

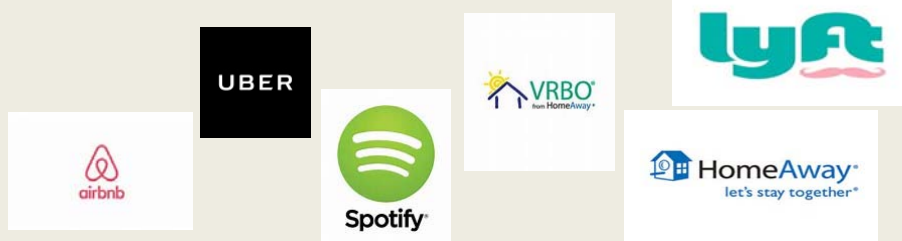
LAND USE ISSUES IN THE “SHARING ECONOMY”

Terrence S. Welch
Brown & Hofmeister, L.L.P.
740 E. Campbell Road, Suite 800
Richardson, Texas 75081

April 6, 2017

What is the “Sharing Economy”?

- Umbrella term with a wide range of meanings, often used to describe economic and social activity involving online transactions
- Sharing economy platforms use internet, smartphone and software technologies to create marketplaces that facilitate transactions between numerous peers
- Sharing economy marketplaces in 5 sectors—peer-to-peer finance, online staffing, peer-to-peer accommodation, car sharing and music/video streaming



R E V E N U E S

- 5 sectors generated \$15 billion in revenues worldwide in 2013
- Projection of \$335 billion by 2025
- Airbnb valuation of \$25.5 billion in November 2015, with 2 million listings, in 34,000 cities with 60 million guests
- Some argue “sharing” is a misnomer, framing technology-enabled transactions as if they were altruistic with a “halo of positive branding” when in fact they are commercial transactions

Lodging Platforms as a Competitor

- Airbnb contends that it is not a competitor with the hotel and B&B industry
- Evidence suggests that Airbnb is placing competitive pressures on hotels and B&Bs
- 2015 Report of Hotel Association of New York reflects that in one year New York City hotels lost nearly 2.9 million room nights—over \$450 million—to Airbnb hosts
- Concerns about Airbnb and lodging platforms not limited to just hotels and B&Bs
- Individual and corporate landlords complain of similar lost revenue, and most acutely felt in places like New York City

Landlord/Tenant Fights Erupt

- In June 2014, a New York City landlord began eviction proceedings and sought recovery on unjust enrichment grounds where her tenant was re-renting her \$1,463 a month, rent-stabilized two-bedroom Tribeca apartment for \$250 per night
- Apparently the owner of the apartment building discovered what the tenant was up to after a visitor from Spain strung up a banner from the tenant's fourth-floor fire escape to welcome friends



Landlord/Tenant Fights Erupt

- Tenant is now facing eviction and has started a gofundme page ("Save Eileen from Eviction!") to assist in paying her legal fees
- As of late February 2017, the tenant, Eileen Hickey-Hulme, had raised \$10,130 of her \$15,000 goal



Who Am I? I am a 70 year old woman artist living and working in a rent stabilized apartment in New York for 42 years.

I am the target of a greedy landlord's predatory tactics.



Save Eileen from Eviction!

Find the full text of this and thousands of other resources from leading experts in dozens of legal practice areas in the [UT Law CLE eLibrary \(utcle.org/elibrary\)](http://utcle.org/elibrary)

Title search: Land Use Issues in the "Sharing Economy"

Also available as part of the eCourse

[Hooked on CLE: March 2018](#)

First appeared as part of the conference materials for the
21st Annual Land Use Conference session

"Sharing Economy"