The Rent Stabilization Law requires the RGB to consider the "overall supply of housing accommodations and overall vacancy rates."

Contains housing stock trends in New York City, focusing on:

- Housing and Vacancy Survey Findings
- New Construction and Demolitions
- Conversions and Subdivisions
- Cooperatives and Condominiums
- Rehabilitation
- Government Housing Programs, including Tax Incentives and In Rem Housing
Major Findings

• Building permit approvals for new housing units decreased 5.5%
• Number of new housing units completed in 2018 increased 4.5%
• 32,203 units of housing “started” through City programs
• Demolitions up 9.6%
• 29.0% increase in the number of units in co-op or condo plans approved in 2018
Major Findings

- The number of housing units newly receiving 421-a exemptions increased 36.0%
- The number of housing units newly receiving J-51 abatements/exemptions increased 30.3%
- 11.5% of all rental housing is overcrowded
- Citywide vacancy rate was 3.63% in 2017
• New York City remains predominantly a city of renters:
  ▪ City’s housing stock is 63% renter-occupied
  ▪ Almost 2.2 million housing units are rentals, 44% of which are rent stabilized
  ▪ Vacancy rate of 3.63%
• Vacancy rates vary by regulation status
  ▪ 2.40% vacancy among pre-war stabilized
  ▪ 1.21% vacancy rate in post-war stabilized units
  ▪ 6.07% vacancy in private, non-regulated units
2017 HVS Findings

- Overcrowding rates highest among stabilized housing stock
  - Among all rentals, 11.5% overcrowded and 4.5% severely overcrowded
  - 12.9% of pre-war stabilized units overcrowded; 5.1% severely overcrowded
  - 13.4% of post-war stabilized units overcrowded; 6.6% severely overcrowded
  - 11.3% of private, unregulated units overcrowded; 4.2% severely overcrowded
Number of Renter and Owner Units

Source: 2017 HVS

<table>
<thead>
<tr>
<th>Type</th>
<th>Renter Units</th>
<th>Homeowner Units</th>
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<tbody>
<tr>
<td>Conventional</td>
<td>593,827</td>
<td>593,827</td>
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<tr>
<td>Co-Op</td>
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<td>Condo</td>
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<td>Rent Controlled</td>
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<td>Stabilized Pre-'47</td>
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<tr>
<td>Stabilized Post-'46</td>
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<tr>
<td>Other Regulated</td>
<td>258,021</td>
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</tr>
</tbody>
</table>

Source: 2017 HVS
New Housing Permits

- Permit approvals for new housing units decreased by 5.5%, to 20,910 in 2018
  - Brooklyn, up 37.8%, to 8,445 units
  - Bronx, down 31.5%, to 3,698 units
  - Manhattan, down 25.5%, to 3,584 permits
  - Staten Island, down 11.5%, to 606 units
  - Queens, down 10.3%, to 4,577 units

- First quarter 2019 permits increased by 22.4%
  - Increases in three boroughs
    - Staten Island, up 30.3%; Brooklyn, up 30.7%; and Queens, up 153.1%
    - Down 29.0% in the Bronx and down 21.8% in Manhattan
Units Issued New Housing Permits

Number of Permits Issued for New Construction of Residential Units Decreases

Source: U.S. Bureau of the Census
Decreases in every borough but Brooklyn

- Manhattan: 3,698 (-32%)
- Queens: 3,584 (-26%)
- Bronx: 4,577 (-10%)
- Staten Island: 8,445 (+38%)
- Brooklyn: 606 (-12%)

Source: U.S. Bureau of the Census
Most Permits in Manhattan are for 5 or More Family Buildings; In Staten Island, almost all 1- or 2- Families.

Source: U.S. Bureau of the Census
Completions & Public Construction

- Housing units completed in 2018 increase:
  - Up Citywide 4.5% in 2018, to 26,992
    - Up 78.2% in the Bronx
    - Up 28.6% in Staten Island
    - Up 25.3% in Queens
    - Down 15.2% in Brooklyn
    - Down 11.2% in Manhattan
  - 32,203 units of HPD- and HDC-sponsored low- and middle-income housing starts during FY 2018: 71% are preservations
    - Increase of 32.3%
421-a Tax Incentive Program

- Objective of 421-a tax exemptions is to encourage construction of multi-family housing
- 36.0% more units received newly issued final 421-a exemptions in 2018 than in prior year
  - 28,292 units Citywide, with 41.9% in Brooklyn, 31.4% in Manhattan, 2.0% in Staten Island, 6.6% in the Bronx, and 18.1% in Queens
- Increases in every borough
  - Increase of 44.5% in Brooklyn
  - Increase of 42.6% in Queens
  - Increase of 21.5% in the Bronx
  - Increase of 19.3% in Manhattan
Units Receiving Final 421-a Certificates

Number of Units in 421-a Plans Increases

Source: NYC Dept. of Housing Preservation and Development
Conversions and Subdivisions

- Housing supply can increase or decrease when buildings convert to or convert from residential use.

- A number of SRO (Single Room Occupancy) buildings have been converted from SRO use to tourist hotels and other uses.
  - In 2018, 83 applications were accepted to convert SRO’s to other uses, down nine applications from the prior year.
• More than 40% of the City’s owner-occupied housing is either co-ops or condos
• In 2018, the NYS Attorney General’s Office approved 289 plans (10,784 units), a 3.6% increase in plans and 29.0% increase in units
  ▪ Follows a 3.6% drop in units in the previous year
  ▪ Largest number of plans for new construction: 235 plans with 9,351 units
  ▪ 827 units in 43 rehab plans
  ▪ 606 units in 11 non-eviction conversion plans
• More than two-thirds of plans in Brooklyn: 70%
• Largest number of units are in Brooklyn: 43%
Accepted Co-op and Condo Units

Number of Units in Accepted Co-op and Condo Plans Increases

- Condos
- Co-ops

Source: NYS Attorney General’s Office
J-51 Rehabilitation

- J-51 program provides benefits to rehabilitated housing units
- Eligible activities include MCI’s; moderate or substantial rehab; and conversions from non-residential use if substantial government assistance is provided
- 29,815 units were newly approved for benefits in 2018, a 30.3% increase from 2017
  - Increases in every borough but Manhattan, including Queens, up 63.0%; Brooklyn, up 53.9%; Bronx, up 21.4%
  - Decrease in Manhattan, down 57.4%
Units Receiving Initial J-51 Benefits

Number of units newly receiving J-51 benefits rise more than 30%

Source: NYC Dept. of Housing Preservation and Development
In Rem Housing

- Buildings which the City has taken title to for the non-payment of taxes are called *in rem*
- Since 1994, NYC reduced number of occupied and vacant *in rem* units in central management by 99.3%
- 323 units in June 2018
• Demolitions increase in 2018, following two years of decline
• 9.6% rise, to 1,888 buildings
• By borough:
  ▪ Queens: 33.1% share of demolitions, rise of 7.8%
  ▪ Brooklyn: 35.0% share of demolitions, rise of 15.4%
  ▪ Staten Island: 14.1% share of demolitions, fall of 16.6%
  ▪ Bronx: 10.1% share of demolitions, rise of 39.7%
  ▪ Manhattan: 7.7% share of demolitions, rise of 28.1%
In Conclusion

• NYC housing supply through 2018:
  ▪ Permits decreased, for just the third time in the last 10 years
  ▪ Increase in number of new housing units completed
  ▪ Steady *in rem* housing stock
  ▪ Increase in co-op and condo units approved
  ▪ More units certified with 421-a tax incentives
  ▪ More rehabs with J-51 tax incentives
  ▪ Demolitions increase
  ▪ Low housing vacancy rates