a staggering 48% of all revenue last year, while the bottom 80% of hosts earned just 32%.