The Rent Guidelines Board

1998 Housing Supply Report

June 2, 1998

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Introduction

The New York City housing industry continues to grow—with almost 9,000 permits issued for new residential construction in 1997—a 4% increase from the previous year. However, there may be a leveling off next year as the number of permits issued in the first three months of 1998 is 27% lower than for the same period last year. This potential slowdown may contribute to a serious shortage in affordable housing, especially with the decline in public-sector housing investment at the federal, state, and local levels.

However, one characteristic of housing growth in 1997 was the enormous surge in the participation of developers and owners in tax exemption and abatement programs. Specifically, 1997 witnessed a 93% growth in the number of units receiving 421-a tax abatements certificates and a 106% increase in units that received J-51 tax incentives for rehabilitation. This trend in tax-benefit housing development may increase the number of units subject to rent regulation since these units automatically become rent stabilized during their exemption/abatement period. The City has also helped co-operative and condominium owners maintain their properties by providing three-year tax abatements of $10 million for 261,000 units in FY97 and $91 million for 272,000 units in FY98.

New York City's Housing Inventory

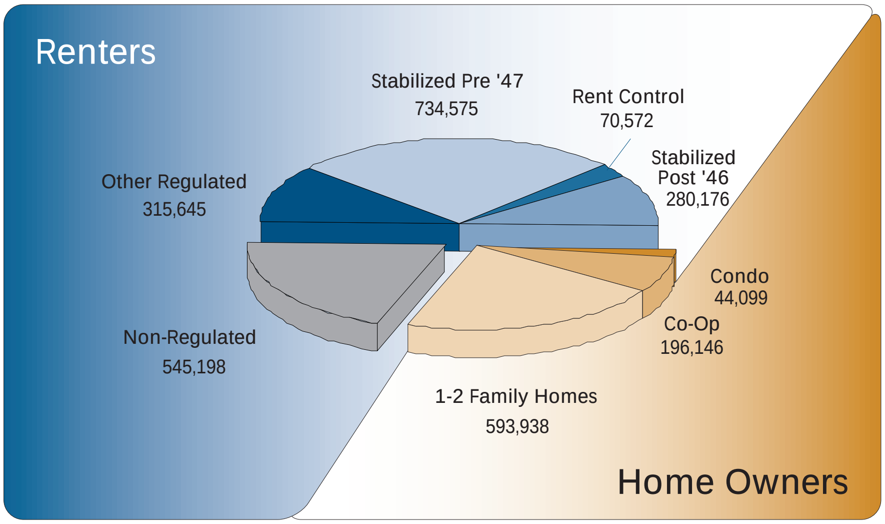
New York is a city of renters, according to the 1996 Housing and Vacancy Survey. Of the 2,780,349 occupied units in New York City, only 30% are owner-occupied, far below the national average. The high number of co-operatives and condominiums in the owner-occupied pool also differentiates New York City from the rest of the country where conventional one and two family homes are usually the norm. In New York, these alternative forms of home ownership account for 29% (240,245) of owner occupied dwellings, which is a slight increase from the 1993 HVS.[1]

While the percent of renter-occupied households relative to all occupied dwellings declined slightly from 71% in 1993 to 70% in 1996, New York City still has to focus much of its housing policy on the rental market due to the size and mobilizing potential of the renter population (as evidenced by the rent regulation wars of last year). Of the 1,946,165 occupied rental units reported on in the HVS, only 28% were unregulated. The other 72% is comprised of rent controlled (4%), rent stabilized (52%), public housing (8%) and various other regulated units (8%). Even though the vacancy rate in New York City has risen from 3.44% in 1993 to 4.01% in 1996, it still falls below the required rate of 5% which is needed to end rent regulations.

What's New

- ✔ Almost 9,000 new dwellings were approved for construction in 1997, a slight increase over 1996. However, fewer permits were issued in the first three months of 1998 than the same period last year.
- ✔ New apartments receiving 421-a exemptions in 1997, 2,099, nearly doubled last years figure, though still a fraction of the level common in the late 1980s. A total of 42,000 apartments currently benefit from 421-a, one-third of which are rental dwellings.
- ✔ An additional 145,000 dwellings obtained J-51 tax benefits in 1997, double the number of rehabilitated residences coming into the program in 1996.
- ✔ Cooperative and Condominium construction and conversion plans submitted to the NYS Attorney General's Office increased by about 12%.

New York City's Housing Stock is Predominantly Renter-Occupied



Source: U.S. Bureau of the Census, 1996 New York City Housing & Vacancy Survey.

VACANT AVAILABLE RENTALS

	1993	1996	Change
Total	70,345	81,256	+10,911
Controlled	NA	NA	NA
Stabilized	34,071	37,549	+3,478
Pre-1947	27,534	29,381	+1,847
Post-1946	6,537	8,168	+1,631
Mitchell Lama	2,539	3,500	+961
Public Hsg.	1,801	6,450	+4,649
Other	31,934	33,758	+1,824
Vacancy Rate			
All Rental	3.44%	4.01%	+17%
Public Hsg.	1.03%	3.75%	+264%
Excl. PH	3.66%	4.03%	+10%

NA: Once a rent controlled unit becomes vacant it typically reverts to rent stabilization.

Source: 1993 and 1996 New York City Housing and Vacancy Surveys.

The total number of rent stabilized units increased by 40,000 to 1,052,300 units from 1993 to 1996. Since newly constructed housing is exempt from rent regulations, any additions to this category can be attributed to several occurrences. Units that were once rent controlled and are vacated, will fall under stabilization laws. Also, rehabilitated and newly constructed units that participate in tax abatement and exemption programs will be subject to rent regulations. While the number of stabilized units has increased, changes to the rent regulations laws in 1997 may have an unpredictable impact on this trend.

Changes in the Housing Inventory

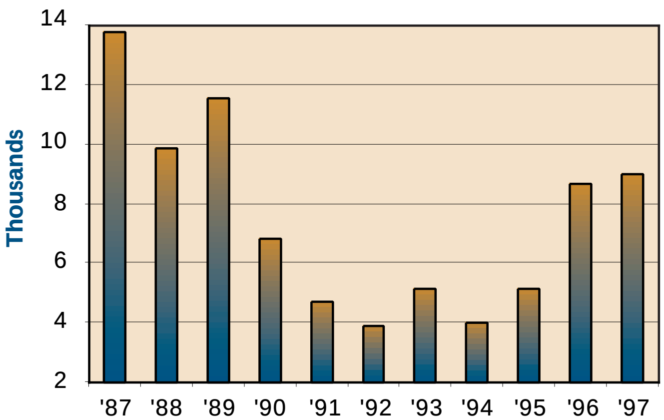
New Additions

While substantial rehabilitation of deteriorated units and conversions of units from non-residential to residential uses add to the housing stock, it is new construction that makes up the bulk of additions to New York City's housing inventory. We can forecast the number of dwelling units that will be built in the future by examining the number of permits issued for new construction. Due to construction costs and time commitments required in planning new housing, developers are less likely to apply for permits for questionable developments, making this a reliable measurement of future construction.

Although well below the levels reached in the 1980s, residential building has dug out of the recessionary pit of the early 1990s. Last year, almost 9,000 new housing units were authorized for construction—a 4% increase from 1996.

Dwellings Slated for Construction Continue to Grow Out of the Recession in Early 1990s

(Units Issued New Housing Permits in New York City)



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

However, this was a lower rate of increase than that found in 1996, when 8,700 permits were issued—a 68% increase from 1995. In terms of individual boroughs: Brooklyn, Manhattan, and the Bronx experienced a slight increase in the number of permits issued, while Queens and Staten Island have seen slight decreases. During the first three months of 1998, 1,500 permits were issued—a 27% decrease from the same period in 1997, when 2,100 permits were issued. Manhattan experienced a 74% decrease in permits issued during the first three months of 1998, while Staten Island was the only borough that experienced an increase. (See appendix, page 9).

We also examined trends in the issuance of Certificates of Occupancy, which provide a count of new construction completed in New York City. 1996 is the most recent year data is available. Both Brooklyn and the Bronx experienced a decrease in the number of certificates issued, from 1,647 to 1,577 and from 1,166 to 1,075 respectively. Staten Island saw an increase of 431, followed by Queens with an increase of 345. Manhattan figures were not ready in time for this report. However, if the number of certificates in Manhattan were to remain the same as last year's, we would see a slight increase in the total number of certificates issued to 7,863. (See appendix, page 10.)

Tax Incentive Programs

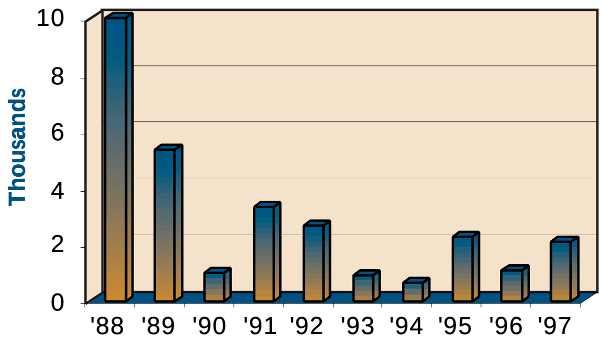
In the hopes of promoting new construction, the 421-a tax incentive program, created in 1970, offers qualifying new multifamily properties containing three or more rental units tax exemptions. Section 421-a of the New York State Real Property Tax Law (and its counterpart for conventional, one- to two-family homes denoted 421-b) enables owners to reduce the taxable assessed value of eligible properties. In other words, owners are exempt from paying additional real estate taxes on the increased value of the property due to the improvement (*i.e.* housing structure). Apartments built with 421-a tax exemptions are subject to the provisions of the Rent Stabilization Laws during the exemption period. Thus, 421-a tenants share the same tenancy protection as stabilized tenants and initial rents approved by HPD are then confined to increases established by the Rent Guidelines Board.

421-a benefits last in duration from 10 to 25 years if the development falls within designated geographical boundaries and meets certain criteria which include: (1) government involvement; (2) reservation of at least 20% of the total number of units for low to moderate income families; and (3) participation in the lower income housing production program. All properties are subject to construction guidelines as well. Developments located in the Manhattan Exclusion Zone will receive a full exemption from taxes for two years, followed by an eight year period in which taxes are phased in at 20% every two years, provided they meet all of the criteria listed above. Properties in Manhattan outside the exclusion zone receive an exemption for 10 to 25 years depending on location, whether they meet one of the first two conditions listed above, and whether they are located in a neighborhood preservation area. New properties in the outer boroughs receive exemptions for 15 to 25 years depending on compliance with conditions one and two above and location in a neighborhood preservation area.

The number of new apartments receiving 421-a exemptions in 1997 rose to 2,099 dwellings, a little less than double the number coming into the program in 1996, though still well below the late 1980s

New Units Receiving 421-a Certificates Have Doubled From 1996 to 1997

(Units Receiving Preliminary Certificates in New York City)



Source: NYC Dept. of Housing Preservation & Development

when an average of 8,000 new units per year received exemptions. There are over 42,000 apartments with 421-a benefits, with half being condominiums and one-third being rental units. As exemptions expire, rental apartments are no longer governed by rent regulation rules.

The strength of the Manhattan residential market has also had the seemingly paradoxical effect of stimulating production of new affordable rental housing in other parts of New York City. In the 1980's, 421-a tax benefits for Manhattan buildings were linked to low-income housing elsewhere. For each low-income rental unit produced, the builder receives five tax-abatement certificates, which may be sold to the developer of a new market-rate project in Manhattan's exclusionary zone. According to HPD, 1,034 low-income units were produced between 1989 to 1992. Then production dropped to zero over the next four years. In December 1997, with the improved Manhattan housing market, the City's Housing Development Corporation issued $36.9 million in bonds, which will finance 566 low income units and generate 2,830 certificates.[2]

Conversions and Subdivisions

It comes as no surprise that New York has one of the tightest housing markets in the country, and new development alone cannot meet the growing needs of residents. Alternative methods for supplying new housing units, such as subdivisions and conversions have helped to meet demand. Conversions are generally non-residential spaces, such as offices, that are converted for residential uses. Over the last few years, we have seen a growing number of conversions in neighborhoods like SoHo and TriBeCa, and most recently in the Wall Street area, where former commercial spaces are being transformed into loft apartments attracting those individuals who are looking for less conventional residences.

Subdivision, on the other hand, is a means of creating new rental units by dividing larger, single to three family homes and apartments into one or more apartments per floor. This works particularly well with many of the three- to four-story brownstones that line the streets of Brooklyn and Manhattan, and for the most part, these units meet the approval of city building inspectors. While this method adds numerous units to the city's housing stock it should be noted that increasingly, illegal subdivisions are taking place. Single family homes are being turned into rooming houses, accommodating several families thus having a negative impact on public safety and the quality of life. Apartments are being created which violate building and maintenance codes and strain sanitation, sewer and school systems, as well as other city resources.

According to the Mayor's Management Report, the Department of Buildings received 900 complaints related to illegal subdivision activity in 1996, and in 1997 the number of complaints tripled to 3,300. The growing number of illegal activities have prompted the Department of Buildings to take action, and in March of 1997 they created the Quality of Life Team. The main function of this group of inspectors is to investigate and issue violations related to complaints of illegal subdivision. The DOB has also streamlined its procedures for obtaining search warrants, and State and City legislation have made it easier to serve landlords with violations and has raised the penalties for illegal subdivisions.

In order to take advantage of the high commercial vacancy rate in downtown office buildings and hopefully alleviate the low housing vacancy rate, the Commercial Revitalization Program was signed into law on October 29, 1995. It was designed to encourage commercial and residential improvement and development in lower Manhattan and has recently been extended until March 31, 2000. The plan encourages builders to take advantage of tax abatements and exemptions as well as relaxed zoning restrictions in lower Manhattan when upgrading buildings for retail, commercial and residential use. The law provides up to 12 years of phased tax exemptions and 14 years of phased tax abatements in addition to reduced electric rates for conversion of office properties to residential and mixed purposes, savings from which must be passed on to tenants. These benefits require residential units to abide by all rent stabilization laws and provisions during the benefit period.

Cooperative and Condominium Activity

Of the new housing created in New York City, a portion are cooperatives and condominiums rather than rental apartments. The New York Attorney General's Office accepts plans from owners wishing to convert their buildings to coops or condos, and developers wanting to build new coop or condo buildings. In 1997 they received 37 plans, four of which were for rental conversions. Even though the number of planned conversions has been decreasing in recent years, developers have taken on more new construction in 1997 than the year before.

While New York is primarily a city of renters, we are finding that residents are making the move to ownership by purchasing condos and coops. This helps to alleviate the rental market in several ways. First, apartments are now available for other renters when the previous tenant becomes an owner. Moreover, owners, or the sponsors, of coop/condo units may offer them for rent thus further alleviating the strain on the rental market. While coop and condo owners are sacrificing the flexibility of renting, in many cases the combined mortgage, maintenance fees and taxes of coops and condos are less than the rents of comparable rental units and they provide the owner with the added bonus of equity.

As of FY 1997, coop and condo owners are able to participate in an abatement program that was set up by New York City in 1996. The aim of this program is to help bridge the gap between the taxes paid by owners of one and two family homes, and coop and condo owners. Coop and condo owners are eligible for a reduction in tax liability for three years based on the building's average assessment per unit. In buildings where the average per unit is no greater than $15,000, owners will received a 2% tax abatement for FY 1997, 16% for FY 1998 and 25% for FY 1999. If the value is estimated at greater than $15,000, then the owner is entitled to a 1.25% abatement in FY 1997, followed by 10.75% in FY 1998 and 17.50% in FY 1999. During the first year of the program, 261,000 units were approved for $10 million in abatements. In FY 1998, 272,000 units will benefit from $91 million in reductions. [3]

While the coop and condo market may help to relieve some of the tension in a tight rental market there is also a possible down side. Not only can coop and condo units be new construction, they are also created through conversions. Coop and condo conversions typically reduce the number of apartments available to renters. An owner who decides to convert his rental building to a coop or condo can do one of two things—conversion through eviction or non-eviction methods. Through non-eviction methods, tenants either purchase their apartments, and therefore are not forced to find new rental units, or they may remain in place and their units remain rentals so long as they are the occupant. As these residents move however, their units may be purchased and therefore removed from the rental housing stock. Thus, thousands of additional renter-occupied units have been converted to owner-occupancy even as the number of units planned for conversion have dwindled in recent years. On the other hand, when an owner chooses to evict current tenants if they do not purchase their unit, they are forced to find a new apartment. Besides the fact that more people are added to the already constricted rental market, there will be fewer units available for rent.

Rehabilitation

The J-51 tax abatement and exemption program is designed to encourage the periodic renovation of

New York City's aging stock of rental housing, half of which was built prior to the mid-1940s. Owners wishing to undertake building alterations must submit a work application with the Department of Buildings. Although some plans are not carried out and others are submitted more than once as the scope of work changes, the RGB staff uses the number of units actually receiving J-51 tax benefits as a rough measure of rehabilitation activity. In the late 1980s and early 1990s, the number of units approved for initial J-51 tax abatements and exemptions each year was typically above 100,000 dwellings. Since 1992, when 144,000 apartments were rehabilitated under this program, rehabilitation activity declined to an average 70,000 units per year from 1994 to 1996. However, in 1997, over 145,000 additional units received J-51 benefits.

Similar to 421-a, rental units receiving J-51 tax relief are subject to rent regulations for the duration of the benefits. A major program stipulation is that the apartment tax assessment cannot exceed $38,000 after completion, which precludes units in many high-rent neighborhoods from qualifying for tax relief following rehabilitation. The exemption portion of the program allows owners to avoid paying additional taxes on the increased property value due to the rehabilitation, while the abatement reduces the tax liability through a credit.

Eligible rehabilitation activities include Major Capital Improvements (MCIs), substantial rehabilitation, conversions from non-residential uses, and moderate rehabilitation. Renovations qualifying as MCIs receive a tax exemption on the increase in assessed value due to renovation or rehabilitation for 14 years (10 years of full exemption followed by a four year phaseout period) and abatements on existing taxes up to 90% of the reasonable cost of approved rehab work at eight and one-third percent per year up to 20 years.

Moderate rehabilitation work requires significant improvement to at least one major building-wide system. Such projects receive a 34-year tax exemption and abatements up to 20 years to a ceiling of 100% of the reasonable cost. Government assisted housing receives "enriched" benefits including tax exemption for 34 years on the increase in assessed value and an abatement of 12.5% annually up to the actual claimed cost for as many as 20 years. 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.

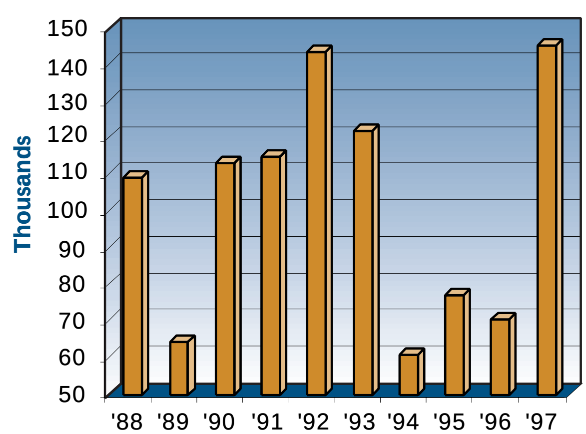
According to the 1996 Housing & Vacancy Survey, more than 540,000 total dwellings are receiving J-51 tax benefits, the bulk of which are rentals in multifamily buildings (66%) and cooperatives (30%). Rental apartments not stabilized prior to receiving tax benefits will not be subject to the city's rent regulations once their benefits expire. However, since most units receiving J-51 benefits (87%) were built between 1920 and 1969 (when most stabilized buildings were constructed), the majority of these units will remain stabilized after the benefit period.[4]

Tax-Delinquent Property

In 1994, New York City halted its *in rem* foreclosure policy toward tax delinquent properties. Under this policy, the City vested or took title to thousands of properties that were at least 12 months behind in taxes. Owners were entitled to redeem their properties during the four-month period following vesting if they paid the delinquent taxes and related penalties. The following twenty months were a discretionary period in which the City decided on a case-by-case basis whether the owner could recover the property following pay-

Units Receiving J-51 Certificates Jumped 106% from 1996 to 1997

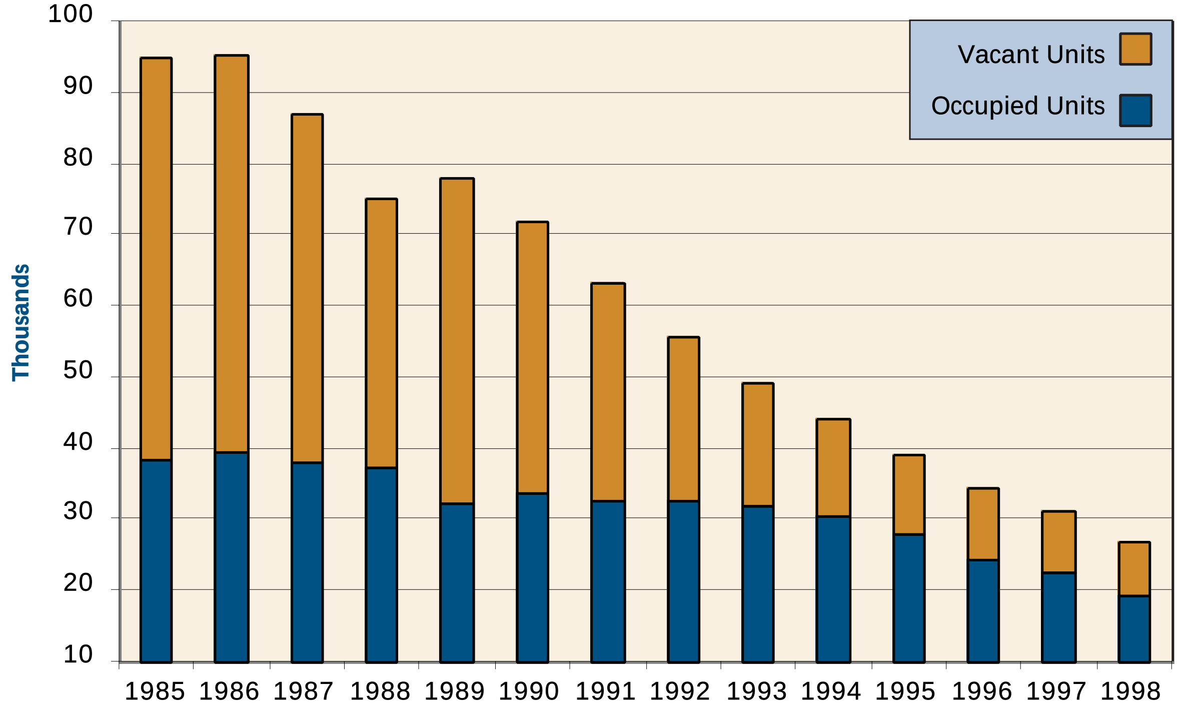
(Units Receiving Initial Benefits in New York City)



Source: NYC Dept. of Housing Preservation & Development

City Continues to Reduce Its *In Rem* Housing Stock

(Units in HPD Central Management Stock)



Note: 1998 reflects the FY98 plan for NYC Dept. of Housing Preservation & Development.

Source: Mayor's Management Report, Office of Operations, FY85-FY98.

ment of taxes and fees. Most vested properties could not cover operating costs with rents, thereby costing the City billions of dollars as the *in rem* inventory swelled to unprecedented levels. By its peak in FY86, there were over 95,000 *in rem* units—about half the size of the Federally-funded public housing stock in New York City. In 1997, there were 30,500 *in rem* units—a 9% drop from the year before—in the Department of Housing Preservation and Development (HPD)'s central management.

The alternative to City ownership (central management) has been rehabilitation and transfer of *in rem* units to private or non-profit entities. From 1985 to 1997, the city has shifted ownership of about 56,200 formerly vacant units, providing tens of thousands of additional low-cost housing opportunities to needy families. As part of its Building Blocks Initiative, the City has been selling its rehabilitated *in rem* buildings in three different ways: the Neighborhood Entrepreneurs Program (NEP) for private entrepreneurs; Neighborhood Redevelopment Program (NRP) for nonprofit community groups; and, the Tenant Interim Lease (TIL) Program for tenants. According to the Mayor's Management Report, these programs upgrade entire blocks at the same time they return buildings to private ownership, which encourages preservation and community investment. HPD plans to reduce the number of *in rem* units in central management to 27,000 by the end of FY98—a 14% reduction from 31,200 in the previous fiscal year.

Last year, the City made significant changes to its *in rem* foreclosure policy. Under its Tax-Lien Sale Program, the Department of Finance sells tax liens in bulk to a trust, which in turn attempts to collect outstanding debts, eliminating the need for *in rem* foreclosures. Before each tax lien sale, HPD eliminates distressed buildings from the list of residential properties to be sold. Local Law 37 now permits HPD to convey a tax delinquent presidential property to a qualified third party upon completion of an *in rem* judgement. Last year, HPD also began to implement its Early Warning System (EWS), a computerized model that analyzes data such as tax arrears, outstanding housing and building code violations, mortgage debt, and emergency repair charges in order to assign each building an abandonment risk indicator. While it has already generated its first citywide distressed building list, HPD continues to evaluate and fine tune EWS.

Demolitions

While relatively few residential buildings in New York City have been demolished in recent years, especially considering the size of the housing inventory, the number of buildings toppled in 1997 rose to 494, which is a 30% increase from last year. This is the largest number of demolitions since 1989. We expect this number to again decline as more owners and developers take part in programs designed to save and rehabilitate buildings for continued use.

Prospects for Housing Programs

Public sector investment in housing programs for low-income people has continued to decline since FY95, when the budget for the U.S. Department of Housing and Urban Development (HUD)—the largest single source of funds for local housing initiatives—was slashed by 25% to below $20 billion. In a surprising development this year, the White House added $2.3 billion to HUD's budget to help low-income tenants, and then allowed it to be cut from an emergency spending bill signed by President Clinton on May 1, 1997. These crucial funds would have provided over 100,000 Section 8 certificates and vouchers, which helps subsidize rents of low-income households living in private apartments. New York City alone has a waiting list of 230,000 people needing Section 8 and an additional 153,000 waiting to get into public housing. While Congress promises to restore this funding in the future, much of $2.3 billion may come from cuts in other existing housing programs.

Local investment in affordable housing parallels the trend set at the federal level. Recently, Governor Pataki vetoed $34 million in new housing construction funds from next year's New York State budget. This cut includes $27 million slated for low-income and affordable middle-income housing and $6.3 million in modernization funding for state-run public housing. On a brighter note, New York State and New York City have both agreed to renew the NY/NY Agreement, which helped develop permanent housing for 3,000 people who are mentally ill and at-risk for homelessness. Unfortunately, this year's budget includes funding for only 700 permanent units and 700 single occupancies—far too few for the 7,000 individuals reported in the Mayor's Management Report who, on average, spend a night in City funded temporary housing.

Whatever the trend in public-sector investment, federal housing programs are still a crucial part of housing development in New York City, which receives substantial housing funds through the Community Development Bock Grant (CDBG), Home Investment Partnerships (HOME), and the Low Income Housing Tax Credits (LITHC) programs. New York City received $229 million in CDBG funding, which has allowed the City to privatize *in rem* housing, create homeownership opportunities, preserve private low-income housing, improve public housing, stem housing abandonment, and combat homelessness. For FY98, the City will receive $222.5 million or about $6.5 million less than the previous year. Last year, the City received $89 million in HOME funding, which was used to develop and rehabilitate affordable housing, and next year will receive a $6.39 million increase. In both FY97 and 98, the City was assigned over $9 million in tax credits for its LITHC program, which is an incentive used to attract private capital for low-income housing development.

Endnotes

(1) 1996 New York City Housing & Vacancy Survey, U.S. Bureau of the Census.

(2) "Linking Low-Rent housing to Manhattan's Market," New York Times, April 26, 1998.

(3) 1998 Annual Report on the NYC Real Property Tax, NYC Department of Finance.

(4) 1996 New York City Housing & Vacancy Survey, U.S. Bureau of the Census.

Permits Issued For Housing Units in New York City, 1960-98

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 $^{\Omega}$	169 (169)	263 (408)	281 (1065)	334 (114)	485 (343)	**1,532 (2,099)**

Ω First three months of 1998. The number of permits issued in the first three months of 1997 is in parenthesis.

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

New Dwelling Units Completed in New York City, 1960-96

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	6,376	2,340	1,384	**11,901**
1991	656	764	2,595	1,996	1,628	**7,638**
1992	802	1,337	2,720	1,905	1,136	**7,900**
1993	886	619	1,222	1,329	1,456	**5,512**
1994	891	1,035	1,465	2,001	1,572	**6,964**
1995	1,166	1,647	1,984	1,183	1,268	**7,248**
1996	1,075	1,577	**§**	1,528	1,699	**§**

§ Numbers for Manhattan were not available in time for this report.

Note: Dwelling unit count is based on the number of Final Certificates of Occupancy issued by NYC Department of Buildings, or equivalent action by the Empire State Development Corporation or NYS Dormitory Authority.

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

Number of Residential Cooperative and Condominium Plans Accepted for Filing By the Attorney General's Office, 1995-97

	1995	1996	1997
Private Plans	Plans (Units)	Plans (Units)	Plans (Units)
New Construction	17 (614)	NA	33
Rehabilitation	19 (428)	NA	0
Conversion (Non-Eviction)	9 (201)	NA	4 ∞
Conversion (Eviction)	1 (321)	NA	--
Total	**46 (1,564)**	**33 (750-1,000)** ß	**37 (900-1300)** ß
HPD Sponsored Plans	Plans (Units)	Plans (Units)	Plans (Units)
New Construction	0 (0)	NA	NA
Rehabilitation	37 (830)	NA	NA
Conversion (Non-Eviction)	0 (0)	NA	NA
Conversion (Eviction)	4 (105)	NA	NA
Total	**41 (935)**	**NA**	**NA**

Note: Figures exclude "Homeowner" and "Commercial" plans/units.

NA: Attorney General's Office does not have this data available due to a change in reporting systems.
ß Number of units is estimated from the average building size of coop/condo plans submitted in prior years.
∞ The Attorney General's Office did not differentiate between non - eviction and eviction conversions.

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

Number of Units in Cooperative and Condominium Plans Accepted for Filing By the New York State Attorney General's Office, 1981-1997

Year	New Construction	Conversion Eviction	Conversion Non-Eviction	Total New Construction & Conversion	Units in HPD Sponsored Plans
1981	6,926	13,134	4,360	**24,420**	925
1982	6,096	26,469	16,439	**49,004**	1,948
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	**852**	901
1995	614	321	201	**1,136**	935
1996	NA	NA	NA	**750-1,000** ß	NA
1997	NA	NA	NA	**900-1,300** ß	NA

Note: HPD Plans are a subset of all plans and include rehabilitation plans; the total column does not contain rehabilitation plans explaining why HPD plans are higher than the total in some years.

NA: The Attorney General's Office does not have this data available at present due to a change in reporting systems.
ß Number of units is estimated from the average building size of coop/condo plans submitted in prior years.

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

Tax Incentive Programs

Buildings Receiving Preliminary Certificates for 421-a Exemptions, 1995-97

	1995		**1996**		**1997**	
	Preliminary Certificates	Preliminary Units	Preliminary Certificates	Preliminary Units	Preliminary Certificates	Preliminary Units
Bronx	7	136	NA	15	7	60
Brooklyn	37	400	NA	205	38	317
Manhattan	5	1,441	NA	684	9	1,407
Queens	19	261	NA	168	21	302
Staten Island	1	46	NA	13	0	13
Total	**69**	**2,284**	**56**	**1,085**	**75**	**2,099**

Buildings Receiving J-51 Tax Abatements and Exemptions, 1995-97

	1995			**1996**			**1997**		
	Buildings	Units	Certified Cost ($1,000s)	Buildings	Units	Certified Cost ($1,000s)	Buildings	Units	Certified Cost ($1,000s)
Bronx	235	12,201	$23,400	360	13,786	$53,300	350	17,290	$33,256
Brooklyn	393	18,801	$27,682	320	15,478	$21,504	759	36,165	$57,298
Manhattan	422	24,167	$34,536	493	23,364	$28,118	2,181	55,232	$80,675
Queens	453	21,848	$13,265	409	17,282	$10,230	742	36,231	$25,294
Staten Island	1	55	$121	7	521	$387	12	398	$82,000
Total	**1,504**	**77,072**	**$99,004**	**1,589**	**70,431**	**$113,542**	**4,044**	**145,316**	**$196,806**

NA HPD does not have this information at this time.

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

Tax Incentive Programs - Units Receiving Initial Benefits, 1981-1997

Year	421-a	J-51
1981	3,505	--
1982	3,620	--
1983	2,088	--
1984	5,820	--
1985	5,478	--
1986	8,569	--
1987	8,286	--
1988	10,079	109,367
1989	5,342	64,392
1990	980	113,009
1991	3,323	115,031
1992	2,650	143,593
1993	914	122,000
1994	627	60,874
1995	2,284	77,072
1996	1,085	70,431
1997	2,099	145,316

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

City-Owned Properties, 1985-1998

	Central Management				**Alternative Management**		**Vestings**		**Buildings Sold**
Year	Occupied Units	Occupied Buildings	Vacant Units	Vacant Buildings	Units	Buildings	Units	Buildings	Buildings
1985	38,561	4,102	56,474	5,732	12,825	542	--	--	531
1986	39,632	4,033	55,782	5,662	13,375	583	--	--	275
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 ß	19,492	2,185	7,567	990	5,597	335	0	0	252

Note: HPD could not confirm vestings data prior to FY 1990.

ß Plan for FY 1998, excluding data in vestings columns.

Source: NYC Office of Operations, Preliminary Fiscal 1998 Mayor's Management Report; NYC Department of Housing Preservation and Development.

Residential Building Demolitions in New York City, 1985-1997

	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**
1985	81	157	3	101	59	73	3	133	1	31	**147**	**495**
1986	48	96	14	197	19	38	3	273	4	67	**88**	**671**
1987	14	55	2	130	22	33	1	273	6	83	**45**	**574**
1988	3	34	2	169	25	44	2	269	0	160	**32**	**676**
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**

Note: The Census Bureau discontinued collecting demolition statistics in December, 1995; the New York City Department of Buildings supplied the total number of buildings demolished in 1996 and 1997.

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