



Lawmakers unveiled the report in front of a building on E. 44th Street that's renting about 30 units as hotel rooms.

Illegal apartment-hotels near 10,000

MURRAY HILL. While the city struggles with an affordable housing crisis, illegal hotels have now claimed as many as 10,000 apartments in Manhattan, many of which are supposed to be rent-stabilized, according to a report released yesterday.

The report by the Illegal Hotels Working Group — a coalition of housing advocates and elected officials formed two years ago — found 224 residential buildings in Manhattan have

Taxes for homes, not hotels

- More than 20 of the buildings have received property tax breaks worth \$188 million under the 421-a program, which was specifically designed to create affordable housing, not hotels.
- "This, in any other world, would be called stealing," said Manhattan Borough President Scott Stringer.

been converted to hotels: 128 are unlawfully catering to tourists, while 96 try to exploit a legal loophole as extended-stay hotels.

"This problem is getting worse," said state Senator

Liz Krueger, who blamed the Bloomberg administration for delaying proposed reforms.

A bill has languished in the City Council since December that would increase

penalties from a flat fee of \$800 to \$1,000 per night per unit. Zoning changes are also being examined.

Krueger said the mayor's office had been in discussions with the Working Group, but negotiations "hit a roadblock."

"This has been frustrating," she said. "We decided, let's get this report out documenting the growing problem, and from there maybe we can move City Hall."

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