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December 21, 2012

Chris Licht
Executive Producer, CBS "This Morning"
Vice President for Programming, CBS News
524 West 57th Street
New York, NY 10019

Dear Mr. Licht:

I was dismayed to see *This Morning* join the ranks of news programs that have given AirBnB's CEO an uncritical promotional platform for his company's service (on the December 20th show), when, **in fact**, his service is facilitating short-term rentals for tourists in permanent residences that are illegal in many cities, such as New York City and Paris, and for good reason. As such, your program has done a tremendous disservice to its national audience – promoting, without context or balance, a business that services an illegal industry that puts both tourists and permanent residents at risk.

I am the State Senator for Midtown and the East Side of Manhattan, and lead sponsor of the law which was passed that made many of these practices illegal here in New York City, so can speak with some authority.

The majority of AirBnB's listings in New York City involve neither rentals of homes from individual residents, nor rentals of rooms in legal bed-and-breakfasts that have live-in owners. Much of AirBnB's business in New York revolves around illegal hotels: converted residential apartments, illegally warehoused and taken out of the residential market, and often illegally reconfigured to house more people than is safe, in violation of building and safety codes.

I would appreciate an opportunity for my staff to connect your producers and reporting staff with the Mayor's office, housing advocates, affected residents, and representatives of New York's hotel and tourism industries to tell the other side of this story.

In practice, AirBnB and other similar web sites function as an advertising service for this growing, illegal industry. Housing advocates estimate that there are many thousands of these units being operated in hundreds of buildings across New York City, primarily in Manhattan and North Brooklyn, but increasingly in other areas as well. On your *This Morning* broadcast, when a very vague mention of the legal problems was made, AirBnB CEO Brian Chesky brushed off the issue,

merely saying that different jurisdictions have different rules and AirBnB wants to “empower” everyday people offering up their apartments and “ask” users of the service to familiarize themselves with local laws and regulations. But the reality is that building owners and third party managers, not the everyday residents Mr. Chesky describes, are converting residential apartments into illegal hotel units in order to make more money on the apartments than the law allows. Worse, the majority of these are located in buildings with rent-regulated and Single Room Occupancy tenants, stealing these affordable units from a shrinking supply of affordable housing in our City.

Permanent residents living in buildings with illegal hotels regularly report significant increases in noise, harassment, and crime, as well as decreases in building-wide services. Because illegal hotels do not comply with the applicable fire and safety laws that are required for buildings used for transient occupants, they pose a serious threat to the safety of building residents, tourists, and any first responders who are called in to deal with emergencies.

Tourists who sign up to stay in illegal hotels through various websites such as AirBnB are generally not aware that the units do not conform to fire and building safety standards, and are often distressed to find that their accommodations are cramped, illegal, and do not provide hotel services. When tourists have bad experiences in illegal hotels, New York City’s international reputation as a tourist and business destination is harmed. My office has received multiple complaints from out-of-state visitors who paid thousands of dollars to stay in what turned out to be unsanitary and unsafe illegal hotel units that they found via the internet, on AirBnB and similar services.

As the sponsor of state legislation that has allowed New York City to begin cracking down on this illegal industry, I thoroughly understand that its complex and technical nature can make it hard to present to the public – particularly in contrast to the simple and rather inspired story the founders of AirBnB can tell. However, there has been some compelling news coverage of the illegal hotel problem (see attached examples), and, when told properly, it makes a great consumer-protection story.

I was glad to see a link to the November 30 *New York Times* article on AirBnB and illegal hotel enforcement on the web posting of your *This Morning* segment – but your national audience was given no such context, and essentially watched (during a peak travel season!) what was more or less an uncritical, rosy promotional segment for a service that can make unwitting victims of hosts, travelers, and neighboring residents alike.

It is my hope that I and my staff can work with your staff in the coming weeks to help you follow up on this December 20th show and educate *This Morning*’s national audience on the flip side of the AirBnB story.

Sincerely,



Liz Krueger
State Senator