# 2011 Housing Supply Report

## June 2, 2011


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# 2011 Housing Supply Report

## What's New

- ✔ Permits for 6,727 new dwelling units were issued in New York City in 2010, the second least since 1995, but an 11.1% increase over the prior year.
- ✔ The number of new housing units completed in 2010 increased 8.2% over the prior year, to 24,047.
- ✔ City-sponsored residential construction spurred 14,481 new housing starts, more than 78% of which were rehabilitations.
- ✔ The number of housing units newly receiving 421-a exemptions increased 27.8% in 2010, to 5,895.
- ✔ The number of housing units newly receiving J-51 abatements and exemptions increased 32.7% in 2010 to 50,263.
- ✔ There was a 30.6% decrease in the number of co-op or condo units accepted in 2010, to 260 plans containing 5,787 units.
- ✔ Demolitions were down in 2010, decreasing by 31.4%, to 1,116 buildings.
- ✔ The city-owned *in rem* housing stock continues to decline, falling 6.1% during FY 2010, to 719 units.
- ✔ The citywide vacancy rate was 2.91% in 2008.

## Introduction

Over the past year there was an 11.1% increase in the number of permits issued for new dwelling units, rising to 6,727, but still the second lowest level since 1995. The number of completed housing units also rose during 2010, increasing 8.2% from 2009 levels. In addition, rehabilitation of residential units under the J-51 tax abatement and exemption program during 2010 increased, rising 32.7%, while the number of market-rate units receiving 421-a benefits rose 27.8% over 2009 levels. A tight housing market also remains, with a citywide rental vacancy rate of 2.91% and 10.1% of all rental housing considered overcrowded as of 2008. But there was a 30.6% decrease in the number of units in cooperative and condominium plans accepted for conversion or new construction (the fourth consecutive year of decline), while the number of city-owned occupied and vacant units continued to fall through various disposition programs, declining 6.1% during FY 2010, to 719 units. The City also saw a decrease in demolitions during 2010, falling 31.4%, the fourth consecutive annual decline.

## New York City's Housing Inventory

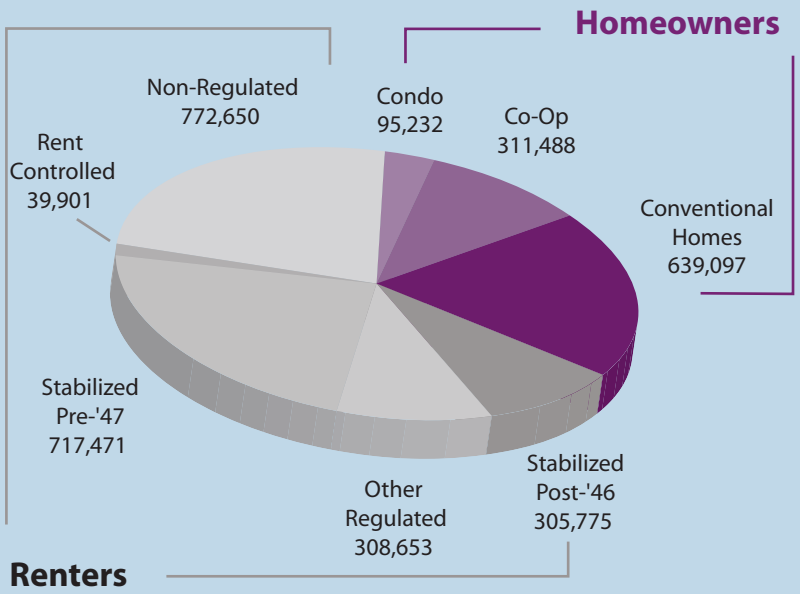
In contrast to the rest of the country, most New Yorkers do not own the homes in which they live. According to the *2008 Housing and Vacancy Survey (HVS)*,[1] rental units comprised 67.2% of New York City's available housing stock in 2008, twice as many rental units as the nation as a whole.[2] New York City in 2008 had a total of 3,328,395 housing units, the largest housing stock since the first HVS was conducted in 1965. New York City's housing is dominated by the size of its rental housing stock and unlike most cities, the bulk of rental units are rent regulated. Of the 2,144,452 occupied and vacant rental units reported in the most recent HVS, more than a third (36.0%) were unregulated, or "free market." The majority were either pre-war (pre-47) rent stabilized (33.5%) or post-war (post-46) rent stabilized (14.3%), and the rest were rent controlled (1.9%) or part of various other[3] types of regulated apartment programs (14.4%). (See pie chart on following page)

The HVS also indicated that New York City's housing market remains tight, finding a citywide vacancy rate of 2.91% in 2008, below the 5% threshold required for rent regulation to continue under State law. Brooklyn had the lowest vacancy rate in the city, at 2.35%, while Queens had the highest, 3.32%. Of the other boroughs, Manhattan's vacancy rate was 2.76%, the Bronx's was 3.12%, and the small sample size of vacant apartments in Staten Island made calculation of a vacancy rate in that borough too inaccurate to report.[4]

Vacancy rates also vary by rent regulation status. The tightest market was found among post-war stabilized units, with a vacancy rate of 1.67% in 2008.

**Number of Renter and Owner Units**

***New York City's Housing Stock Is Predominantly Renter-Occupied***




Source: U.S. Bureau of the Census, 2008 New York City Housing and Vacancy Survey
Note: Above figures exclude vacant units that are not available for sale or rent.

Pre-war stabilized units also maintained a low vacancy rate, at 2.36%, while private, non-regulated units were vacant at a 4.75% rate.

The frequency of crowding also varied by rent regulation status. Overall, 10.1% of all rental housing in New York City in 2008 was overcrowded (defined as more than one person per room, on average) and 3.9% was severely overcrowded (defined as an average of more than 1.5 persons per room). Pre-war stabilized housing was most crowded, with 12.3% of units overcrowded and 4.9% severely overcrowded, while 9.9% of post-war units were overcrowded, and 4.5% of units were severely overcrowded. Overall, 11.6% of rent stabilized housing was overcrowded and 4.8% was severely overcrowded. In non-regulated housing, 10.0% was overcrowded and 3.7% severely overcrowded.

## *Changes in the Housing Inventory*

### New Additions

Housing supply grows in a variety of ways: new construction, substantial rehabilitation of deteriorated buildings, and conversions from non-residential buildings into residential use. The number of permits authorized for new construction is a measure of how many new dwelling units will be completed and ready for occupancy, typically within three years, depending on the type of housing structure.

Following a dramatic decrease in 2009, the City issued more housing permits in 2010 for single- and multi-family buildings than the year prior. In 2010, permits were issued for 6,727 units of new housing, an increase of 11.1% from the 6,057 units in 2009 (see graph on following page). This is the second lowest number of permits issued on an annual basis since 1995, and follows a drop of almost 28,000 units during 2009.[5]

Permits increased Citywide, despite double digit decreases in three boroughs. (See Appendix 1 and the map on Page 6) Proportionally, Manhattan permits dropped by the greatest proportion, falling 48.3%, to 704. Permits issued in the Bronx also decreased significantly, falling by 35.4%, to 1,064 permits, while permits issued in Staten Island fell at a slower pace, decreasing by 10.9%, to 508 permits over the year. But the number of permits issued increased significantly in both Queens and Brooklyn. In Queens, permits rose

by 60.0%, to 2,358 issued during 2010, and by 108.7% in Brooklyn, to 2,093 permits. Permits for new housing units more than doubled in Brooklyn, despite an increase of only nine additional buildings, because the size of the average five-family or greater building doubled over the time period, rising from 18 units to 36 units.

Despite the rise in permits issued during 2010, as compared to the relatively high number issued in recent years, permits are down considerably. Compared to 2008, permits are down 92.7% in Manhattan, 83.6% in Brooklyn, 69.5% in Queens, 59.5% in Staten Island, 57.1% in the Bronx, and 80.2% Citywide. (See graph on this page)

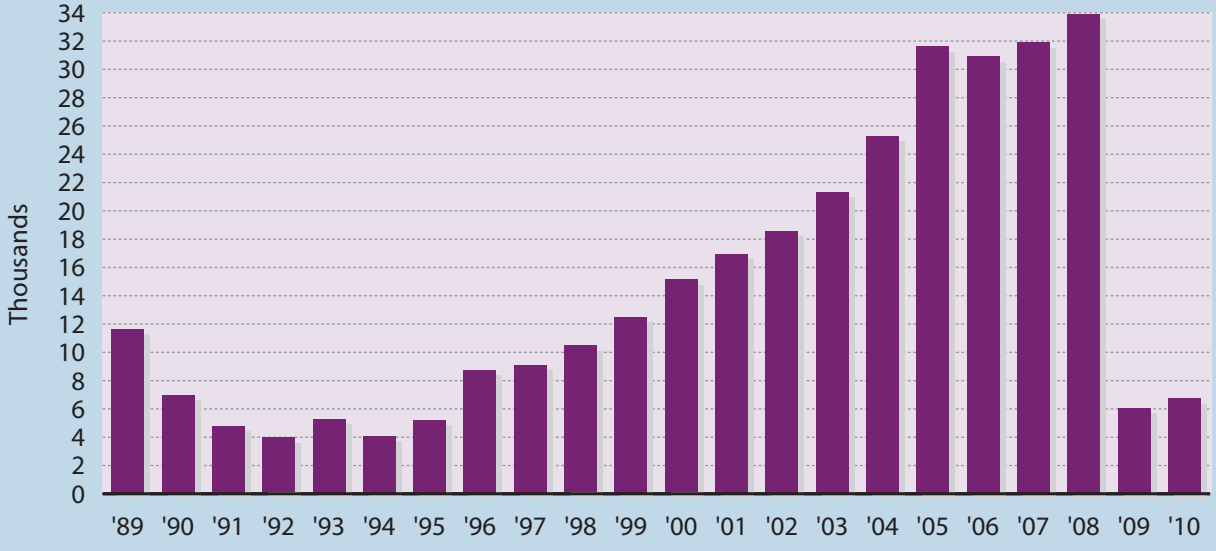
Permits issued in the first quarter of 2011 were also up as compared to 2010. The number of permits issued in New York City increased from 1,005 in the first quarter of 2010 to 1,141 during the same period of 2011, a 13.5% increase. Permits issued declined steeply in both Manhattan and Staten Island, by 55.2% and 55.8% respectively. However, permits increased sharply in the Bronx, Brooklyn, and Queens, by 266.1%, 66.3%, and 65.1% respectively. In the Bronx, which saw the most dramatic rise in permits issued, the same number of buildings (14) applied for permits in the first quarter of 2011 as in 2010, but almost all were five units or greater in 2011, while most were two- to four-families in 2010.

Permit data can also be analyzed more deeply by looking at the reported size of the buildings applying for permits. In 2010, a total of 1,074 buildings received permits (containing a total of 6,727 housing units). Citywide, 30.3% of these buildings were single-family, 47.3% were two-family, 10.6% were three- or four-family structures, and 11.8% were buildings with five or more units. More than 74% of all permits Citywide were for units in five-family or greater buildings, with the average five-family or greater building containing 39 units for the City as a whole, and 87 units in Manhattan (both increases from the prior year). As the chart on the following page illustrates, almost all building permits in Manhattan were for the largest buildings, while in Staten Island virtually all permits were for either one- or two-family buildings. Building size was more evenly distributed in the other boroughs. (See Appendix 2)

This report also examines the number of units completed in the City each year, illustrating what

**Units Issued New Housing Permits, 1989-2010, in Thousands**

***Number of Permits Issued for New Construction of Residential Units Increases***

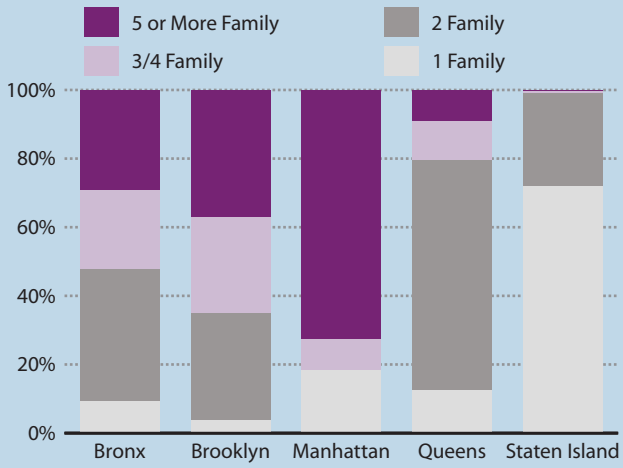



Source: U.S. Bureau of the Census, Manufacturing and Construction Division Building Permits Branch

## Residential Building Permits, 2010

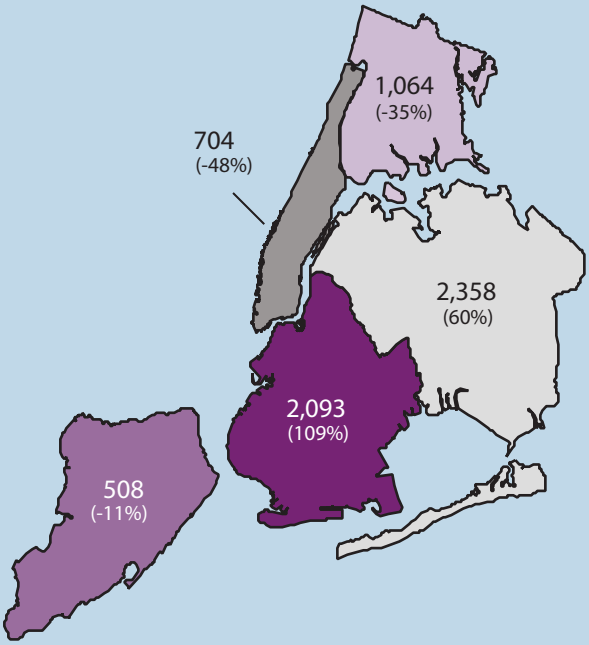
### *Permits by Building Size:*

***Most New Buildings in Manhattan are Five Family or More, in Staten Island One and Two Family Homes Predominate***




Source: U.S. Bureau of the Census, Manufacturing and Construction Division - Building Permits Branch

### *Total Number of Permits Issued in 2010 and Percentage Change From 2009 by Borough*




Source: U.S. Bureau of the Census, Manufacturing and Construction Division - Building Permits Branch

housing actually enters the market in a particular year.[6] In 2010, approximately 24,047 new housing units were completed, an 8.2% increase over 2009.[7] Completions were down in Brooklyn, Queens, and Staten Island, but gains in Manhattan and the Bronx offset those losses, resulting in a net gain in completions. Proportionally, completions were up by the greatest amount in Manhattan, which rose by 44.3% (to 7,801), and the Bronx, which rose by 33.0% (to 3,950). Completions fell by the greatest proportion in Staten Island, which declined by 19.5% (to 714), followed by Queens, which fell by 17.2% (to 4,401), and Brooklyn, which fell by the smallest proportion, 6.2% (to 7,181). (See Appendix 3 for historical breakdown)

Housing is also created through publicly funded sources, including programs sponsored by the NYC Department of Housing Preservation and Development (HPD) and the New York City Housing Development Corporation (HDC). HPD's Office of Development operates a number of programs that develop affordable housing for low- and moderate-income New Yorkers. Programs include the Cornerstone program, which is HPD's multi-family new construction housing initiative, financed principally through private sources; the Neighborhood Redevelopment Program, which gives City-owned buildings to non-profits to rehabilitate and operate as affordable housing; and the Mixed Income Rental Program, which helps finance affordable housing for those earning up to 130% of Area Median Income. HDC operates such programs as 80/20, which requires developers to set aside 20% of units for moderate-income families, and the New Housing Opportunities Program, which helps finance housing for middle-income New Yorkers.

HPD- and HDC-sponsored programs spurred a total of 14,481 reported housing starts[8] in FY 2010, an 18.4% increase over the prior fiscal year. Of the 14,481 total starts in FY 2010, 11,337 were rehabilitation starts, and 3,144 were new construction starts. HPD and HDC collectively expect to start an additional 14,466 units of new construction and rehabilitation in FY 2011, and 14,250 in FY 2012. During the first three quarters of FY 2011 there were 3,495 starts by HPD and HDC, a 42.5% decrease over the corresponding period of the previous year.[9]

HPD and HDC starts are part of Mayor Michael R. Bloomberg's New Housing Marketplace Plan, first announced in 2006. The original five-year, $3 billion commitment of 65,000 units is now an 11-year commitment to build and preserve 165,000 units of affordable housing by 2014. This $8.5 billion plan will ultimately provide affordable homes for 500,000 New Yorkers.[10] As of May 2011, HPD and HDC have created or preserved more than 113,000 units of housing under the New Housing Marketplace Plan, more than two-thirds of the total planned.[11] The City has also shifted from its priority on new construction, and now anticipates that 64% of units by 2014 will be preservations, up from the 44% anticipated in the initial plan. More than three-quarters of planned units will be affordable to low-income households (making no more than 80% of HUD Income Limits), and 69% will be rental units.[12] There are also recent reports of a proposed $285 million cut in the budget for this program, although the City says that this will not affect the total number of planned units.[13]

In another effort to create new affordable housing, the City recently closed its first deal under the "Housing Asset Renewal Program," a $20 million plan first conceived in 2009 as a way for the City to buy vacant, unsold units in new developments for use as middle-income housing. Through this deal, 46 units of rental housing will be built on the Brooklyn site of a never-constructed condo development. HPD also reports that they have approved four other projects, totaling 220 units, and are reviewing at least four more projects.[14]

## Tax Incentive Programs

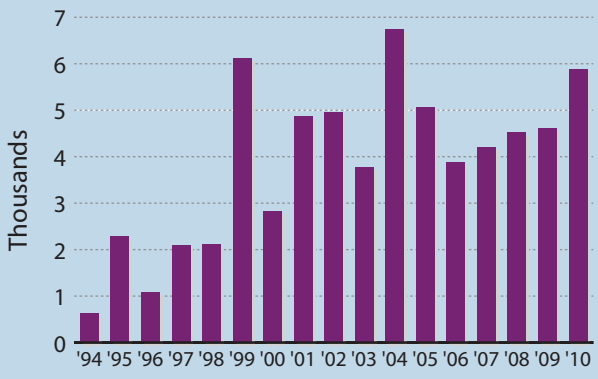
The City helps promote development of new housing by offering various tax incentive programs. One such program (recently expired), for new renter- and owner-occupied multifamily properties containing three or more rental units has been the 421-a tax incentive program. The program allowed for a reduction in the taxable assessed value of eligible properties. That is, owners were exempt from paying additional real estate taxes due to the increased value of the property resulting from the improvements made. Eligible projects must have been new construction of multiple dwellings on lots that were vacant, predominantly vacant, or improved with a non-conforming use three or more years before the new construction commenced. Rental apartments built with 421-a tax exemptions are subject to the provisions of the Rent Stabilization Laws during the exemption period. Initial rents are first approved by HPD and are then subject to increases established by the Rent Guidelines Board.

A variety of factors were used to establish the level and period of 421-a benefits, and properties were also subject to construction guidelines. Properties received an exemption for 10 to 25 years depending on location, the number of units reserved for low- and moderate-income tenants, and whether they were located in a neighborhood preservation area. Longer exemption periods applied in northern Manhattan and boroughs outside Manhattan, and to projects that received governmental assistance or contained 20% low-income units.[15]

The *2007 Housing Supply Report* outlined major changes in the 421-a program which took effect on July 1, 2008, including a major expansion of the Geographic Exclusion area (the area which requires 20% of units in any given building to be set aside for affordable housing), new limits on the amount of assessed value that is exempt from taxes, and on-site affordability requirements extended to a length of 35 years.

**Units Newly Receiving 421-a Certificates, 1994-2010, in Thousands**

***28% Increase in Number of Units Newly Issued 421-a Certificates in 2010***




Source: NYC Department of Housing Preservation and Development

The 421-a program expired at the end of 2010, and as of publication of this report had not been renewed by the NYS Legislature, although bills are pending.[16]

Through the market-rate 421-a program, the number of housing units newly receiving 421-a exemptions increased for the fourth consecutive year, up 27.8%, to 5,895 (see graph on previous page), including increases in every borough but Manhattan and Staten Island. While the number of units decreased 3.3% in Manhattan and went from 97 to 28 units in Staten Island, units newly receiving benefits increased 94.3% in Queens, 43.0% in the Bronx, and 38.2% in Brooklyn. The largest proportion of units receiving benefits in 2010 were in buildings located in Manhattan, which contained 34.3% of the total units in the City. Queens had 26.8% of these units, while the Bronx and Brooklyn each had a proportion of 19.2%. And Staten Island, with only 28 units, had 0.5% of units Citywide. Because buildings in Manhattan are so much larger than buildings in the outer boroughs, more than a third of units were in Manhattan, despite having only 23 of the 331 buildings newly approved for 421-a benefits Citywide.[17] (See Appendices 6 and 7)

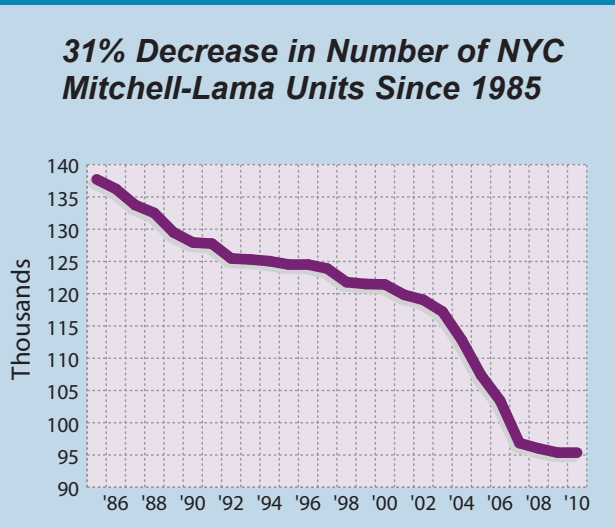
Historically, tax-incentive housing has also been developed through the 421-a Affordable Housing Program, which allowed developers to build within Manhattan's "Exclusion Zone" as long as they provided either 20% of housing on-site to be affordable, or they financed affordable housing elsewhere in the City (at the rate of one affordable unit for every five units built in Manhattan). With changes to the 421-a program that now require all developers in the newly expanded Exclusion Zone to build affordable housing on-site, the 421-a Affordable Housing Program is being phased out and no new units began construction during 2010. However, some units did complete construction in 2010 — 517 new affordable units, producing 2,410 certificates for market-rate housing were completed, a 10.2% increase in units from last year.[18]

Another program that has offered affordable housing, the New York State Mitchell-Lama program, is losing residential units as market rents rise and landlords choose to leave the program. The program, which was created in 1955 as a means of providing affordable rental and cooperative housing to moderate- and middle-income families, granted low-cost mortgages and tax breaks to landlords who developed low- and middle-income housing. There are approximately 95,000 Mitchell-Lama units in the City today (and up to 18,000 elsewhere in the state), with the last Mitchell-Lama project opening in 1978.[19]

After twenty years, owners may leave the program by "buying out" of it. By repaying in full the subsidized mortgages that they are receiving from the government, the buildings are no longer subject to the regulations of the Mitchell-Lama program. In New York City approximately 42,000 units in Mitchell-Lama buildings have been lost due to buyouts since 1985 (see graph on this page). After averaging more than 5,000 buyouts annually between 2004 and 2007, the pace has slowed significantly, and no Mitchell-Lama projects within New York City left the program during 2010.[20]

As more and more Mitchell-Lama apartments leave the program, new legislation and policies are increasingly being proposed to clarify the laws regarding rents in buildings buying out. For instance, the New York State Division of Housing and Community Renewal (DHCR) issued a policy on "unique and peculiar" circumstances, a policy that as of 2007 requires owners of buildings leaving Mitchell-Lama and built before 1974 to enter rent stabilization at current rents, instead of the modified rates

**Units in the Mitchell-Lama Program, 1985-2010, in Thousands**




Source: NYC Dept. of Housing Preservation & Development

previously negotiated by owners.[21] A proposed bill in the NYS Legislature would require all buildings leaving Mitchell-Lama to become rent stabilized, and would apply retroactively to buildings that have already left the system.[22] Other pending bills would require a one year moratorium on buyouts while a study is done to determine the effects of such actions,[23] an extension of benefits to 50 years before a building can buyout,[24] and another bill, backed by Mayor Bloomberg, that would put post-1973 rental buildings in rent stabilization after a buyout, and would allow current Mitchell-Lama developments to follow rent stabilization guidelines for rent increases.[25]

## Conversions and Subdivisions

New housing units are also brought onto the market through subdivisions and conversions. Subdivisions involve the division of existing residential space into an increased number of units. Non-residential spaces, such as offices or other commercial spaces, can also be converted for residential use. As chronicled in prior *Housing Supply Reports*, during the mid-2000s, with a tight housing market and high demand for luxury apartments, there were an increasing number of conversions in neighborhoods citywide. Conversions occurred in facilities as diverse as hospitals, recording studios, power plants, office buildings, and churches.

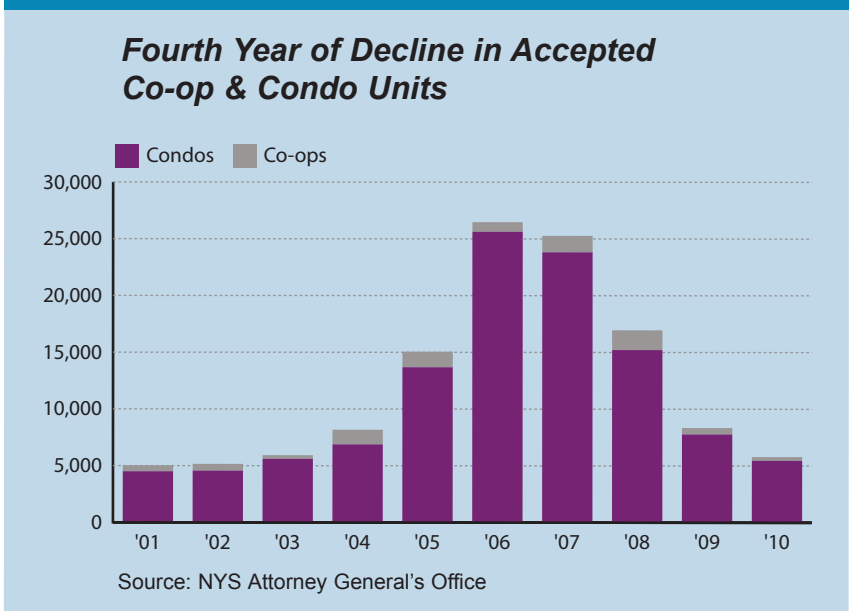
One indicator of conversions is the number of non-residential buildings newly receiving J-51 benefits for conversion to residential use. In 2010, 13 formerly non-residential buildings, containing 563 units, received J-51 benefits for conversion. Almost all were converted to co-op and condo units. This is fewer units than 2009, 855 units in formerly non-residential buildings converted using J-51 benefits, also mostly co-op/condo units. But while the number of non-residential units converting with J-51 benefits decreased in 2010, the number of non-residential units in downtown Manhattan that converted with the aid of 421-g benefits increased in 2010, up 176% to 433 units, 96% of which were rental units.[26]

Conversion of single room occupancy (SRO) buildings also continued over the past year. SRO owners may convert SRO housing to other uses after obtaining a "Certificate of No Harassment" from HPD. Certificates are down for the sixth consecutive year, falling to 107 in 2010, down from 117 in 2009, and more than 200 in each year from 2004-2006.[27] Efforts are also underway to ensure that SROs are used for permanent housing rather than as transient hotels. As of May 1, 2011, laws were newly passed strengthening the City's ability to crack down on housing being used illegally for transient occupancy. Transient occupancy is now clearly defined as stays of less than 30 days, and in just the first two weeks after passage of the new laws, 15 locations were issued fines and/or full or partial vacate orders.[28]

## Cooperative and Condominium Activity

Developers planning to build new co-op or condo buildings, and owners wishing to convert their rental buildings to co-ops or condos, must file plans with, and receive acceptance from, the New York State Attorney General's Office. In 2010, the Attorney

**Accepted Co-op and Condo Units, 2001-2010**



General accepted 260 co-op and condo plans, a 31.2% decrease from the number accepted in 2009. These 260 plans encompassed 5,787 housing units, 30.6% less than in 2009. This is the fourth straight year of decline in accepted co-op and condo plans (see graph on previous page). The vast majority of plans, 155, were accepted for buildings located in Brooklyn; 49 were located in Queens; 34 plans were accepted for Manhattan; Staten Island had 10 plans; and there were eight in the Bronx. Most units were located in Brooklyn (2,792), Queens (1,543) and Manhattan (1,041), with only a combined total of 352 units in the Bronx and Staten Island.[29] (See Appendices 4 and 5)

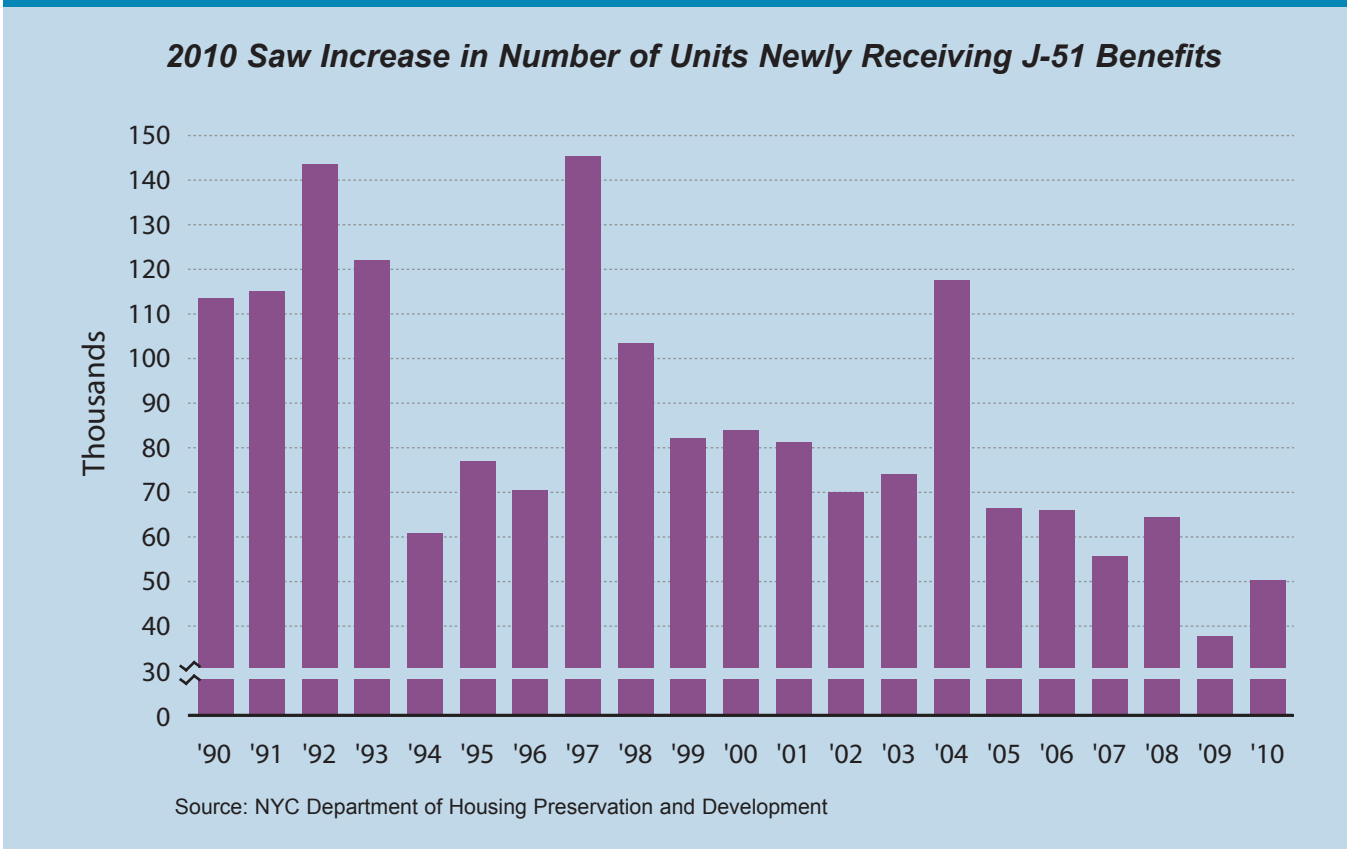
Almost all of the plans accepted citywide in 2010 were for new construction, comprising 236 of 260 plans, and a total of 4,916 of 5,787 units. This is similar to the prior year, when new construction accounted for 335 of the 378 accepted plans. In 2010, 20 plans and 812 units were non-eviction conversions. An additional four plans, containing 59 units, were eviction plan conversions, all sponsored by HPD.

While the conversion of rental housing into co-op and condo units increases the housing inventory for sale, it simultaneously reduces the total number of housing units for rent. Conversions represented 15.1% of the total number of units in 2010 co-op and condo plans. Conversions held in the 70-90% range for all of the 1980s, before beginning to fall in the 1990s. Because most conversion plans are non-eviction plans (including all private plans in 2010), only when the original rental tenant moves out, or opts to buy the apartment, does the apartment become owner-occupied and removed from the rental universe.

## Rehabilitation

Another method for adding (or keeping) residential units to the City's housing stock is through rehabilitation of old buildings. As buildings age, they must undergo renovation and rehabilitation to remain in habitable condition. This is particularly relevant to NYC's rental housing stock, of which almost 61% of

**Units Receiving Initial J-51 Benefits, 1990-2010, in Thousands**




Source: NYC Department of Housing Preservation and Development

units are in buildings constructed prior to 1946.[30] Through tax abatement and exemption subsidy programs offered by the City for rehabilitation, units are able to remain in, or be readmitted to, the City's housing stock. The J-51 tax abatement and exemption program is intended to encourage the periodic renovation of New York City's stock of both renter- and owner-occupied housing. Utilization rates of the benefit have varied widely over the years, with new benefits approved for more than 100,000 units in six of the 10 years of the 1990s, before failling to generally between 60,000-80,000 units in the 2000s.

The J-51 tax relief program is similar to the 421-a program in that it requires that those rental units not already rent stabilized be subject to rent regulation for the duration of the benefits. Apartment units in many high-rent neighborhoods are not allowed to enter the program because the apartment unit tax assessment generally cannot exceed $38,000-$40,000 after completion. Rehabilitation activities that are eligible for tax abatements and exemptions include Major Capital Improvements (MCIs), substantial rehabilitation, conversion from non-residential uses, and moderate rehabilitation, which requires significant improvement to at least one major building-wide system. Enriched exemption and abatement benefits are also available for conversion to Class A multiple dwellings (which are permanent residential dwellings) and rehabilitation of Class A buildings that are not entirely vacant.[31] In Fiscal Year 2011, the J-51 tax program will cost the City $256.7 million in lost tax revenue for all housing types, including almost 428,000 rental units.[32]

In 2010, 50,263 units newly received J-51 benefits, an increase of 32.7% from the previous year, but the second lowest level in the history of this report (see graph on previous page and Appendix 7). These units were contained in 1,332 buildings, an increase of 17.0% from 2009 levels. The location of the units newly receiving benefits ranged from 34.5% located in Queens; to 33.1% in the Bronx; 18.6% in Brooklyn; 13.5% in Manhattan; and 0.2% in Staten Island. The greatest increase in units receiving benefits was in the Bronx, which rose 178.9%, with units in Queens also rising substantially, by 49.3%. The other boroughs each saw declines in the number of units newly receiving benefits, including a decrease of 82.4% in Staten Island, 23.6% in Brooklyn, and 8.6% in Manhattan.[33] (See Appendices 6 and 7)

While J-51 is owner-initiated, a City-initiated program will also help rehabilitate NYC's housing stock. HPD earlier this year announced the creation of the "Proactive Preservation Initiative," which will seek to identify those buildings in need of rehabilitation, regardless of whether there are complaints from tenants in the building. HPD will work with other housing agencies and the City Council to identify distressed buildings that are actively declining and in danger of becoming blighted. Up to 250 of these types of buildings will be identified every six months, and HPD will decide how to best aid the buildings on a case-by-case basis, including help with physical rehabilitation and loans.[34]

## *Tax-Delinquent Property*

### *In Rem* Housing

For two decades, the City foreclosed on thousands of tax-delinquent residential properties, becoming the owner and manager of these buildings, known as *in rem* properties. By its peak in 1986, the city owned and managed 4,000 occupied buildings containing 40,000 units of housing and almost 6,000 buildings and 55,000 units of vacant housing (see Appendix 8). Most of these were dilapidated multi-family buildings occupied by a predominantly low-income population. To counter this trend, HPD developed multiple disposition programs over time to manage, rehabilitate and sell many of these *in rem* buildings. HPD's Alternative Management Programs began in 1994 with the goal of returning city-owned properties to private owners and stimulating neighborhood development. HPD has successfully reduced the number of occupied and vacant *in rem* units in central management to 719 through June 2010, a 98.4% decline since FY 1994.[35]

### Anti-Abandonment Strategies

The City has also been able to significantly reduce its share of *in rem* buildings by identifying buildings at risk and helping owners. Key initiatives to prevent

abandonment include the Third Party Transfer Program, which targets distressed and other buildings with tax arrears, and a Housing Education Program, which teaches owners and superintendents basic management, maintenance, and finance skills to improve their properties.[36]

Since the mid-1990s, the City has not taken title (i.e., vesting) of properties that are tax delinquent. Instead, the City has developed a comprehensive anti-abandonment strategy. First, tax liens for properties that are not distressed are sold in bulk to private investors. After the lien is sold, the lien holder is entitled to collect the entire lien amount, plus other interest and charges, from the property owner. In addition, the property owner must continue to pay current taxes to the City. If the owner has not paid the lien or entered into a payment plan, the lien holder can file for foreclosure on the property.[37]

An additional facet of the City's anti-abandonment strategy is third party transfer. For buildings that are distressed and in tax arrears, the City can initiate an *in rem* tax foreclosure action against property owners. The policy, authorized under Local Law 37 of 1996, transfers the title of *in rem* properties directly to new owners (qualified third parties) without the City ever taking title itself. The properties are temporarily transferred to Neighborhood Restore, a nonprofit corporation, and upon the judgment of the court, are transferred to a qualified third party.[38] Since it began in 1996, the program has collected $443 million in back taxes, and more than 400 buildings have been transferred to responsible for-profit and non-profit owners.[39]

Another anti-abandonment strategy involves the identification of buildings that are at risk of abandonment and helping these owners achieve fiscal and structural soundness for their properties through housing education, counseling, subsidized loans, and voluntary repair agreements, to preserve housing and avoid *in rem* actions entirely.

In a relatively new initiative, the City also plans to spend $750 million to rescue multi-family apartment buildings in financial and/or physical distress. The program aims to transfer distressed properties in foreclosure, in danger of foreclosure, or owned by HUD after a foreclosure, to pre-qualified developers and assist these new owners in making the building financial competitive, as well as physically sound.[40]

## Demolitions and Stalled Construction

While in the early 1990s relatively few residential buildings in New York City were demolished, this began to change in 1996, the same year that the number of building permits issued began to increase significantly. In fact, the number of buildings demolished between 2005 and 2007 alone was almost triple the number demolished in all the years from 1990 to 1999 combined. But for the fourth consecutive year, demolitions in New York City fell as compared to the prior year. A total of 1,116 buildings were demolished in 2010, a 31.4% decrease over the prior year, following an 39.3% decline in 2009. Queens accounted for 41.6% of all the buildings demolished in 2010, Brooklyn had 29.2%, Staten Island had 11.6%, the Bronx had 10.8%, and Manhattan had the lowest proportion, 6.8%. Demolitions fell in every borough, declining by 50.3% in Manhattan, 30.2% in Brooklyn, 30.0% in Queens, and 27.1% in both the Bronx and Staten Island.[41] (See Appendix 9)

Beginning in mid-July 2009, the NYC Dept. of Buildings began releasing a weekly "snapshot" of stalled construction sites throughout the City. Between July 21, 2009 and May 16, 2011, stalled construction sites grew from a low of 395 sites on July 26, 2009 to a high of 709 on November 7, 2010. Since that time, rates have slowly declined, with 667 stalled construction sites as of May 16, 2011 (the last time period studied). The bulk of these stalled sites are located in Brooklyn (46.0%), with significant shares also located in Queens (21.1%) and Manhattan (19.9%). Within Brooklyn, almost 40% of stalled construction sites are located in neighborhoods along the northern waterfront, in areas such as Williamsburg, Greenpoint, and DUMBO.[42]

## Conclusion

Housing permits increased, after falling precipitously during 2009, by 11.1%, while the number of

completed housing units also rose, by 8.2%. The City also continued to reduce its share of city-owned vacant and occupied housing units, seeing a 6.1% decline during the most recent fiscal year. The number of new units receiving 421-a tax benefits increased 27.8% in 2010, while J-51 tax abatements and exemptions also rose, by 32.7%. But for the fourth consecutive year there was also a decline in the number of units accepted in new or converted co-op and condo buildings, falling 30.6%. Rental housing availability remains tight, with a citywide vacancy rate of just 2.91% in 2008, and overcrowding remains a problem. Mayor Bloomberg's ten-year housing initiative has begun development/construction on more than 112,000 units, helping to reduce the affordable housing shortage. ❒

## Endnotes

1. The New York City Housing and Vacancy Survey (HVS) is done triennially, sponsored by the NYC Department of Housing Preservation and Development (HPD) and conducted by the U.S. Census Bureau.

2. The U.S. housing stock was comprised of 33% renter-occupied units, according to the 2008 American Community Survey, conducted by the U.S. Census Bureau. To calculate the ratio of renter-occupied units in New York City, staff did not include vacant units that are not for sale or for rent in the total number of housing units.

3. Other units include public housing, Mitchell-Lama, *In Rem*, HUD-regulated, Article 4 and Loft Board units.

4. Since the number of vacant units available for rent in Staten Island is small, and the HVS is a sample survey, the sampling error of the vacancy rate is likely to be large, and thus, the Census Bureau could not calculate an accurate vacancy rate.

5. U.S. Census Bureau web site. World Wide Web page <http://www.census.gov/const/www/permitsindex.html>.

6. NYC Dept. of City Planning data. Note that the data is continually updated and is subject to change, including data from prior years.

7. Beginning with the *2006 Housing Supply Report,* the RGB defines a housing completion as any unit receiving either a permanent or a temporary Certificate of Occupancy in the stated year. The Department of City Planning provided this information for the 2004 calendar year and beyond, and believes it is a more accurate representation of new housing in New York City than previous methodologies which only counted final Certificates of Occupancy.

8. Starts refer to the number of units beginning construction or rehabilitation in a given period.

9. Citywide Performance Reporting website: http://www.nyc.gov/html /ops/cpr/html/home/home.shtml; Accessed May 2011.

10. Mayor's Office Press Release. "Mayor Bloomberg Outlines Steps the City is Taking to Achieve Affordable Housing Goal of 165,000 Units to House 500,000 New Yorkers Despite Historic Economic Challenges." February 22, 2010.

11. "Budget Threatens 'Affordable' Goal." Eliot Brown, The *Wall Street Journal*, May 23, 2011.

12. "2010 New Housing Marketplace Plan." NYC Dept. of Housing Preservation and Development.

13. "Budget Threatens 'Affordable' Goal." Eliot Brown, The *Wall Street Journal*, May 23, 2011.

14. "Deal on Stalled Condo Project is First Under a City Program." *NY Times.* March 22, 2011.

15. Program information available at: http://nyc.gov/html/hpd/html/ developers/421a.shtml

16. NYS Senate Bill S2893-2011 and S5438-2011, among others.

17. NYC Department of Housing Preservation and Development, Tax Incentives Program data.

18. Data obtained from the NYC Dept. of Housing Preservation and Development, Inclusionary Housing/421a Affordable Housing Program. Each affordable housing unit financed or built under the Affordable Housing Program creates between four and six certificates for market rate housing.

19. "2007 Annual Report: Mitchell-Lama Housing Companies in NYS." NYS Division of Housing and Community Renewal. January 15, 2008 and updated with known buyouts.

20. The number of Mitchell-Lama buyouts were provided most recently through the NYC Dept. of Housing Preservation and Development and the NYS Division of Housing and Community Renewal, and in previous years through other sources, such as the report "Affordable No More: An Update" by the Office of the New York City Comptroller, Office of Policy Management on May 25, 2006.

21. "Albany Bars Rent Rise for Thousands." Manny Fernandez, *The New York Times*, November 26, 2007.

22. NYS Senate Bill S1010. Summary of all Mitchell-Lama Bills available at: http://www.save-ml.org/modules.php?name= News&file=article&sid=331

23. NYS Senate Bill S1309-2011. Summary of all Mitchell-Lama Bills available at: http://www.save-ml.org/modules.php?name= News&file=article&sid=331

24. NYS Assembly Bill A02456. Summary of all Mitchell-Lama Bills available at: http://www.save-ml.org/modules.php?name= News&file=article&sid=331

25. NYS Senate Bill S1005-2011. Summary of all Mitchell-Lama Bills available at: http://www.save-ml.org/modules.php?name= News&file=article&sid=331

26. NYC Department of Housing Preservation and Development, Tax Incentives Program data.

27. NYC Department of Housing Preservation and Development.

28. "Mayor Bloomberg Announces Results of Recent Crackdown on Dangerous Illegal Hotels." *Mayor's Office Press Release 157-11.* May 15, 2011.

29. NYS Attorney General's Office, Real Estate Financing Bureau data. and the NYC Dept. of Housing Preservation and Development, Sales Unit.

30. *2008 NYC Housing and Vacancy Survey*, U.S. Census Bureau.

31. Landlord Information/Tax Incentives: J-51, NYC Department of Housing Preservation and Development web site. http://www.nyc.gov/html/hpd/html/developers/j51.shtml.

32. "Annual Report on Tax Expenditures," NYC Dept. of Finance publication, February, 2011.

33. NYC Dept. of Housing Preservation and Development, Tax Incentives Program data. Note that, similar to the 421–a program, J-51 provides tax abatements and incentives to newly built renter- and owner-occupied units, which are included in the figures given in this report.

34. "Mayor Bloomberg, Speaker Quinn and Housing Commissioner Cestero Launch Proactive Housing Preservation Initiative." *HPD Press Release.* January 13, 2011.

35. NYC Dept. of Housing Preservation and Development..

36. NYC Department of Housing Preservation and Development website. http://www.nyc.gov/html/hpd/html/homeowners/tax.shtml.

37. NYC Department of Finance, General Information on the City's Tax Lien Sale Process. http://www.nyc.gov/html/dof/html/property/property_bill_taxlien.shtml#general.

38. "New York City Case Study: Third Party Transfer Initiative: A Solution To Property Abandonment," by Lisa Mueller, Local Initiative Support Corporation report, January 14, 2003. http://www.lisc.org/content/publications/detail/794/.

39. Most recent figures obtained from NYC Dept. of Housing Preservation and Development, May, 2011.

40. "HPD Commissioner Cestero Announces New Initiative to Rescue Severely Distressed Residential Buildings and Keep New Yorkers in Their Homes." *HPD Press Release.* June 17, 2010.

41. NYC Department of Buildings (DOB) data. Note that demolition statistics include both residential as well as commercial buildings, as the DOB does not specify the type of building in its data.

42. NYC Department of Buildings Snapshot Reports: http://www.nyc.gov/html/dob/html/guides/snapshot_report.shtml.

# Appendices

## 1. Permits Issued For Housing Units in New York City, 1960-2011

| Year | Bronx | Brooklyn | Manhattan | Queens | Staten Island | Total |
|---|---|---|---|---|---|---|
| 1960 | -- | -- | -- | -- | -- | **46,792** |
| 1961 | -- | -- | -- | -- | -- | **70,606** |
| 1962 | -- | -- | -- | -- | -- | **70,686** |
| 1963 | -- | -- | -- | -- | -- | **49,898** |
| 1964 | -- | -- | -- | -- | -- | **20,594** |
| 1965 | -- | -- | -- | -- | -- | **25,715** |
| 1966 | -- | -- | -- | -- | -- | **23,142** |
| 1967 | -- | -- | -- | -- | -- | **22,174** |
| 1968 | -- | -- | -- | -- | -- | **22,062** |
| 1969 | -- | -- | -- | -- | -- | **17,031** |
| 1970 | -- | -- | -- | -- | -- | **22,365** |
| 1971 | -- | -- | -- | -- | -- | **32,254** |
| 1972 | -- | -- | -- | -- | -- | **36,061** |
| 1973 | -- | -- | -- | -- | -- | **22,417** |
| 1974 | -- | -- | -- | -- | -- | **15,743** |
| 1975 | -- | -- | -- | -- | -- | **3,810** |
| 1976 | -- | -- | -- | -- | -- | **5,435** |
| 1977 | -- | -- | -- | -- | -- | **7,639** |
| 1978 | -- | -- | -- | -- | -- | **11,096** |
| 1979 | -- | -- | -- | -- | -- | **14,524** |
| 1980 | -- | -- | -- | -- | -- | **7,800** |
| 1981 | -- | -- | -- | -- | -- | **11,060** |
| 1982 | -- | -- | -- | -- | -- | **7,649** |
| 1983 | -- | -- | -- | -- | -- | **11,795** |
| 1984 | -- | -- | -- | -- | -- | **11,566** |
| 1985 | 1,263 | 1,068 | 12,079 | 2,211 | 3,711 | **20,332** |
| 1986 | 920 | 1,278 | 1,622 | 2,180 | 3,782 | **9,782** |
| 1987 | 931 | 1,650 | 3,811 | 3,182 | 4,190 | **13,764** |
| 1988 | 967 | 1,629 | 2,460 | 2,506 | 2,335 | **9,897** |
| 1989 | 1,643 | 1,775 | 2,986 | 2,339 | 2,803 | **11,546** |
| 1990 | 1,182 | 1,634 | 2,398 | 704 | 940 | **6,858** |
| 1991 | 1,093 | 1,024 | 756 | 602 | 1,224 | **4,699** |
| 1992 | 1,257 | 646 | 373 | 351 | 1,255 | **3,882** |
| 1993 | 1,293 | 1,015 | 1,150 | 530 | 1,185 | **5,173** |
| 1994 | 846 | 911 | 428 | 560 | 1,265 | **4,010** |
| 1995 | 853 | 943 | 1,129 | 738 | 1,472 | **5,135** |
| 1996 | 885 | 942 | 3,369 | 1,301 | 2,155 | **8,652** |
| 1997 | 1,161 | 1,063 | 3,762 | 1,144 | 1,857 | **8,987** |
| 1998 | 1,309 | 1,787 | 3,823 | 1,446 | 2,022 | **10,387** |
| 1999 | 1,153 | 2,894 | 3,791 | 2,169 | 2,414 | **12,421** |
| 2000 | 1,646 | 2,904 | 5,110 | 2,723 | 2,667 | **15,050** |
| 2001 | 2,216 | 2,973 | 6,109 | 3,264 | 2,294 | **16,856** |
| 2002 | 2,626 | 5,247 | 5,407 | 3,464 | 1,756 | **18,500** |
| 2003 | 2,935 | 6,054 | 5,232 | 4,399 | 2,598 | **21,218** |
| 2004 | 4,924 | 6,825 | 4,555 | 6,853 | 2,051 | **25,208** |
| 2005 | 4,937 | 9,028 | 8,493 | 7,269 | 1,872 | **31,599** |
| 2006 | 4,658 | 9,191 | 8,790 | 7,252 | 1,036 | **30,927** |
| 2007 | 3,088 | 10,930 | 9,520 | 7,625 | 739 | **31,902** |
| 2008 | 2,482 | 12,744 | 9,700 | 7,730 | 1,255 | **33,911** |
| 2009 | 1,647 | 1,003 | 1,363 | 1,474 | 570 | **6,057** |
| **2010** | **1,064** | **2,093** | **704** | **2,358** | **508** | **6,727** |
| 2011 (1st Qtr)Ω | 205 (56) | 291 (175) | 146 (326) | 411 (249) | 88 (199) | **1,141 (1,005)** |

Ω First three months of 2011. The number of permits issued in the first three months of 2010 is in parenthesis.

Source: U.S. Bureau of the Census, Manufacturing and Construction Division, Building Permits Branch.

## 2. Permits Issued by Building Size & Borough (In Percentages), 2002-2010

| Year/Borough | 1-Family | 2-Family | 3/4 Family | 5 or More-Family | Total Buildings |
|---|---|---|---|---|---|
| 2002 | | | | | |
| Bronx | 2.7% | 57.4% | 35.4% | 4.6% | 676 |
| Brooklyn | 15.8% | 41.9% | 27.5% | 14.8% | 1,197 |
| Manhattan | 4.1% | 4.1% | 24.3% | 67.6% | 74 |
| Queens | 17.7% | 53.8% | 23.8% | 4.7% | 1,210 |
| Staten Island | 69.3% | 29.4% | 1.1% | 0.2% | 1,317 |
| *Citywide* | *29.9%* | *43.2%* | *19.9%* | *7.1%* | *4,474* |
| 2003 | | | | | |
| Bronx | 9.2% | 50.3% | 30.5% | 9.9% | 596 |
| Brooklyn | 8.2% | 46.1% | 31.5% | 14.2% | 1,446 |
| Manhattan | 1.3% | 8.8% | 2.5% | 87.5% | 80 |
| Queens | 12.1% | 54.2% | 28.6% | 5.2% | 1,335 |
| Staten Island | 64.8% | 34.6% | 0.5% | 0.1% | 1,887 |
| *Citywide* | *29.1%* | *44.0%* | *19.3%* | *7.6%* | *5,344* |
| 2004 | | | | | |
| Bronx | 4.1% | 40.2% | 46.9% | 8.9% | 813 |
| Brooklyn | 8.0% | 31.3% | 43.6% | 17.1% | 1,407 |
| Manhattan | 1.1% | 3.3% | 16.7% | 78.9% | 90 |
| Queens | 13.3% | 55.5% | 25.9% | 5.2% | 1,986 |
| Staten Island | 46.2% | 53.3% | 0.2% | 0.3% | 1,308 |
| *Citywide* | *18.1%* | *45.9%* | *27.3%* | *8.7%* | *5,604* |
| 2005 | | | | | |
| Bronx | 3.5% | 29.9% | 54.9% | 11.6% | 825 |
| Brooklyn | 6.4% | 28.3% | 45.3% | 20.0% | 1,638 |
| Manhattan | 2.6% | 0.9% | 6.1% | 90.4% | 115 |
| Queens | 17.5% | 47.5% | 27.1% | 7.8% | 1,912 |
| Staten Island | 63.9% | 34.6% | 1.0% | 0.5% | 1,297 |
| *Citywide* | *22.5%* | *35.8%* | *30.0%* | *11.8%* | *5,787* |
| 2006 | | | | | |
| Bronx | 7.7% | 33.6% | 51.4% | 7.3% | 959 |
| Brooklyn | 8.1% | 23.2% | 45.7% | 23.0% | 1,389 |
| Manhattan | 1.8% | 3.5% | 5.3% | 89.4% | 113 |
| Queens | 14.3% | 49.7% | 29.0% | 7.1% | 2,014 |
| Staten Island | 62.7% | 36.2% | 0.0% | 1.1% | 697 |
| *Citywide* | *17.7%* | *36.7%* | *33.2%* | *12.4%* | *5,172* |
| 2007 | | | | | |
| Bronx | 6.8% | 43.7% | 41.7% | 7.8% | 643 |
| Brooklyn | 0.0% | 18.3% | 51.7% | 30.0% | 1,079 |
| Manhattan | 5.0% | 1.7% | 5.8% | 87.6% | 121 |
| Queens | 17.1% | 53.1% | 21.3% | 8.6% | 1,562 |
| Staten Island | 60.7% | 38.6% | 0.2% | 0.6% | 511 |
| *Citywide* | *16.0%* | *38.5%* | *29.8%* | *15.8%* | *3,916* |
| 2008 | | | | | |
| Bronx | 43.4% | 17.7% | 23.1% | 15.8% | 373 |
| Brooklyn | 0.0% | 25.0% | 18.7% | 56.3% | 787 |
| Manhattan | 2.0% | 0.0% | 0.0% | 98.0% | 152 |
| Queens | 18.5% | 42.3% | 14.8% | 24.4% | 755 |
| Staten Island | 50.4% | 40.1% | 0.5% | 9.0% | 367 |
| *Citywide* | *20.1%* | *30.0%* | *14.3%* | *35.7%* | *2,434* |
| 2009 | | | | | |
| Bronx | 38.1% | 14.4% | 20.6% | 26.9% | 160 |
| Brooklyn | 0.8% | 28.2% | 38.9% | 32.1% | 131 |
| Manhattan | 0.0% | 0.0% | 11.8% | 88.2% | 34 |
| Queens | 29.7% | 43.3% | 16.0% | 11.0% | 418 |
| Staten Island | 48.0% | 49.8% | 0.0% | 2.2% | 271 |
| *Citywide* | *31.2%* | *37.1%* | *15.3%* | *16.5%* | *1,014* |
| **2010** | | | | | |
| **Bronx** | **9.2%** | **38.5%** | **23.1%** | **29.2%** | **65** |
| **Brooklyn** | **3.6%** | **31.4%** | **27.9%** | **37.1%** | **140** |
| **Manhattan** | **0.0%** | **18.2%** | **9.1%** | **72.7%** | **11** |
| **Queens** | **12.4%** | **67.2%** | **11.2%** | **9.2%** | **509** |
| **Staten Island** | **71.9%** | **27.2%** | **0.6%** | **0.3%** | **349** |
| ***Citywide*** | ***30.3%*** | ***47.3%*** | ***10.6%*** | ***11.8%*** | ***1,074*** |

Source: U.S. Bureau of the Census, Manufacturing and Construction Division, Building Permits Branch.

# 3. New Dwelling Units Completed in New York City, 1960-2010

| Year | Bronx | Brooklyn | Manhattan | Queens | Staten Island | Total |
|---|---|---|---|---|---|---|
| 1960 | 4,970 | 9,860 | 5,018 | 14,108 | 1,292 | **35,248** |
| 1961 | 4,424 | 8,380 | 10,539 | 10,632 | 1,152 | **35,127** |
| 1962 | 6,458 | 10,595 | 12,094 | 15,480 | 2,677 | **47,304** |
| 1963 | 8,780 | 12,264 | 19,398 | 17,166 | 2,423 | **60,031** |
| 1964 | 9,503 | 13,555 | 15,833 | 10,846 | 2,182 | **51,919** |
| 1965 | 6,247 | 10,084 | 14,699 | 16,103 | 2,319 | **49,452** |
| 1966 | 7,174 | 6,926 | 8,854 | 6,935 | 2,242 | **32,131** |
| 1967 | 4,038 | 3,195 | 7,108 | 5,626 | 3,069 | **23,036** |
| 1968 | 3,138 | 4,158 | 2,707 | 4,209 | 3,030 | **17,242** |
| 1969 | 1,313 | 2,371 | 6,570 | 3,447 | 3,768 | **17,469** |
| 1970 | 1,652 | 1,695 | 3,155 | 4,230 | 3,602 | **14,334** |
| 1971 | 7,169 | 2,102 | 4,708 | 2,576 | 2,909 | **19,464** |
| 1972 | 11,923 | 2,593 | 1,931 | 3,021 | 3,199 | **22,667** |
| 1973 | 6,294 | 4,340 | 2,918 | 3,415 | 3,969 | **20,936** |
| 1974 | 3,380 | 4,379 | 6,418 | 3,406 | 2,756 | **20,339** |
| 1975 | 4,469 | 3,084 | 9,171 | 2,146 | 2,524 | **21,394** |
| 1976 | 1,373 | 10,782 | 6,760 | 3,364 | 1,638 | **23,917** |
| 1977 | 721 | 3,621 | 2,547 | 1,350 | 1,984 | **10,223** |
| 1978 | 464 | 345 | 3,845 | 697 | 1,717 | **7,068** |
| 1979 | 405 | 1,566 | 4,060 | 1,042 | 2,642 | **9,715** |
| 1980 | 1,709 | 708 | 3,306 | 783 | 2,380 | **8,886** |
| 1981 | 396 | 454 | 4,416 | 1,152 | 2,316 | **8,734** |
| 1982 | 997 | 332 | 1,812 | 2,451 | 1,657 | **7,249** |
| 1983 | 757 | 1,526 | 2,558 | 2,926 | 1,254 | **9,021** |
| 1984 | 242 | 1,975 | 3,500 | 2,291 | 2,277 | **10,285** |
| 1985 | 557 | 1,301 | 1,739 | 1,871 | 1,939 | **7,407** |
| 1986 | 968 | 2,398 | 4,266 | 1,776 | 2,715 | **12,123** |
| 1987 | 1,177 | 1,735 | 4,197 | 2,347 | 3,301 | **12,757** |
| 1988 | 1,248 | 1,631 | 5,548 | 2,100 | 2,693 | **13,220** |
| 1989 | 847 | 2,098 | 5,979 | 3,560 | 2,201 | **14,685** |
| 1990 | 872 | 929 | 7,260 | 2,327 | 1,384 | **12,772** |
| 1991 | 656 | 764 | 2,608 | 1,956 | 1,627 | **7,611** |
| 1992 | 802 | 1,337 | 3,750 | 1,498 | 1,136 | **8,523** |
| 1993 | 886 | 616 | 1,810 | 801 | 1,466 | **5,579** |
| 1994 | 891 | 1,035 | 1,927 | 1,527 | 1,573 | **6,953** |
| 1995 | 1,166 | 1,647 | 2,798 | 1,013 | 1,268 | **7,892** |
| 1996 | 1,075 | 1,583 | 1,582 | 1,152 | 1,726 | **7,118** |
| 1997 | 1,391 | 1,369 | 816 | 1,578 | 1,791 | **6,945** |
| 1998 | 575 | 1,333 | 5,175 | 1,263 | 1,751 | **10,097** |
| 1999 | 1,228 | 1,025 | 2,341 | 2,119 | 2,264 | **8,977** |
| 2000 | 1,385 | 1,353 | 6,064 | 2,096 | 1,896 | **12,794** |
| 2001 | 1,617 | 2,404 | 6,036 | 1,225 | 2,198 | **13,480** |
| 2002 | 1,220 | 2,248 | 8,326 | 1,981 | 2,453 | **16,228** |
| 2003 | 1,473 | 2,575 | 3,798 | 2,344 | 2,589 | **12,779** |
| 2004 π | 3,326 | 4,512 | 6,150 | 3,087 | 2,291 | **19,366** |
| 2005 π | 3,012 | 5,007 | 5,006 | 4,526 | 1,942 | **19,493** |
| 2006 π | 4,311 | 6,418 | 5,199 | 5,940 | 1,900 | **23,768** |
| 2007 π | 4,445 | 7,073 | 7,521 | 5,940 | 1,450 | **26,429** |
| 2008 π | 4,241 | 7,306 | 6,141 | 5,672 | 1,021 | **24,381** |
| 2009 π | 2,970 | 7,653 | 5,406 | 5,313 | 887 | **22,229** |
| **2010 π** | **3,950** | **7,181** | **7,801** | **4,401** | **714** | **24,047** |

Note: Dwelling unit count is based on the number of Certificates of Occupancy issued by NYC Department of Buildings, or equivalent action by the Empire State Development Corporation or NYS Dormitory Authority. Prior year's data may be adjusted and may not match prior reports.

π Data from 2004-2010 now includes Final Certificates of Occupancy (as with all other years) as well as Temporary Certificates of Occupancy data for the first time. Data will be updated every year to reflect the most current estimates.

Source: New York City Department of City Planning, Certificates of Occupancy issued in Newly Constructed Buildings.

## 4. Number of Residential Co-op and Condo Plans Accepted for Filing By the NYS Attorney General's Office, 2005-2010

| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
|---|---|---|---|---|---|---|
| | Plans (Units) | Plans (Units) | Plans (Units) | Plans (Units) | Plans (Units) | Plans (Units) |
| Private Plans | | | | | | |
| New Construction | 361 (12,210) | 644 (19,780) | 573 (19,511) | 454 (13,998) | 335 (7,270) | 236 (4,916) |
| Rehabilitation | 6 (223) | 0 | 8 (71) | 4 (130) | 1 (73) | 0 |
| Conversion (Non-Eviction) | 24 (2,356) | 53 (6,331) | 66 (5,441) | 50 (2,582) | 29 (725) | 20 (812) |
| Conversion (Eviction) | 0 | 0 | 0 | 0 | 0 | 0 |
| **Private Total** | **391 (14,789)** | **697 (26,201)** | **647 (25,023)** | **508 (16,710)** | **364 (8,068)** | **256 (5,728)** |
| | Plans (Units) | Plans (Units) | Plans (Units) | Plans (Units) | Plans (Units) | Plans (Units) |
| HPD Sponsored Plans | | | | | | |
| New Construction | 0 | 0 | 0 | 0 | 0 | 0 |
| Rehabilitation | 0 | 0 | 0 | 0 | 0 | 0 |
| Conversion (Non-Eviction) | 0 | 0 | 0 | 0 | 0 | 0 |
| Conversion (Eviction) | 18 (269) | 13 (273) | 16 (248) | 18 (241 | 13 (274 | 4 (59) |
| **HPD Total** | **18 (269)** | **13 (273)** | **16 (248)** | **18 (241)** | **13 (274)** | **4 (59)** |
| **Grand Total** | **409 (15,058)** | **710 (26,474)** | **663 (25,271)** | **526 (16,951)** | **378 (8,342)** | **260 (5,787)** |

Note: Figures exclude "Homeowner" and "Commercial" plans/units.
Source: New York State Attorney General's Office, Real Estate Financing Bureau.

## 5. Number of Units in Co-op and Condo Plans Accepted for Filing By the NYS Attorney General's Office, 1983-2010

| Year | New Construction | Conversion Eviction | Conversion Non-Eviction | Rehabilitation | **Total New Construction Conversion & Rehab** | Units in HPD Sponsored Plans |
|---|---|---|---|---|---|---|
| 1983 | 4,865 | 18,009 | 19,678 | -- | **42,552** | 906 |
| 1984 | 4,663 | 7,432 | 25,873 | -- | **37,968** | 519 |
| 1985 | 9,391 | 2,276 | 30,277 | -- | **41,944** | 935 |
| 1986 | 11,684 | 687 | 39,874 | -- | **52,245** | 195 |
| 1987 | 8,460 | 1,064 | 35,574 | -- | **45,098** | 1,175 |
| 1988 | 9,899 | 1,006 | 32,283 | -- | **43,188** | 1,159 |
| 1989 | 6,153 | 137 | 25,459 | -- | **31,749** | 945 |
| 1990 | 4,203 | 364 | 14,640 | -- | **19,207** | 1,175 |
| 1991 | 1,111 | 173 | 1,757 | -- | **3,041** | 2,459 |
| 1992 | 793 | 0 | 566 | -- | **1,359** | 1,674 |
| 1993 | 775 | 41 | 134 | -- | **950** | 455 |
| 1994 | 393 | 283 | 176 | 807 | **1,659** | 901 |
| 1995 | 614 | 426 | 201 | 1,258 | **2,499** | 935 |
| 1996 | 21 | 0 | 149 | 271 | **441** | 0 |
| 1997 | 1,417 | 26 | 131 | 852 | **2,426** | 533 |
| 1998 | 3,225 | 0 | 386 | 826 | **4,437** | 190 |
| 1999 | 1,123 | 343 | 359 | 1,029 | **2,854** | 295 |
| 2000 | 1,911 | 203 | 738 | 220 | **3,072** | 179 |
| 2001 | 3,833 | 22 | 1,053 | 124 | **5,032** | 22 |
| 2002 | 2,576 | 260 | 1,974 | 348 | **5,158** | 260 |
| 2003 | 4,870 | 0 | 639 | 418 | **5,927** | 0 |
| 2004 | 6,018 | 274 | 1,550 | 334 | **8,176** | 274 |
| 2005 | 12,210 | 269 | 2,356 | 223 | **15,058** | 269 |
| 2006 | 19,870 | 273 | 6,331 | 0 | **26,474** | 273 |
| 2007 | 19,511 | 248 | 5,441 | 71 | **25,271** | 248 |
| 2008 | 13,998 | 241 | 2,582 | 130 | **16,951** | 241 |
| 2009 | 7,270 | 274 | 725 | 73 | **8,342** | 274 |
| **2010** | **4,916** | **59** | **812** | **0** | **5,787** | **59** |

Note: Rehabilitated units were tabulated separately beginning in 1994. HPD Plans are a subset of all plans. Some numbers were revised from prior years.

Source: New York State Attorney General's Office, Real Estate Financing Bureau.

# 6. Tax Incentive Programs, 2008-2010

### Buildings Receiving Certificates for 421-a Exemptions, 2008-2010

| | 2008 | | 2009 | | 2010 | |
|---|---|---|---|---|---|---|
| | Certificates | Units | Certificates | Units | Certificates | Units |
| Bronx | 34 | 1,521 | 27 | 793 | 32 | 1,134 |
| Brooklyn | 55 | 1,241 | 59 | 820 | 84 | 1,133 |
| Manhattan | 26 | 1,237 | 27 | 2,090 | 22 | 2,020 |
| Queens | 49 | 516 | 54 | 813 | 93 | 1,580 |
| Staten Island | 1 | 6 | 3 | 97 | 3 | 28 |
| **TOTAL** | **165** | **4,521** | **170** | **4,613** | **234** | **5,895** |

### Buildings Receiving J-51 Tax Abatements and Exemptions, 2008-2010

| | 2008 | | | 2009 | | | 2010 | | |
|---|---|---|---|---|---|---|---|---|---|
| | Buildings | Units | Certified Cost ($1,000s) | Buildings | Units | Certified Cost ($1,000s) | Buildings | Units | Certified Cost ($1,000s) |
| Bronx | 148 | 7,767 | 18,203 | 134 | 5,973 | 14,615 | 198 | 16,661 | 20,545 |
| Brooklyn | 312 | 14,858 | 29,858 | 269 | 12,209 | 26,742 | 320 | 9,333 | 27,945 |
| Manhattan | 369 | 26,110 | 26,720 | 125 | 7,443 | 14,613 | 173 | 6,806 | 28,739 |
| Queens | 441 | 15,340 | 10,193 | 607 | 11,621 | 10,261 | 640 | 17,354 | 15,113 |
| Staten Island | 91 | 403 | 805 | 3 | 621 | 122 | 1 | 109 | 215 |
| **TOTAL** | **1,361** | **64,478** | **85,779** | **1,138** | **37,867** | **66,353** | **1,332** | **50,263** | **92,557** |

Source: New York City Department of Housing Preservation and Development, Office of Development, Tax Incentive Programs.

# 7. Tax Incentive Programs – Units Receiving Initial Benefits, 1981-2010

| Year | 421-a | J-51 | Year | 421-a | J-51 |
|---|---|---|---|---|---|
| 1981 | 3,505 | -- | 1996 | 1,085 | 70,431 |
| 1982 | 3,620 | -- | 1997 | 2,099 | 145,316 |
| 1983 | 2,088 | -- | 1998 | 2,118 | 103,527 |
| 1984 | 5,820 | -- | 1999 | 6,123 | 82,121 |
| 1985 | 5,478 | -- | 2000 | 2,828 | 83,925 |
| 1986 | 8,569 | -- | 2001 | 4,870 | 81,321 |
| 1987 | 8,286 | -- | 2002 | 4,953 | 70,145 |
| 1988 | 10,079 | 109,367 | 2003 | 3,782 | 74,005 |
| 1989 | 5,342 | 64,392 | 2004 | 6,738 | 117,503 |
| 1990 | 980 | 113,009 | 2005 | 5,062 | 66,370 |
| 1991 | 3,323 | 115,031 | 2006 | 3,875 | 66,010 |
| 1992 | 2,650 | 143,593 | 2007 | 4,212 | 55,681 |
| 1993 | 914 | 122,000 | 2008 | 4,521 | 64,478 |
| 1994 | 627 | 60,874 | 2009 | 4,613 | 37,867 |
| 1995 | 2,284 | 77,072 | **2010** | **5,895** | **50,263** |

Source: New York City Department of Housing Preservation and Development, Office of Development, Tax Incentive Programs.

## 8. City-Owned Properties, Fiscal Years 1987-2008

| | Central Management | | | | Alternative Management | | Vestings | | Buildings Sold |
|---|---|---|---|---|---|---|---|---|---|
| Fiscal Year | Occupied Units | Occupied Buildings | Vacant Units | Vacant Buildings | Units | Buildings | Units | Buildings | Buildings |
| 1987 | 38,201 | 4,042 | 48,987 | 4,638 | 13,723 | 587 | - | - | 621 |
| 1988 | 37,355 | 3,628 | 37,734 | 3,972 | 14,494 | 624 | -- | -- | 58 + |
| 1989 | 32,377 | 3,359 | 45,724 | 3,542 | 17,621 | 780 | -- | -- | 72 |
| 1990 | 33,851 | 3,303 | 37,951 | 3,110 | 14,800 | 705 | 3,323 | 292 | 112 |
| 1991 | 32,783 | 3,234 | 30,534 | 2,796 | 12,695 | 615 | 2,288 | 273 | 140 |
| 1992 | 32,801 | 3,206 | 22,854 | 2,368 | -- | -- | 1,462 | 197 | -- |
| 1993 | 32,078 | 3,098 | 17,265 | 2,085 | 9,237 | 470 | 2,455 | 211 | 162 |
| 1994 | 30,358 | 2,992 | 13,675 | 1,763 | 8,606 | 436 | 715 | 69 | 81 |
| 1995 | 27,922 | 2,885 | 11,190 | 1,521 | 7,903 | 433 | 240 | 17 | 170 |
| 1996 | 24,503 | 2,684 | 9,971 | 1,349 | 6,915 | 393 | 49 | 2 | 386 |
| 1997 | 22,298 | 2,484 | 8,177 | 1,139 | 5,380 | 289 | 0 | 0 | 253 |
| 1998 | 19,084 | 2,232 | 7,511 | 1,021 | 6,086 | 305 | 0 | 0 | 206 |
| 1999 | 15,333 | 1,905 | 6,664 | 869 | 6,640 | 401 | 0 | 0 | 251 |
| 2000 | 13,613 | 1,730 | 6,295 | 805 | 6,282 | 382 | 0 | 0 | 136 |
| 2001 | 8,299 | 1,203 | 4,979 | 633 | 7,973 | 504 | 0 | 0 | 321 |
| 2002 | 5,715 | 919 | 3,762 | 524 | 7,756 | 477 | 0 | 0 | 302 |
| 2003 | 4,049 | 610 | 2,370 | 367 | 7,064 | 441 | 0 | 0 | 184 |
| 2004 | 1,970 | 373 | 1,806 | 275 | 7,348 | 466 | 0 | 0 | 217 |
| 2005 | 1,114 | 235 | 1,294 | 221 | 6,516 | 451 | 0 | 0 | 169 |
| 2006 | 727 | 175 | 826 | 155 | 5,582 | 373 | 0 | 0 | 171 |
| 2007 | 466 | 133 | 517 | 92 | 5,039 | 316 | 0 | 0 | 105 |
| 2008 | 415 | 115 | 415 | 75 | 4,242 | 259 | 0 | 0 | 66 |

Note: HPD could not confirm vestings data prior to FY 1990. Complete data from 2009 onwards is not available and is thus not included in this table.
Source: NYC Department of Housing Preservation and Development.

## 9. Building Demolitions in New York City, 1989-2010

| | Bronx | | Brooklyn | | Manhattan | | Queens | | Staten Island | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Year | 5+ Units | Total | 5+ Units | Total | 5+ Units | Total | 5+ Units | Total | 5+ Units | Total | **5+ Units** | **Total** |
| 1989 | 6 | 48 | 8 | 160 | 20 | 38 | 3 | 219 | 0 | 109 | **37** | **574** |
| 1990 | 4 | 29 | 3 | 133 | 20 | 28 | 5 | 119 | 0 | 71 | **32** | **380** |
| 1991 | 10 | 33 | 15 | 95 | 9 | 14 | 1 | 68 | 0 | 32 | **35** | **242** |
| 1992 | 12 | 51 | 6 | 63 | 2 | 5 | 1 | 41 | 0 | 33 | **21** | **193** |
| 1993 | 0 | 17 | 4 | 94 | 0 | 1 | 3 | 51 | 0 | 5 | **7** | **168** |
| 1994 | 3 | 14 | 4 | 83 | 5 | 5 | 2 | 42 | 0 | 8 | **14** | **152** |
| 1995 | 2 | 18 | 0 | 81 | 0 | 0 | 2 | 37 | 0 | 17 | **4** | **153** |
| 1996 | -- | 30 | -- | 123 | -- | 25 | -- | 118 | -- | 84 | **--** | **380** |
| 1997 | -- | 29 | -- | 127 | -- | 51 | -- | 168 | -- | 119 | **--** | **494** |
| 1998 | -- | 71 | -- | 226 | -- | 103 | -- | 275 | -- | 164 | **--** | **839** |
| 1999 | -- | 67 | -- | 211 | -- | 53 | -- | 227 | -- | 159 | **--** | **717** |
| 2000 | -- | 64 | -- | 499 | -- | 101 | -- | 529 | -- | 307 | **--** | **1,500** |
| 2001 | -- | 96 | -- | 421 | -- | 160 | -- | 519 | -- | 291 | **--** | **1,487** |
| 2002 | -- | 126 | -- | 500 | -- | 89 | -- | 600 | -- | 456 | **--** | **1,771** |
| 2003 | -- | 161 | -- | 560 | -- | 100 | -- | 865 | -- | 564 | **--** | **2,250** |
| 2004 | -- | 238 | -- | 691 | -- | 141 | -- | 1128 | -- | 547 | **--** | **2,745** |
| 2005 | -- | 245 | -- | 1,080 | -- | 145 | -- | 1,545 | -- | 477 | **--** | **3,492** |
| 2006 | -- | 334 | -- | 1,109 | -- | 259 | -- | 1,485 | -- | 381 | **--** | **3,568** |
| 2007 | -- | 302 | -- | 984 | -- | 282 | -- | 1,407 | -- | 308 | **--** | **3,283** |
| 2008 | -- | 206 | -- | 925 | -- | 252 | -- | 1,082 | -- | 215 | -- | **2,680** |
| 2009 | -- | 166 | -- | 467 | -- | 153 | -- | 663 | -- | 177 | **--** | **1,626** |
| **2010** | **--** | **121** | **--** | **326** | **--** | **76** | **--** | **464** | **--** | **129** | **--** | **1,116** |

Note: The Census Bureau discontinued collecting demolition statistics in December, 1995. The New York City Department of Buildings began supplying the total number of buildings demolished from 1996 forward, and cannot specify whether buildings are residential, nor if they have 5+ units. Demolition statistics from 1985 though 1995 are solely residential buildings.

Source: U.S. Bureau of the Census, Manufacturing and Construction Division, Building Permits Branch; New York City Department of Buildings.