Is Your New York Hotel Legal?

By Sascha Segan
August 25, 2006

Some great New York City hotel deals listed on prominent websites are actually illegal operations driving New Yorkers out of their homes, according to city and state officials.

Some of these offer decent, even attractive accommodations. But responsible travel means not damaging your destination. And illegal hotels are doing just that, according to John Raskin, a community organizer for Housing Conservation Coordinators, a group that helps preserve affordable housing in this most expensive of cities.

"If you're looking for an experience to feel like a New Yorker, and your hotel is operating illegally, it's damaging the social fabric of being genuinely in New York," he says.

Apartment or Hotel?

The property at 301 West 53rd Street looks just like any other apartment building in Manhattan. But contrary to its legal use as residential apartments for locals, it's on sale on www.woogo.com as the "WooGo Midtown," a hotel where suites start at $429/night.

Meanwhile, one of a complex of buildings on West 64th Street listed as "WooGo Lincoln Centre" on Woogo.com has a sign saying "rental office" out front. When I inquired within, a man said the building was only for long-term rentals -- but then I escorted a pair of British tourists who had only stayed there two days to catch a cab.

The WooGo hotel company is under fire from the new Illegal Hotels Working Group, organized by New York City councilwoman Gale Brewer, New York State senator Liz Krueger and state assemblyman Richard Gottfried, for turning apartment buildings designated for New Yorkers desperate for housing into hotels for out-of-town tourists.

WooGo isn't the only company running hotels in apartment buildings. The Atrium, a condominium building at 160 Bleecker Street, can be rented by the night through Metro-Home, and by the week through Signature Suites.

"Since September, the Department of Buildings has received complaints about 63 locations for illegal use as hotels. To date, 54 have been inspected. Of the 54 that were inspected, 42 sites have been issued violations for illegal occupancy. The other 12 are under consideration for other types of enforcement including possible litigation," Virginia Lam, a spokeswoman for the New York City mayor's office, wrote in an e-mail.

Raz Ofer, WooGo's CEO, says "the operation we do is legal." Permanent residents at his West 64th Street complex, the one most frequently criticized, "live in different buildings, not the one we operate." (The complex has several addresses and several entrances on both East 63rd and East 64th streets.)

"We are one of the biggest hotel operators in New York," he says. WooGo also manages several bonafide hotels, including the Edison and the Pickwick Arms.

Representatives from Orbitz and Expedia, both of which sell WooGo's rooms, defended the
"In terms of the quality of the rooms that are being offered, which is what I know our customers are concerned with, overwhelmingly the majority of reviews are positive," said Orbitz spokesman Brian Hoyt.

Expedia’s David Dennis said his firm has inspected WooGo’s West 64th Street property and found it worthy. "Following additional meetings with the owner, the hotel has initiated an aggressive program to improve the service quality and amenities at the property. These improvements are in place already," he said.

But Raskin says "the buildings are clearly intended to be used as longer-term residences" and that WooGo had indeed mixed long-term residents in with tourists on 64th Street until this week. "They had been operating in a variety of these buildings, interspersing tourists with the residents. What they have done is moved the tenants into one of the buildings, to consolidate the tourists into one of the buildings," he said.

Raskin and Edline Jacquet, a legislative aide to State Senator Liz Krueger, both made distinctions between large apartment buildings and bed-and-breakfasts, small operations where the owner lives on the premises and might take care of a few long-term tenants as well as rent out a couple of rooms. They’re going after the apartment building invaders, not the settled bed and breakfasts.

"A lot of times with bed and breakfasts, it’s [the owners’] own personal home, and it’s only a couple of tenants living there," she said. B&B guests also tend to be quiet types who don’t bother other residents or demand extensive hotel services, she said.

Both 301 W. 53rd Street and buildings in the WooGo complex on East 63rd and 64th streets have been served with recent city violations for "illegal conversion" of apartments into hotel rooms. But the fines are so low[1], they’re less than the cost of doing business, said Elianna Kaiser, a spokeswoman for Assemblyman Gottfried. New legislation to tighten the noose around illegal hotels is on the calendar for 2007, according to Sarah Hale-Stern, a legislative aide to Senator Kreuger. But that’s next year.

**Single Room Occupancy -- For Tourists?**

Further clouding the picture is the status of New York’s SRO (Single Room Occupancy) buildings. Intended to be "non-transient housing accommodations," according to Ms. Lam, traditionally occupied by New Yorkers one step above homelessness, many SROs are turning entirely into hotels for out-of-towners -- and turning big profits.

WooGo’s Ofer says using SROs as hotels isn’t a big deal. WooGo’s Devon and Tempo hotels are both SROs.

"It is not classified as a hotel, but it is allowed to operate as a hotel," he says.

Several other well-known low-end hotels, such as the Hotel 17 and the Union Square Inn, are SROs according to their certificates of occupancy. Many SROs allow at least partial hotel use by law.

However, there’s something unsavory about the way some of the most recent SRO conversions are going. In their annual "ten worst landlords in New York" story, the Village Voice profiled Fitos Neophytou, owner of the Mount Royal and Continental hotels on the Upper West Side. At the Continental, "illegal partitions, gutted bathrooms,
plaster-splattered floors, and locks that prevent tenants from accessing fire escapes and emergency exits are common. The shared bathroom has been inoperable for months. Walkways leading to the fire escapes are pitch-black,” the Voice wrote in its story. A July 10 article in the magazine City Lights, meanwhile, mentions efforts by long-term residents at the Dexter House and Tempo hotels to stop their conversion into tourist facilities.

Expedia user reviews of the West Side Inn, another recent SRO conversion, have headlines like "Welcome to the Gulag," "Glad to be out of this place" and "Worst case scenario."

Rosalba Rodriguez, a spokeswoman for city councilwoman Gale Brewer, says recently converted SROs may not be up to tourist standards.

"You're coming into one of these SROs, you're in a poor unit, no air conditioning, it's small, it's infested usually with different pests, mostly bedbugs," she says.

**So Why Not Stay There?**

If all this sounds like legal mumbo-jumbo -- really, who cares about certificates of occupancy? -- there are real, concrete reasons not to stay at these properties.

"Often times they're not up to fire codes, they're not up to building codes, they don't have the appropriate number of exits required," said Virginia Lam of the New York City mayor's press office.

"Illegal accommodations, falsely advertised as hotels or legitimate guest rooms, are misleading and create dangerous conditions for visitors," said Cristyne L. Nicholas, president & CEO of NYC & Company, New York City's tourism marketing organization.

Companies operating on the edge of the law are also less accountable -- and less likely to respond to complaints -- than more reputable hotel firms, Raskin says. Under pressure from the law, they may disappear at the drop of a hat.

There's also the principle of responsible travel. There's a housing crisis in Manhattan, and the illegal apartment and SRO converters are making it worse. By staying at one of these places, you damage the diversity within neighborhoods that makes the city so appealing to travel to. You also, on a more immediate level, damage the quality of life of neighbors who didn't sign up for partying tourists with luggage coming in and out at all hours. When you go on safari, you don't want to destroy the animals' habitat; the same goes for urban safaris.

If you're curious about a hotel's legal status -- and whether you'll be facing angry neighbors -- you can look it up on the city Department of Buildings website. Go to www.nyc.gov/html/dob/html/bis/bis.shtml and enter the address in the fields on the right hand side of the screen.

On the page that pops up, check out two links. Click on "Complaints" and look for recent complaints coded 71, 45, or 31. Those may be complaints from tenants about illegal hotel use; you can click on them and read them yourself. Also on the main page for a building, you can click on "Certificates of Occupancy" to see the building's legal use. Only bother with the certificate with the highest number or most recent date.

**Where to Stay Instead**

If you're seeking apartment-style living in New York, or a good budget option, there are ways to do it without breaking the law (or at least without inviting the wrath of your temporary New York neighbors).
The Affinia chain of apartment-hotels offers suites with kitchens, and full hotel services, absolutely legally. For rooms at the rock bottom of New York's price scale, you might want to consider YMCAs, as well as the budget hotels that Frommer's lists. And Nicholas pointed travelers to www.nycvisit.com, the city's official tourism website, for a list of lodgings guaranteed to be on the level.

Going to B&Bs, even in residential buildings, is also more ethically acceptable than helping throw New Yorkers out of their homes, Raskin said. If you're "not disturbing the quality of life of existing tenants," you're traveling with a responsible spirit, he says.

Do you have a question or comment on this column? Do you think illegal hotels are a problem, or an opportunity for tourists seeking a bargain? Tell us on our Lodgings Message Boards.

Note: This information was accurate when it was published, but can change without notice. Please be sure to confirm all rates and details directly with the companies in question before planning your trip.

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