

2023

Housing Supply Report

May 25, 2023

New York City Rent Guidelines Board

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New York City Rent Guidelines Board

1 Centre Street, Suite 2210, New York, NY 10007 • 212-669-7480 • nyc.gov/rgb

2023 Housing Supply Report

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What's New

- ☑ Permits for 21,490 new dwelling units were issued in NYC in 2022, a 7.9% increase from the prior year. In the first quarter of 2023, permits decreased 45.3% as compared to the first quarter of 2022.
- ☑ City-sponsored programs spurred 13,990 new housing starts in 2022, 58% of which were newly constructed units and 42% of which were preservations.
- ☑ The number of housing units in new buildings completed in 2022 decreased 8.1% from the prior year, to 25,924.
- ☑ The number of housing units newly receiving 421-a exemptions increased 35.6% in 2022, to 13,456.
- ☑ There was a 22.2% decrease in the number of residential co-op or condo units accepted in 2022, to 3,637 units contained in 205 plans.
- ☑ The number of housing units newly receiving J-51 abatements and exemptions increased 102.4% in 2022, to 14,901.
- ☑ Demolitions (both residential and commercial) increased 16.4% in 2022, to 1,796 buildings.

Introduction

Section 26-510(b) of the Rent Stabilization Law requires the Rent Guidelines Board (RGB) to consider the “over-all supply of housing accommodations and over-all vacancy rates” and “such other data as may be made available to it.” To assist the Board in meeting this obligation, the RGB research staff produces an annual Housing Supply Report, which reports on conditions in the housing market, including vacancy and overcrowding rates; new housing production; co-op and condo conversions; demolitions; housing created through tax incentives; and government-sponsored housing starts.

Overview

In 2022, there was a 7.9% increase in the number of permits issued for new housing units, rising to 21,490. However, there was a decrease of 8.1% in

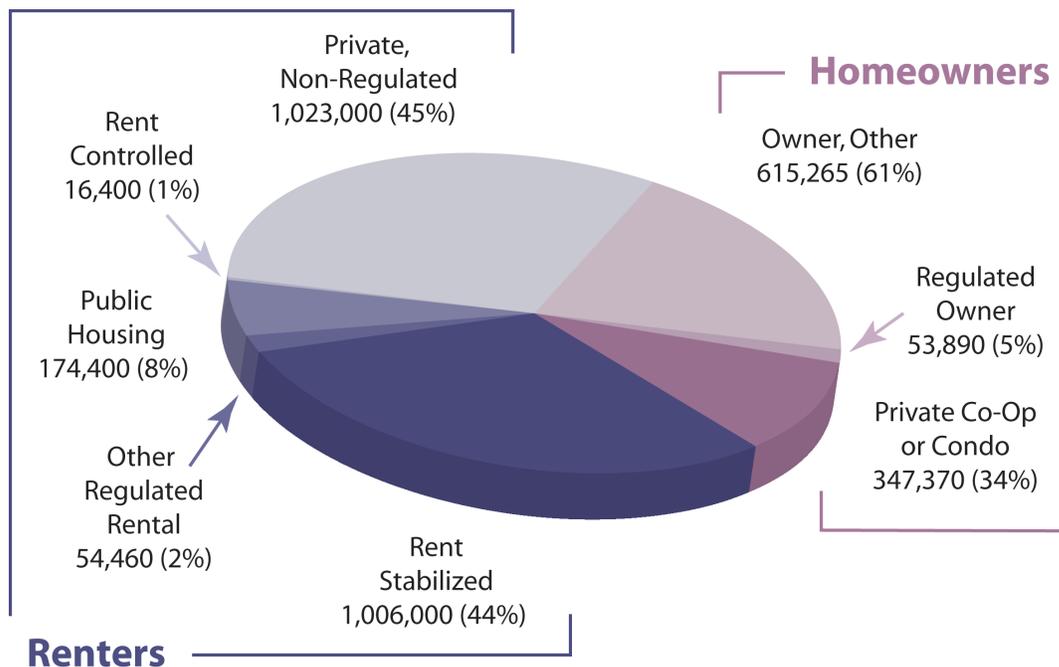
the number of units completed in new buildings, to 25,924. The number of units newly receiving 421-a benefits increased 35.6% from 2021 levels. The number of units newly accepted in residential co-op and condo plans fell by 22.2%, with the number of plans falling by 6.8%. Rehabilitation of housing units under the J-51 tax abatement and exemption program rose during 2022, up 102.4%. The number of demolitions rose by 16.4% in 2022. As of 2021, a tight housing market also remains in New York City (NYC), with a Citywide net rental vacancy rate of 4.54% and 9.4% of all rental housing considered overcrowded.

New York City’s Housing Inventory

Detailed information about the NYC housing stock can be derived from *NYC Housing and Vacancy Surveys (HVS)*, with the most recently available data from 2021. Most New Yorkers live in multi-

Number of Renter and Owner Units, 2021

New York City’s Housing Stock Is Predominantly Renter-Occupied



Source: U.S. Bureau of the Census, 2021 New York City Housing and Vacancy Survey
 Note: Above figures exclude 353,400 vacant units that are not available for sale or rent. Percentage values refer to the proportion of unit types solely within either the renter or owner universe.

family rental housing rather than owning homes. According to the 2021 HVS,¹ rental units comprise 69.1% of NYC’s available housing stock, a far greater share than the nationwide average of 34.6%.² In 2021, NYC had a total of 3,644,000 housing units, the largest housing stock since the first HVS was conducted in 1965. NYC’s housing is not only distinguished by the size of its rental housing stock, but unlike most cities, the majority of rental units are rent regulated. Of the 2,274,200 occupied and vacant available rental units reported in the most recent HVS, 45.0% were unregulated, or “free market.” The remaining units were rent regulated, including rent stabilized (44.2%); public housing (7.7%); or rent control or various other³ types of regulation programs (3.1%). (See pie chart on the previous page.)

The 2021 HVS also indicated that NYC’s housing market remains tight, finding a Citywide net rental vacancy rate of 4.54% in 2021, up from 3.63% in 2017, but below the maximum 5% threshold required for rent regulation to continue under State law. This translates into the availability of just 103,200 vacant units out of almost 2.3 million rental units Citywide. The net rental vacancy rate ranged from a low of 0.78% in the Bronx to a high of 10.01% in Manhattan. The net rental vacancy

rate in Brooklyn was 2.73%, and the rate in Queens and Staten Island (in conjunction) was 4.15%.⁴

The HVS is the only survey that can provide data specifically for rent stabilized or other types of units. Per the 2021 HVS, the rent stabilized vacancy rate was 4.57% in 2021 (including vacancy rates of 3.22% for rent stabilized units in buildings built prior to 1974 and 11.21% in buildings built in 1974 or later), while private, non-regulated units were vacant at a 5.29% rate.

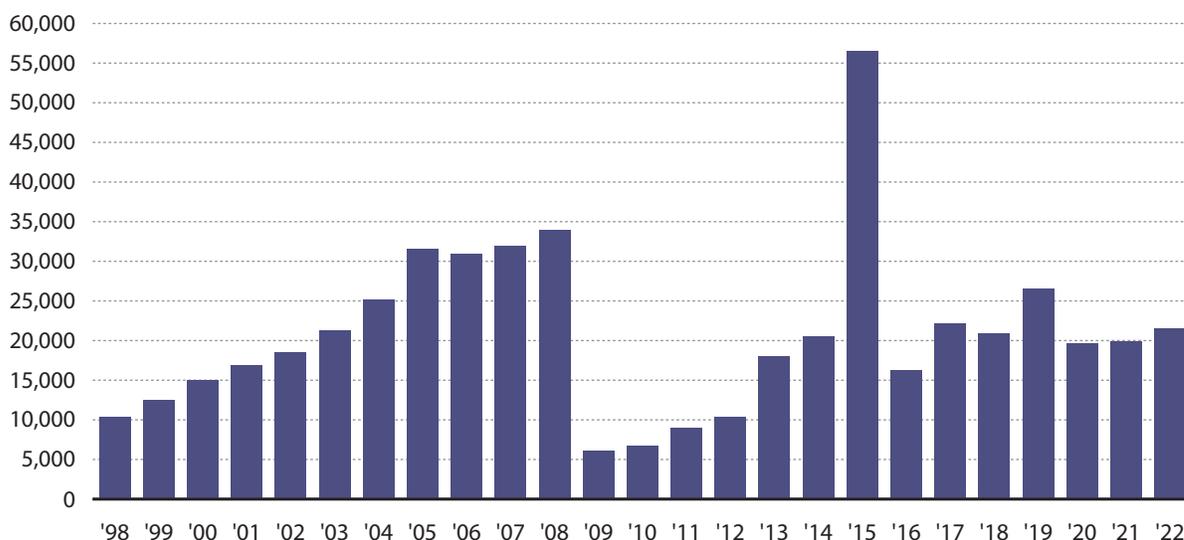
The 2021 HVS also found that 9.4% of all rental housing in NYC was overcrowded (defined as more than two persons per bedroom). For rent stabilized housing, the 2021 HVS found that 13.1% was overcrowded (including 14.7% of rent stabilized units in buildings built prior to 1974 and 4.4% in buildings built in 1974 or later). By comparison, in private, non-regulated housing, 7.2% was overcrowded.

Changes in the Housing Inventory

Housing supply grows, contracts, and changes in a variety of ways — new construction, substantial rehabilitation, conversion from rental housing to owner housing, and conversion from non-residential buildings into residential use.

Units Issued New Housing Permits, 1998-2022

Number of Permits Issued for New Construction of Housing Increases by 8% in 2022



Source: U.S. Census Bureau, Building Permits Survey

Housing Permits

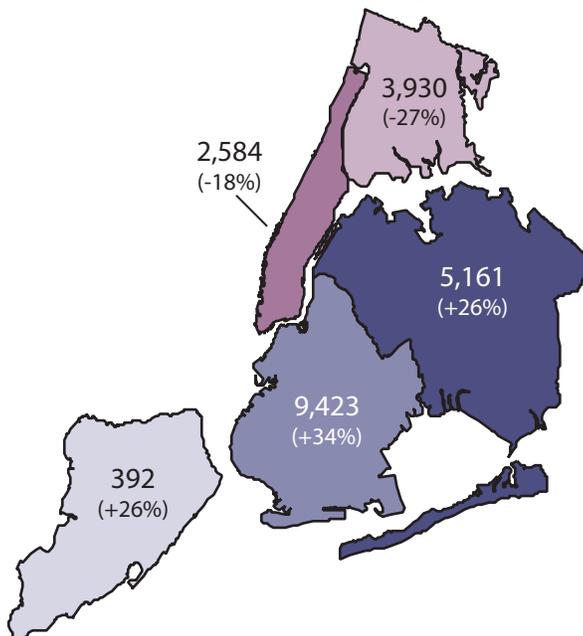
The number of permits authorized for new construction is a measure of how many new renter- and owner-occupied housing units will be completed and ready for occupancy, typically within three years, depending on the type of housing structure. In 2022, the number of newly issued permits increased, as they have for 23 of the past 28 years. Following an increase of 1.8% in 2021, in 2022 permits were issued for 21,490 units of new housing, an increase of 7.9% from 2021.⁵ (See graph on the previous page.)

At the borough level, permits rose by the greatest proportion in Brooklyn, increasing 34.4%, to 9,423 units. Newly issued permits also rose in Staten Island, increasing 26.5%, to 392 units, and rose by 26.3% in Queens, to 5,161 units. However, permits fell in both the Bronx and Manhattan in 2022, falling 26.5% in the Bronx (to 3,930 units) and 18.4% in Manhattan (to 2,584 units). (See Appendix 1 and the map on this page.)

Permit data can also be analyzed more deeply

Residential Building Permits, 2022

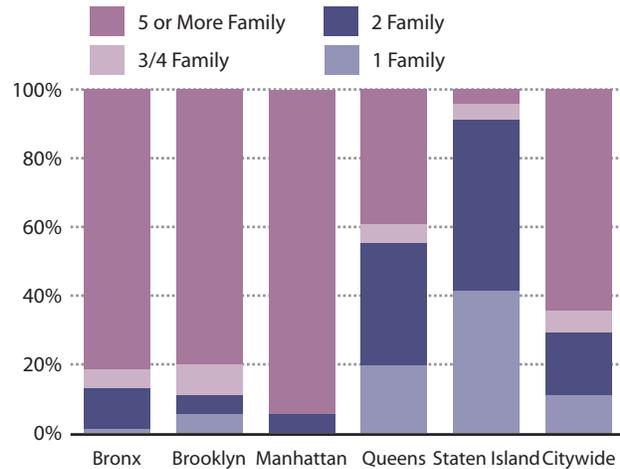
Total Number of Permits Issued in 2022 and Percentage Change From 2021, by Borough



Source: U.S. Census Bureau, Building Permits Survey

Residential Building Permits, 2022

Size of Newly Permitted Buildings:
Most New Buildings in Manhattan are Five Family or More; in Staten Island One- and Two-Family Homes Predominate



Source: U.S. Census Bureau, Building Permits Survey

by looking at the reported size of the buildings receiving permits. In 2022, a total of 553 buildings received permits (containing a total of 21,490 units of housing). Citywide, 11.0% of these buildings were single-family, 18.1% were two-family, 6.5% were three- or four-family structures, and 64.4% were buildings with five-or-more units. In 2022, 98.2% of all permits issued Citywide were for units in five-family or greater buildings (a total of 21,109 units), with the average five-family or greater building containing 59 units for the City as a whole, and 74 units in Manhattan (an increase Citywide from the prior year, but a decrease in Manhattan). As the graph on this page illustrates, almost all buildings in Manhattan, Brooklyn, and the Bronx were five-family or greater, while in Staten Island, virtually all buildings were either one- or two-family. Building size was more evenly distributed in Queens. (See Appendix 2.)

Citywide, although the number of buildings newly permitted fell in 2022 (from 876 to 553), the average size of buildings newly permitted rose, from 22.7 units in 2021 to 38.9 units in 2022. Notably, while the number of buildings newly permitted in Queens fell by 45%, the average

size of the buildings newly permitted more than doubled, rising from an average of 15.6 units in 2021 to 36.1 units in 2022. At the same time, although the number of buildings newly permitted in Manhattan rose slightly (from 32 in 2021 to 37 in 2022), the average size fell, from an average of 98.9 units in 2021 to 69.8 units in 2022.

As compared to the same quarter of the prior year, permits rose in all but the fourth quarter of 2022, with issued permits rising by 38.1% in the first quarter; 40.3% in the second quarter; and 8.2% in the third quarter. However, permits fell by 47.7% in the fourth quarter. For historical permit information by quarter, see Appendix 3.

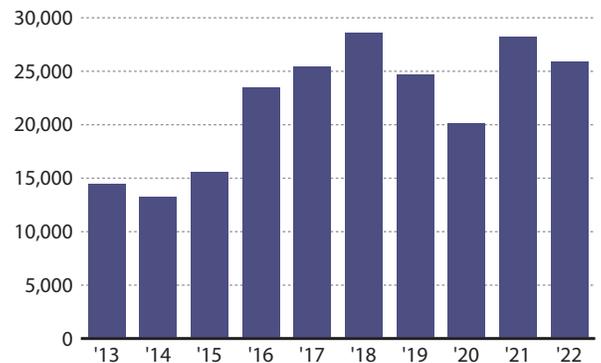
The most recently available quarterly data, from the first quarter of 2023, shows that newly issued permits were down as compared to the same period of the prior year, despite a large increase in permits in Manhattan. The number of permits issued in NYC decreased from 6,769 in the first quarter of 2022 to 3,700 during the first quarter of 2023, a 45.3% decrease. While permits rose 186.7% in Manhattan, they fell 82.2% in the Bronx, 80.0% in Staten Island, 62.5% in Queens, and 49.8% in Brooklyn. While the number of buildings newly permitted fell from 175 in the first quarter of 2022 to 63 in the first quarter of 2023, the average size of the buildings newly permitted rose significantly, from an average of 38.7 units in the first quarter of 2022, to 58.7 units in the first quarter of 2023.

Housing Completions

To ascertain how many units of housing actually enter the market in a particular year, the number of completions (as published by the NYC Department of City Planning) is analyzed. In 2022, an estimated 25,924 residential Class A⁶ housing units in new buildings were completed, an 8.1% decrease from 2021 (see graph on this page).⁷ Completions fell in three of the five boroughs, falling by the greatest proportion in Brooklyn, which declined by 28.1% (to 8,253 units). Completions also fell in Staten Island, down 15.5% (to 463 units) and Queens, down 11.3% (to 7,317 units). However, completions rose in Manhattan, up 40.5% (to 4,897 units) and the Bronx, up 12.1% (to 4,994 units). (See Appendix

Units in Newly Completed Buildings, 2013-2022

8% Decrease in Units in Newly Completed Buildings in 2022



Source: NYC Department of City Planning

4 for a historical breakdown of completions in new buildings by borough.) Citywide, 95.1% of the units in newly completed buildings were in five-family or greater buildings (up slightly from 94.5% in the prior year), with an average building size of 21.1 units (up from 20.0 in the prior year). The average size of newly completed buildings, by borough, ranged from 1.7 units per building in Staten Island, to 17.8 units in Queens, 23.1 units in Brooklyn, 44.2 units in the Bronx, and 63.6 units in Manhattan. A total of 1,228 new residential buildings were completed in 2022, a 12.8% decrease from the prior year. Of these buildings, 485 (39.5%) were five-family or greater, a 9.3% decrease from the prior year.

In addition, 2,705 units of Class A residential housing were added to the housing stock in 2022 through alterations, as well as conversions of commercial structures and Class B units. However, 629 units were lost through alterations, for a net gain of 2,076 units via alterations. There was also a loss of 1,497 units of Class A residential housing through demolitions in 2022 (see “Demolitions” on Page 14 for more details).

City-Sponsored Construction

Housing is created and preserved in part through publicly funded sources, including programs sponsored by the NYC Department of Housing

Preservation and Development (HPD) and the NYC 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 Extremely Low and Low-Income Affordability Program, which is one of HPD's multi-family new construction housing initiatives, financed through both public and private sources; the Supportive Housing Loan Program, which offers loans of up to \$125,000 per unit to developers of permanent supportive housing with on-site social services; and the Neighborhood Construction Program, which provides subsidies for units affordable to tenants making up to 165% of Area Median Income. HDC operates some of the same programs as HPD, in addition to programs such as the Mitchell-Lama Reinvestment Program, which offers loans to Mitchell-Lama buildings in order to make needed capital improvements, and the Neighborhood Pillars program, which provides low-interest loans and tax exemptions to acquire and rehabilitate unregulated or rent stabilized housing for low- to moderate-income households.

In May 2014, former Mayor Bill de Blasio announced details of his ten-year, \$41 billion plan to build and/or preserve 200,000 units of affordable housing,⁸ later expanded to include up to 300,000 affordable units by 2026.⁹ During Mayor de Blasio's tenure (2014-2021), his administration reported it had financed a total of 204,985 units of affordable housing. Of these, 34% (or almost 70,000 units) were new construction, and 66% (over 135,000 units) were preservations. Of the total units financed, 34% of the starts¹⁰ were located in the Bronx, with 26% located in Brooklyn, 25% in Manhattan, 13% in Queens, and 2% in Staten Island. By affordability level, 16% of the starts were aimed at extremely low-income households, 30% at very low-income households, 37% at low-income households, 6% at moderate-income households, and 11% at middle-income or higher households.¹¹ Just over 30,000 of these units (15% of the total) were dedicated to special needs populations (the homeless and seniors).

In June 2022, Mayor Eric Adams' administration announced its affordable housing initiative, entitled

"Housing Our Neighbors: A Blueprint for Housing and Homelessness." One of the five main pillars of the plan is to create and preserve affordable housing. Per the plan, \$22 billion will be allocated towards accelerating and increasing capacity for new housing supply citywide; increasing access to economic opportunity, transit, and amenities for low-income New Yorkers; meeting the housing needs of seniors and people with disabilities; expanding tools to preserve existing low-cost and affordable housing; helping communities build and maintain wealth through housing; promoting housing stability for renters; and providing inclusive development opportunities for equitable growth.¹²

During 2022, a total of 13,990 units of City-sponsored housing were started, a 47.7% decrease over the prior year. Of these starts, 5,831 (41.7%) were preservation, and 8,159 (58.3%) were new construction.¹³ By borough, 37.5% of the starts were in Brooklyn; 31.1% in the Bronx; 20.3% in Manhattan; 10.8% in Queens; and 0.2% in Staten Island. By affordability level, 25.0% of the starts were aimed at extremely low-income households, 21.4% at very low-income households, 30.8% at low-income households, 7.0% at moderate-income households, and 15.8% at middle-income or higher households.¹⁴

Tax Incentive Programs

The City offers various tax incentive programs to promote the development of new housing. Historically, one such program has been the 421-a tax exemption program, which began in the early 1970s and expired in June 2022 (although buildings that began construction prior to its expiration will continue to receive benefits up to 35 years).

While there have been various iterations of the program over the years, all have allowed both renter- and owner-occupied multifamily properties to reduce their taxable assessed value for the duration of the benefit period. That is, owners are exempt from paying additional real estate taxes due to the increased value of the property resulting from the new construction. Rental apartments built with 421-a tax exemptions are subject to the provisions of the Rent Stabilization Laws during the exemption period. Requirements call for initial

rents to be approved by HPD at the completion of construction (when obtaining certification), and units are then subject to rent adjustments established by the NYC Rent Guidelines Board.

A variety of factors have been used to establish the level and period of 421-a benefits, and properties were also subject to construction guidelines. Per State law, these guidelines were also subject to change over time as the program expired and was reauthorized.

The latest iteration of the 421-a program (also known as the Affordable New York Housing Program, and which was available to projects that commence construction between January 1, 2016 and June 15, 2022) stipulated that rental developments with 300 units or more in Manhattan (south of 96th Street) and the Brooklyn and Queens waterfront will be eligible for a full property tax abatement for 35 years if the development creates one of three options for affordable rental units and meets newly established minimum construction wage requirements. The units must remain affordable for 40 years. For all other rental developments in NYC utilizing the tax benefit, the full tax exemption benefit period is 25 years, with a phasing out of benefits in years 26-35. For developers who use the benefit program to build co-op or condo housing, the building must contain no more than 35 units, be located outside of Manhattan, and have an assessed value of no more than \$65,000 per unit. The benefit lasts for a total of 20 years, with a full exemption for the first 14.¹⁵

At the end of construction, buildings applying to receive 421-a benefits are required to file for a Final Certificate of Eligibility (FCE) with HPD. In 2022, the number of housing units in buildings newly receiving a 421-a FCE increased for the first time in four years (see graph on this page and Appendices 7 and 8). Newly certified 421-a units rose 35.6% in 2022, to 13,456 units, the greatest number of units since 2019.¹⁶ At the borough level, newly certified units rose 61.1% in the Bronx, 54.4% in Queens, 25.5% in Brooklyn, and 25.0% in Manhattan. For the second consecutive year, there were no newly certified units in Staten Island.

Just less than half of 421-a units newly certified in 2022 (6,670) were in buildings located in

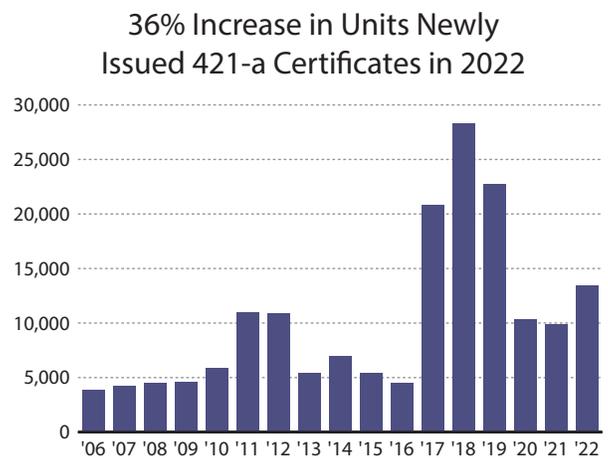
Brooklyn, with 49.6% of the total units in the City. The Bronx (2,810 units) had 20.9% of these units; Queens (2,093 units) had 15.6%; Manhattan (1,883 units) had 14.0%; and no units were newly certified in Staten Island. The size of the average building in Manhattan, 105 units, was larger than that in the outer boroughs, where the average building size ranged from 25-29 units (excluding Staten Island, which had no newly certified units).

More than 90% of newly certified 421-a units in 2022 were rental units. Citywide, the number of 421-a rental units rose by 47.0% in 2022. By borough, newly certified rental units rose in Queens, by 102.7%; in the Bronx, by 61.9%; in Manhattan, by 61.2%; and in Brooklyn, by 28.8%. For the second consecutive year, there were no newly certified 421-a units in Staten Island. The number of 421-a owner-occupied units, which comprised 10% of all newly certified units in 2022, fell by 20.9% in 2022.

In Fiscal Year (FY) 2023, a total of 207,150 housing units will benefit from 421-a exemptions, including 139,760 rental units; 44,661 co-op and condo units; and 22,729 1-3 family and mixed-use structures. It is estimated that the 421-a program will cost the City \$1.8 billion in lost tax revenue for all housing types in FY 2023.¹⁷

In order to be eligible for tax benefits, properties must register for an FCE with HPD upon

Units Newly Receiving 421-a Certificates, 2006-2022



Source: NYC Dept. of Housing Preservation and Development

the completion of construction. HPD now notifies non-compliant owners that their benefits will be suspended if they do not apply for an FCE. HPD estimates that approximately 77% of the properties receiving an FCE in 2017 were due to prior compliance issues, as were 73% of the properties in 2018; 71% in 2019; 15% in 2020; 30% in 2021; and 22% in 2022.¹⁸

As previously noted, the current iteration of the 421-a program expired on June 15, 2022, and as of the publication of this report, has not been either renewed or replaced by a similar program. Projects may still receive 421-a benefits if they began construction on, or before, June 15, 2022 and complete construction no later than June 15, 2026.¹⁹

Another affordable housing program, the New York State Mitchell-Lama program, has experienced a reduction in units since buildings were able to withdraw from the program by repaying their mortgage (“buyout”²⁰), beginning in 1985. Between 1955 and 1978, approximately 140,000 units of low- and middle-income housing were built in NYC through this tax-break and mortgage subsidy program. Since buyouts began in 1985, the City has lost approximately 48,000 units of Mitchell-Lama housing (including 4,000 units of hospital/university staff housing), although some of the lost units have transitioned to rent stabilization. After averaging an annual loss of more than 5,000 units between 2004 and 2007, the pace has slowed considerably. In 2022, for the third consecutive year, no developments left the Mitchell-Lama program.²¹

A law passed in December 2021 will now make it more difficult for Mitchell-Lama co-ops to leave the program. The law now requires that 80% of residents (up from 67%) approve of any buyout plan, and no vote regarding dissolution may occur within five years following a failed vote of a buyout plan.²²

Conversions and Subdivisions

Housing units are both gained and lost 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, or existing residential spaces can be converted into a smaller number of units by combining units to increase their size. 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 non-residential 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 2022, for the sixth consecutive year, no formerly non-residential buildings received J-51 benefits for conversion to a residential property.²³

Conversion of distressed hotels and commercial office properties may increase in the coming years with the passage of the “Housing Our Neighbors with Dignity Act (HONDA),” enacted into NYS law in August of 2021. The law provides a mechanism for the State to finance the acquisition of distressed hotels and commercial office properties by nonprofit organizations for the purpose of maintaining or increasing affordable housing. All properties converted through this program will remain permanently affordable, and dependent on jurisdiction, subject to rent stabilization. At least 50% of all converted properties will be set aside for individuals and families experiencing homelessness. The remaining units will be set aside for people earning up to 80% of the area median income.²⁴ There is \$100 million in funding for this program included in the NYS FY 2024 budget.²⁵

Additional NYS legislation in 2022 made it easier to convert properties eligible for conversion through HONDA (see above). The law amends the multiple dwelling law in order to authorize certain Class B hotels to also be used for permanent residency. By allowing these properties to retain their current Certificate of Occupancy, the conversion can bypass the land use review processes normally required under City laws. The law requires these units to be used for affordable housing and subject to rent stabilization

laws.²⁶ The first HONDA project was announced in May 2023. Partially financed with a reported \$48 million in State funding, a hotel in Queens will be transformed into 318 units of permanent housing, with approximately 60% of units slated for homeless populations, and the remaining units targeted towards low-income populations.²⁷

Local Law 43 of 2022 authorized the City to convene a 12-person task force “to study and make recommendations regarding the potential conversion of vacant or commercially unviable office space to other uses.” In January 2023, the Office Adaptive Reuse Task Force, chaired by the Chair of the NYC Planning Commission as well as 11 other appointees from government, private and non-profit sectors, released the “New York City Office Adaptive Reuse Study.”²⁸ The study outlines recommendations to “repurpose office buildings for alternative uses in a way that will help shore up the office market, ensure our business districts remain vibrant, and make a dent in the City’s decades-long housing crisis.” Among the report’s recommendations:

- “Provide office buildings constructed before December 31, 1990 access to the most flexible regulations for conversion to residential use.”
- “Expand conversion regulations to all high-intensity office districts.”

- “Reevaluate centrally located, high-density Midtown zoning districts that don’t allow new residential use.”
- “Permit conversion of office buildings to a broader array of housing types.”
- “Allow an expanded array of offices to convert all existing square footage to residential.”
- “Explore and pursue a tax incentive to support mixed-income housing within conversions,” and
- “Implement a property tax abatement to incentivize retrofitting space for childcare centers.”

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 2022, the Attorney General accepted 205 residential co-op and condo plans, a 6.8% decrease from the number accepted in 2021.²⁹ These 205 plans contain 3,637 residential housing units, a decrease of 22.2% from 2021 (see graph on this page).

Just over two-thirds of all plans, 142, were accepted for buildings located in Brooklyn; 30

Newly Accepted Residential Co-op and Condo Units, 2008-2022

Decrease of 22% in Newly Accepted Residential Co-op & Condo Units



Source: NYS Attorney General’s Office, Real Estate Finance Bureau

were accepted for Queens; 29 were accepted for Manhattan; and two were accepted in both the Bronx and Staten Island. The greatest number of units were located in Brooklyn, with 1,564 units accepted during 2022. Manhattan had the second highest number of units, 1,126, and Queens had 916. There were just 21 units in the Bronx and 10 in Staten Island (See Appendices 5 and 6.)

The majority of the plans accepted Citywide in 2022 were for new construction, comprising 160 of 205 plans, and a total of 3,089 of 3,637 units. Newly accepted co-op and condo plans also included rehabilitations (with 42 plans and 342 units), and non-eviction conversions (with three plans and 206 units). Of all the newly accepted plans in 2022, 94.0% of the units were condos, and 6.0% were co-ops (see graph on the previous page).

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 5.7% of the total number of units in 2022 co-op and condo plans,

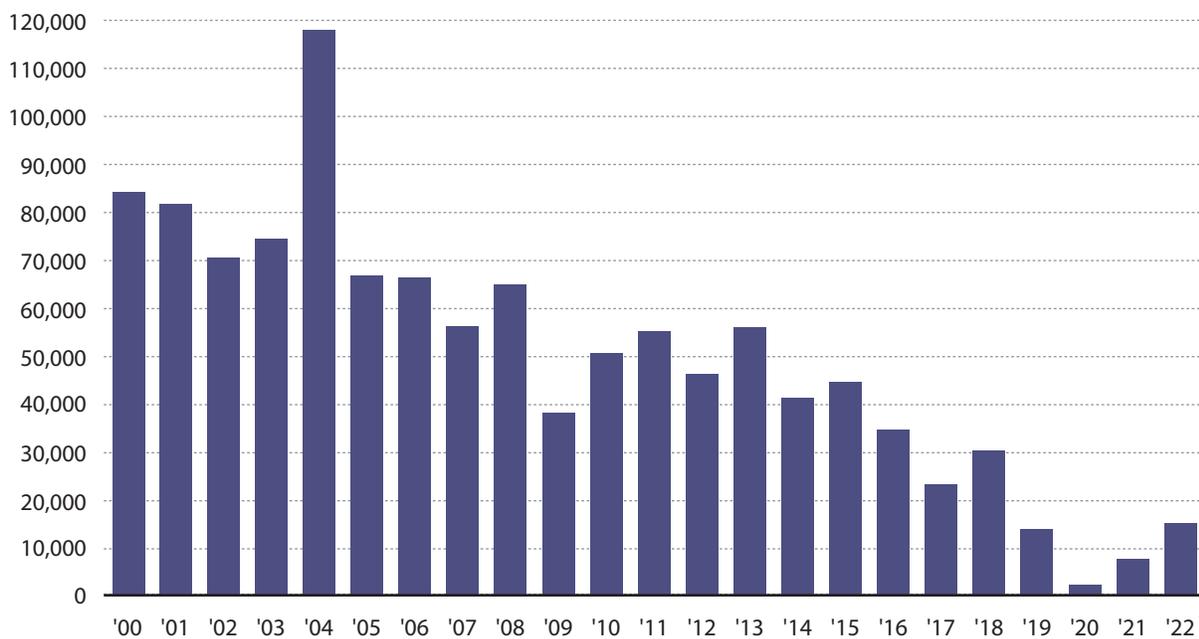
a smaller proportion than the 7.5% share in 2021. Because most conversion plans are non-eviction plans (including all plans in 2022), only when the original rental tenant moves out, or opts to buy the apartment, does the apartment potentially become owner-occupied and removed from the rental stock.

Rehabilitation

Another method for adding to, or preserving, the City’s residential housing stock is through rehabilitation of older buildings. As buildings age, they must undergo rehabilitation to remain habitable. This is particularly true with NYC’s housing stock, where up to 56% of units are in buildings constructed prior to 1947.³⁰ Through tax abatement and exemption programs offered by the City for rehabilitation, units are able to remain in, or be readmitted to, the City’s housing stock. For almost seventy years, the J-51 tax abatement and exemption program encouraged the periodic renovation of NYC’s stock of both renter- and

Units Receiving Initial J-51 Benefits, 2000-2022

2022 Saw a 102% Increase in Number of Units Newly Receiving J-51 Benefits



Source: NYC Department of Housing Preservation and Development

owner-occupied housing. The J-51 program expired for all work completed after June 29, 2022, but the program is still in the process of certifying abatements and exemptions for work completed prior to this date.³¹

The J-51 tax relief program was similar to the 421-a program in that it required that rental units be subject to rent stabilization for the duration of the benefits, regardless of the building's regulation status prior to receiving tax benefits. Rehabilitation activities that were permitted under J-51 regulations were Major Capital Improvements (MCIs); moderate and gut rehabilitation of both government-assisted and privately-financed multiple dwellings (which requires significant improvement to at least one major building-wide system); as well as improvements to co-ops and condos (subject to certain assessment guidelines if the project does not include substantial governmental assistance). While prior iterations of the J-51 program allowed for conversion of lofts and non-residential buildings into multiple dwellings, regulations effective January 1, 2012 allowed only for conversions if there was substantial governmental assistance.³²

In 2022, 14,901 units newly received J-51 benefits, an increase of 102.4% from the previous year. While a large increase from 2021 levels, this is the fourth smallest number of units since at least 1988, the first year for which data is available (see graph on the previous page and Appendix 8).³³ Almost 48% of these units (7,098) are rental units, which increased at a slower pace, 27.0%, than that of owner units, 339.9%. In total, the newly certified units were contained in 442 buildings (44% of which were rental buildings), an increase of 83.4% from 2021 levels. The average size of the buildings receiving benefits was relatively stable over the year, increasing from 30.5 units in 2021 to 33.7 units in 2022.

By borough, the location of the units newly receiving benefits ranged from 47.9% located in Queens, to 32.9% in the Bronx, 13.2% in Brooklyn, 4.9% in Manhattan, and 1.1% in Staten Island. Units newly receiving benefits rose in every borough. Units increased by 171.6% in Manhattan, 163.9% in Queens, 81.5% in the Bronx, 16.6% in Brooklyn,

and from no units in Staten Island in 2021 to 161 in 2022. (See Appendices 7 and 8.)

In FY 2023, the J-51 tax program will cost the City \$266.3 million in lost tax revenue for 341,828 housing units, including 183,119 rental units; 157,168 co-op and condo units; and 1,541 1-3 family and mixed-use structures.³⁴

Rehabilitation work is also carried out through HPD's "Alternative Enforcement Program (AEP)," now in its sixteenth year of identifying the 200-250 "worst" buildings in the City, based on housing code violations.³⁵ The most recent group of 250 buildings includes 4,881 units of housing, with almost 39,000 open violations, including 21,081 hazardous Class B violations, and 10,428 immediately hazardous Class C violations.³⁶ Approximately 46% of the buildings, and 43% of the units, in the most current AEP round (Round 16) are buildings containing rent stabilized units.³⁷ If building owners in this program do not make repairs to their buildings, the City steps in to do so, and then charges the owners. Through the first fifteen rounds of the program, after successfully correcting the required number of violations, the City discharged 2,869 of 3,387 buildings that entered the program, with a combined total of 43,250 units of housing.³⁸

A new renovation program for rent stabilized apartments was announced by the Adams administration in April 2023. The program, entitled "Unlocking Doors," will invest up to \$10 million to renovate distressed rent-stabilized homes for the placement of homeless individuals. Through this pilot program, the city will provide up to \$25,000 for needed repairs at each of 400 rent-stabilized apartments that are currently vacant and unavailable for rent. The City will use City Fighting Homelessness and Eviction Prevention Supplement (CityFHEPS) vouchers to subsidize the rent on the apartments. Those moving into the renovated units will receive a two-year lease at the existing rent-stabilized monthly rent. They will then be able to use their CityFHEPS voucher to pay a maximum of one-third of their income for rent, and the City will cover the remaining balance. The program will prioritize units at the lowest stabilized rents, those around \$1,200 per month for a one-bedroom

apartment. Once repairs are complete, HPD will confirm that the building and apartment meet CityFHEPS housing quality standards, and the New York City Human Resources Administration will reimburse owners for qualifying repair expenses up to \$25,000 per unit after an eligible tenant with a CityFHEPS voucher moves in.³⁹

Tax-Delinquent Property

Historically, 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 vacant buildings containing 55,000 units of housing.

HPD's Alternative Management Programs began in 1994 with the goal of returning City-owned properties to private owners and reducing its share of *in rem* buildings by identifying buildings at risk and helping owners. HPD has successfully reduced the number of occupied and vacant *in rem* and eminent domain units in HPD central management to 220 through June 2022, a 1.3% decline from the prior FY and a 99.5% decline since FY 1994.⁴⁰ Key initiatives to prevent abandonment have included tax lien sales; the Third Party Transfer Program, which targets distressed and other buildings with tax arrears;⁴¹ the Landlord Ambassador Program, which helps owners implement best building management practices and navigate the process of applying for HPD financing;⁴² and housing education courses, which teach owners and superintendents basic management, maintenance, and finance skills to improve their properties.⁴³

Beginning in 1996, the City instituted programs for properties that are either tax delinquent or in arrears for water and sewer charges that allowed it to bypass the direct foreclosure of such properties. Until the tax lien sale program expired legislatively on February 28, 2022, instead of foreclosing and taking title to properties in arrears to the City, it sold tax liens for properties that are not distressed in bulk to private investors. Owners in arrears were given 90 days notice to pay the arrears, and avoid

having the lien sold to private investors. After the lien was sold, the lien holder was entitled to collect the entire lien amount, plus other interest and charges, from the property owner. In addition, the property owner was required to pay current taxes to the City. If the owner had not paid the lien or entered into a payment plan, the lien holder could file for foreclosure on the property.⁴⁴ The legislation authorizing the lien sale program expired on February 28, 2022 and has not been renewed by the City, as of the publication of this report. See the *2022 Housing Supply Report* for more details on the last iteration of the lien sale and a task force convened to study alternatives to the lien sale process.

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.⁴⁵ Since it began in 1996, the NYC Department of Finance has collected at least \$536 million in revenue associated with properties in this program, and approximately 593 buildings have been transferred to for-profit and non-profit owners, including 61 during the most recent round, Round 10.⁴⁶ Following a City Council oversight hearing,⁴⁷ Round 11 was put on hold as a working group, comprised of elected officials, nonprofits, advocates, and community stakeholders reviewed the program, and, as of the publication of this report, remains on hold. See the *2022 Housing Supply Report* for more details on the "Third Party Transfer Working Group Final Report."

Demolitions

Per data from the NYC Department of Buildings, a total of 1,796 buildings (both residential and commercial) applied for demolition permits in 2022, a 16.4% increase over the prior year.⁴⁸ By borough, 36.9% of all the buildings demolished in 2022 were in Brooklyn (663 buildings), while 28.2% (507 buildings) were in Queens; 15.6% (281

buildings) in the Bronx; 11.0% (198 buildings) in Staten Island; and the lowest proportion, 8.2% (147 buildings) in Manhattan. Demolitions rose in every borough but Staten Island during 2022, rising by the greatest proportion in Brooklyn, where demolitions rose by 26.3%. They also rose by 23.5% in Manhattan, 19.6% in the Bronx, and 10.0% in Queens. However, demolitions fell by 2.5% in Staten Island. (See Appendix 9.)

The NYC Department of City Planning also tracks demolitions of buildings containing Class A residential units of housing.⁴⁹ Per their data, 740 buildings containing Class A units applied for a demolition permit in 2022, with a total of 1,497 units of housing. This is an increase in buildings of 11.6% and an increase in units of 7.2%, as compared to 2021. Since 2010, an average of 757 Class A buildings and 1,538 units of Class A housing have applied for demolition permits annually.

Summary

In 2022, housing permits rose, increasing by 7.9%. The number of units newly receiving 421-a tax benefits rose by 35.6% in 2022, while units newly receiving J-51 tax abatements and exemptions rose by 102.4%. There was an decrease in newly accepted co-op and condo units, with residential units decreasing by 22.2% and plans decreasing by 6.8%. Rental housing availability remains tight, with the 2021 HVS reporting a Citywide vacancy rate of 4.54%, and 9.4% of rental units overcrowded. □

Endnotes

- The NYC Housing and Vacancy Survey is conducted every three to four years and is sponsored by the NYC Department of Housing Preservation and Development (HPD) and conducted by the U.S. Census Bureau. Data is based on “2021 New York City Housing and Vacancy Survey Selected Initial Findings,” prepared by HPD and released on May 16, 2022, in addition to select data given directly to the RGB from HPD.
- The U.S. housing stock was comprised of 34.6% renter-occupied units, according to the 2021 American Community Survey, conducted by the U.S. Census Bureau, the most recently available data. To calculate both the ratio of renter-occupied units in NYC and the U.S., staff did not include vacant units that are not for sale or for rent in the total number of housing units.
- The 2021 NYCHVS identified units as “other regulated renter” based on administrative records for Mitchell Lama rental units; affordable rental units financed by New York State or NYC HPD or HDC that were not otherwise classified as rent stabilized; units under the supervision of the NYC Loft Board; and *in rem* units, in addition to self-report about the unit and occupant.
- Per Endnote 16 in the “2021 New York City Housing and Vacancy Survey Selected Initial Findings,” prepared by HPD and released on May 16, 2022: “There were too few units to report the net rental vacancy rate of Staten Island on its own. It was therefore combined with Queens so as to avoid suppression of multiple estimates. It was combined with Queens because both boroughs have high homeownership rates and comprise many small buildings.”
- U.S. Census Bureau: <https://www.census.gov/construction/bps/>.
- Per the NYS Multiple Dwelling Law, “A “class A” multiple dwelling is a multiple dwelling that is occupied for permanent residence purposes. This class shall include tenements, flat houses, maisonette apartments, apartment houses, apartment hotels, bachelor apartments, studio apartments, duplex apartments, kitchenette apartments, garden-type maisonette dwelling projects, and all other multiple dwellings except class B multiple dwellings. A class A multiple dwelling shall only be used for permanent residence purposes. For the purposes of this definition, “permanent residence purposes” shall consist of occupancy of a dwelling unit by the same natural person or family for thirty consecutive days or more and a person or family so occupying a dwelling unit shall be referred to herein as the permanent occupants of such dwelling unit.”
- NYC Department of City Planning. DCP Housing Database: Project-Level Files (Release data 2022, Q4) for Class A residential buildings. Note that the data is subject to change, including data from prior years.
- “Housing New York: A Five-Borough, Ten-Year Plan.” NYC Dept. of Housing Preservation and Development. May 5, 2014.
- “Housing New York 2.0.” NYC Department of Housing Preservation and Development. November 15, 2017. See <https://www1.nyc.gov/site/hpd/services-and-information/area-median-income.page> for current AMI data.
- Starts refer to the number of units beginning construction or rehabilitation in a given period.
- Extremely Low-Income is defined as 0-30% of Area Median Income (AMI); Very Low-Income, 31-50% of AMI; Low-Income, 51-80% of AMI; Moderate-Income, 81-120% of AMI; Middle-Income, 121-165% of AMI. Current AMIs can be found at: <https://www1.nyc.gov/site/hpd/services-and-information/area-median-income.page>.
- Press Release, NYC Department of Housing Preservation and Development. “Mayor Adams Outlines Blueprint for ‘Housing Our Neighbors,’ Plan to Get New Yorkers Into Safe, High-Quality, Affordable Homes.” June 14, 2022 and “Housing Our Neighbors: A Blueprint for Housing and Homelessness.” Mayor’s Office. June 14, 2022.
- NYC Open Data, Affordable Housing Production by Building: <https://data.cityofnewyork.us/Housing-Development/Affordable-Housing-Production-by-Building/hg8x-zxpr>. Data current through April 25, 2023.
- See Endnote 11 for definitions of each income band.
- Program information available at: <https://www1.nyc.gov/site/hpd/services-and-information/tax-incentives-421-a.page>.
- NYC Department of Housing Preservation and Development, Tax Incentives Program data.
- “Annual Report on Tax Expenditures.” NYC Department of Finance. February 2023.
- NYC Department of Housing Preservation and Development, Tax Incentives Program data.

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19. <https://www.nyc.gov/site/hpd/services-and-information/tax-incentives-421-a.page>.
20. Developments are eligible to withdraw from the Mitchell-Lama program (buyout), after 20 years upon repayment of the mortgage (or after 35 years in the case of developments aided by loans prior to May 1, 1959).
21. The number of Mitchell-Lama buyouts was provided most recently through the NYC Department of Housing Preservation and Development and NYS Homes 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.
22. NYS Legislation A07272/S06412.
23. NYC Department of Housing Preservation and Development, Tax Incentives Program data.
24. NYS Legislation A6593B/S5257C.
25. NYS FY 2024 Capital Budget: <https://openbudget.ny.gov/capitalPrepForm.html>.
26. NYS Legislation A6262/S4937C.
27. "New York City Will Finally Turn a Hotel Into Housing." The New York Times. May 3, 2023.
28. "New York City Office Adaptive Reuse Study." NYC Department of City Planning. January 2023.
29. NYS Attorney General's Office, Real Estate Financing Bureau data. For the purposes of this report, "accepted" refers only to those co-op and condo plans that require offering plans. Those that do not, and receive a "no-action" letter from the NYS Attorney General's office, are not included in this data. Within the 2022 data there are four residential plans (with 93 residential units) that have been accepted for filing but have outstanding deficiencies. The information entered for these plans was entered upon processing of the initial submission of the offering plan, so some of the data may be outdated and/or incomplete.
30. "2021 New York City Housing and Vacancy Survey Selected Initial Findings." NYC Department of Housing Preservation and Development. May 16, 2022
31. NYC Council Int 2476-2021.
32. NYC Department of Housing Preservation and Development: <https://www1.nyc.gov/site/hpd/services-and-information/tax-incentives-j-51.page>.
33. NYC Department of Housing Preservation and Development, Tax Incentives Program data. Note that, similar to the 421-a program, J-51 provides tax incentives to both renter- and owner-occupied units.
34. "Annual Report on Tax Expenditures." NYC Department of Finance. February, 2023.
35. NYC Department of Housing Preservation and Development: <https://www1.nyc.gov/site/hpd/services-and-information/alternative-enforcement-program-aep.page>.
36. Press Release, NYC Department of Housing Preservation and Development. "HPD Sharpens Enforcement Against NYC's 250 Worst Apartment Buildings." April 24, 2023.
37. NYC Open Data: <https://data.cityofnewyork.us/Housing-Development/Buildings-Selected-for-the-Alternative-Enforcement/hcir-3275/data>.
38. NYC Open Data: <https://data.cityofnewyork.us/>
39. Press Release, NYC Mayor's Office. "Mayor Adams to Invest up to \$10 Million to Repair Rent-Stabilized Homes, Providing Roofs Over Heads of New Yorkers Experiencing Homelessness." April 19, 2023.
40. Per information received directly from the NYC Department of Housing Preservation and Development.
41. NYC Department of Housing Preservation and Development: <https://www1.nyc.gov/site/hpd/services-and-information/tax-delinquency.page>.
42. NYC Department of Housing Preservation and Development: <https://www.nyc.gov/site/hpd/services-and-information/landlord-ambassador-program.page>.
43. NYC Department of Housing Preservation and Development: <https://www.nyc.gov/site/hpd/services-and-information/housing-info-sessions.page>.
44. NYC Department of Finance: <https://www1.nyc.gov/site/finance/taxes/property-lien-sales.page>.
45. "New York City Case Study: Third Party Transfer Initiative: A Solution To Property Abandonment." Lisa Mueller, Local Initiative Support Corporation report. January 14, 2003.
46. Press Release, NYC Department of Housing Preservation and Development. "City Launches Working Group to Review and Modernize the Third Party Transfer Program." June 13, 2019. Additional data received directly from the NYC Department of Housing Preservation and Development.
47. "Oversight—Taking Stock: A Look into the Third Party Transfer Program in Modern Day New York." The Council of the City of New York. July 22, 2019.
48. NYC Department of Buildings (DOB) via NYC Open 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.
49. NYC Department of City Planning. DCP Housing Database: Project-Level Files (Release data 2022, Q4) for Class A residential buildings. Note that the data is subject to change, including data from prior years.

Appendices

1. Permits Issued For Housing Units in New York City, 1965-2022

Year	Bronx	Brooklyn	Manhattan	Queens	Staten Island	Total
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	1,116	1,522	2,535	3,182	581	8,936
2012	2,552	3,353	2,328	1,428	673	10,334
2013	2,638	6,140	4,856	3,161	1,200	17,995
2014	1,885	7,551	5,435	4,900	712	20,483
2015	4,682	26,026	12,612	12,667	541	56,528
2016	4,003	4,503	4,024	2,838	901	16,269
2017	5,401	6,130	4,811	5,104	685	22,131
2018	3,698	8,445	3,584	4,577	606	20,910
2019	5,541	9,696	5,512	5,137	661	26,547
2020	4,632	6,802	1,896	5,840	408	19,578
2021	5,348	7,013	3,165	4,087	310	19,923
2022	3,930	9,423	2,584	5,161	392	21,490

Source: U.S. Census Bureau, Building Permits Survey

2. Permits Issued by Building Size & Borough (In Percentages), 2014-2022

Year/Borough	1-Family	2-Family	3/4Family	5 or More-Family	Total Buildings
2014					
Bronx	0.0%	33.3%	20.4%	46.3%	108
Brooklyn	0.0%	19.3%	25.8%	55.0%	400
Manhattan	1.3%	9.0%	2.6%	87.2%	78
Queens	47.8%	25.4%	10.5%	16.3%	448
Staten Island	68.1%	31.1%	0.2%	0.6%	479
<i>Citywide</i>	<i>35.8%</i>	<i>25.3%</i>	<i>11.6%</i>	<i>27.4%</i>	<i>1,513</i>
2015					
Bronx	2.9%	26.3%	9.5%	61.3%	137
Brooklyn	5.3%	7.0%	14.7%	73.0%	812
Manhattan	3.8%	1.9%	2.9%	91.4%	105
Queens	31.0%	26.3%	11.6%	31.2%	552
Staten Island	63.0%	36.7%	0.0%	0.3%	392
<i>Citywide</i>	<i>23.5%</i>	<i>19.2%</i>	<i>10.0%</i>	<i>47.3%</i>	<i>1,998</i>
2016					
Bronx	1.8%	25.2%	17.1%	55.9%	111
Brooklyn	30.6%	14.6%	14.0%	40.9%	487
Manhattan	6.3%	3.2%	3.2%	87.3%	63
Queens	39.8%	38.4%	10.3%	11.5%	477
Staten Island	52.2%	46.4%	0.0%	1.4%	414
<i>Citywide</i>	<i>36.1%</i>	<i>30.7%</i>	<i>8.9%</i>	<i>24.3%</i>	<i>1,552</i>
2017					
Bronx	6.4%	22.1%	13.6%	57.9%	140
Brooklyn	16.7%	17.1%	13.2%	53.0%	491
Manhattan	5.3%	6.6%	3.9%	84.2%	76
Queens	23.1%	43.5%	15.7%	17.8%	490
Staten Island	57.8%	41.6%	0.4%	0.2%	476
<i>Citywide</i>	<i>28.9%</i>	<i>31.7%</i>	<i>9.9%</i>	<i>29.5%</i>	<i>1,673</i>
2018					
Bronx	5.6%	21.0%	6.5%	66.9%	124
Brooklyn	11.0%	10.6%	17.7%	60.7%	453
Manhattan	0.0%	5.1%	0.0%	94.9%	59
Queens	30.4%	39.1%	10.7%	19.7%	391
Staten Island	57.5%	42.0%	0.0%	0.5%	419
<i>Citywide</i>	<i>28.8%</i>	<i>28.1%</i>	<i>9.0%</i>	<i>34.1%</i>	<i>1,446</i>
2019					
Bronx	1.6%	15.0%	11.8%	71.7%	127
Brooklyn	8.6%	8.3%	14.4%	68.7%	409
Manhattan	1.6%	1.6%	1.6%	95.2%	63
Queens	23.3%	38.2%	11.2%	27.3%	403
Staten Island	51.0%	47.2%	1.5%	0.3%	392
<i>Citywide</i>	<i>37.3%</i>	<i>34.2%</i>	<i>8.8%</i>	<i>19.8%</i>	<i>2,045</i>
2020					
Bronx	4.1%	9.1%	9.1%	77.7%	121
Brooklyn	15.0%	12.9%	9.5%	62.6%	294
Manhattan	0.0%	2.6%	2.6%	94.7%	38
Queens	22.1%	38.6%	7.1%	32.1%	280
Staten Island	47.7%	47.7%	0.0%	4.5%	222
<i>Citywide</i>	<i>22.7%</i>	<i>27.6%</i>	<i>6.3%</i>	<i>43.4%</i>	<i>955</i>
2021					
Bronx	0.0%	9.8%	13.6%	76.5%	132
Brooklyn	4.5%	10.9%	12.8%	71.7%	265
Manhattan	3.1%	0.0%	0.0%	96.9%	32
Queens	19.8%	37.8%	14.5%	27.9%	262
Staten Island	46.5%	51.9%	0.0%	1.6%	185
<i>Citywide</i>	<i>17.2%</i>	<i>27.1%</i>	<i>10.3%</i>	<i>45.4%</i>	<i>876</i>
2022					
Bronx	1.1%	12.0%	5.4%	81.5%	92
Brooklyn	5.5%	5.5%	8.9%	80.0%	235
Manhattan	0.0%	5.4%	0.0%	94.6%	37
Queens	19.6%	35.7%	5.6%	39.2%	143
Staten Island	41.3%	50.0%	4.3%	4.3%	46
Citywide	11.0%	18.1%	6.5%	64.4%	553

Source: U.S. Census Bureau, Building Permits Survey

3. Permits Issued For Housing Units by Quarter, 2012-2023

Year	Bronx	Brooklyn	Manhattan	Queens	Staten Island	Total
2012						
Q1	564	600	556	197	193	2,110
Q2	619	310	1,041	643	134	2,747
Q3	409	1,496	421	378	142	2,846
Q4	960	947	310	210	204	2,631
2013						
Q1	214	1,184	568	428	162	2,556
Q2	1,066	1,117	1,162	730	689	4,764
Q3	336	1,918	1,708	1,006	172	5,140
Q4	1,022	1,921	1,418	997	177	5,535
2014						
Q1	379	1,725	1,809	1,067	121	5,101
Q2	583	1,617	1,041	1,471	140	4,852
Q3	736	2,675	1,506	812	207	5,936
Q4	187	1,534	1,079	1,550	244	4,594
2015						
Q1	561	3,574	1,154	782	112	6,183
Q2	1,269	15,453	9,760	9,182	151	35,815
Q3	1,651	1,163	1,057	250	175	4,296
Q4	1,201	5,836	641	2,453	103	10,234
2016						
Q1	866	482	297	368	145	2,158
Q2	1,060	912	506	854	476	3,808
Q3	764	1,666	1,776	931	145	5,282
Q4	1,313	1,443	1,445	685	135	5,021
2017						
Q1	1,124	2,097	1,486	1,434	202	6,343
Q2	1,267	1,454	1,004	1,801	154	5,680
Q3	1,050	1,000	1,183	1,033	170	4,436
Q4	1,960	1,579	1,138	836	159	5,672
2018						
Q1	1,181	1,737	1,326	794	132	5,170
Q2	1,403	1,768	673	1,465	167	5,476
Q3	562	2,346	647	735	171	4,461
Q4	552	2,594	938	1,583	136	5,803
2019						
Q1	839	2,271	1,037	2,010	172	6,329
Q2	1,228	1,882	1,170	1,249	128	5,657
Q3	1,558	1,759	741	1,129	149	5,336
Q4	1,916	3,784	2,564	749	212	9,225
2020						
Q1	773	1,721	664	2,439	51	5,648
Q2	365	1,673	425	1,157	63	3,683
Q3	1,491	1,406	507	1,600	105	5,109
Q4	2,003	2,002	300	644	189	5,138
2021						
Q1	1,502	1,271	1,268	747	114	4,902
Q2	1,303	2,174	283	915	98	4,773
Q3	1,083	1,931	819	888	48	4,769
Q4	1,460	1,637	795	1,537	50	5,479
2022						
Q1	1,059	2,711	414	2,550	35	6,769
Q2	1,449	2,262	1,088	1,557	339	6,695
Q3	653	3,195	734	567	12	5,161
Q4	769	1,255	348	487	6	2,865
2023						
Q1	189	1,361	1,187	956	7	3,700

Source: U.S. Census Bureau, Building Permits Survey

4. New Housing Units Completed in New York City, 1964-2022

Year	Bronx	Brooklyn	Manhattan	Queens	Staten Island	Total
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	1,390	1,635	5,057	2,206	3,384	13,672
2001	1,581	2,465	5,859	1,599	2,809	14,313
2002	1,554	2,384	6,866	2,388	1,894	15,086
2003	1,450	4,783	4,718	3,000	3,482	17,433
2004	3,156	4,601	6,279	2,836	2,319	19,191
2005	2,945	4,957	5,281	4,702	1,930	19,815
2006	4,236	6,162	7,105	5,858	1,866	25,227
2007	4,469	7,083	7,584	5,883	1,435	26,454
2008	4,144	7,242	6,047	5,468	1,014	23,915
2009	2,905	7,525	6,901	4,674	874	22,879
2010	4,192	7,256	6,956	3,677	796	22,877
2011	3,346	4,765	5,730	2,782	611	17,234
2012	1,882	3,558	1,078	2,573	598	9,689
2013	1,483	4,562	3,641	4,152	605	14,443
2014	1,780	4,399	3,430	3,080	524	13,213
2015	2,574	5,621	3,701	3,154	544	15,594
2016	2,457	8,945	7,338	3,457	1,250	23,447
2017	2,737	11,256	5,494	5,300	687	25,474
2018	4,757	9,428	7,261	6,326	861	28,633
2019	4,316	10,263	4,884	4,639	654	24,756
2020	4,433	8,757	3,802	2,689	504	20,185
2021	4,455	11,471	3,486	8,245	548	28,205
2022	4,994	8,253	4,897	7,317	463	25,924

Source: NYC Department of City Planning; Data from 2010 forward from DCP Housing Database Project-Level Files, for residential Class A units only in newly constructed buildings.

Note: Housing unit count is based on the number of Certificates of Occupancy issued by NYC Department of Buildings (DOB), or equivalent action by the Empire State Development Corporation or NYS Dormitory Authority. Data is updated periodically and may not match that presented in earlier reports.

5. Number of Residential Co-op and Condo Plans Accepted for Filing By the NYS Attorney General's Office, 2017-2022

	2017	2018	2019	2020	2021	2022
Private Plans	Plans (Units)					
New Construction	224 (4,731)	233 (7,155)	227 (5,358)	186 (3,511)	183 (4,160)	130 (3,089)
Rehabilitation	33 (507)	42 (792)	43 (480)	37 (180)	33 (161)	42 (342)
Conversion (Non-Eviction)	18 (717)	11 (545)	11 (745)	12 (760)	4 (352)	3 (206)
Conversion (Eviction)	0	0	0	0	0	0
Private Total	275 (5,955)	286 (8,492)	281 (6,583)	235 (4,451)	220 (4,673)	205 (3,637)
HPD Sponsored Plans	Plans (Units)					
New Construction	0	0	0	0	0	0
Rehabilitation	0	1 (12)	0	0	0	0
Conversion (Non-Eviction)	0	0	0	0	0	0
Conversion (Eviction)	0	0	0	0	0	0
HPD Total	0	1 (12)	0	0	0	0
Grand Total	275 (5,955)	287 (8,504)	281 (6,583)	235 (4,451)	220 (4,673)	205 (3,637)

Source: NYS Attorney General's Office, Real Estate Financing Bureau

Note: Figures exclude "Homeowner," "Other," and "No Action" plans/units. Data from 2017-2018 was updated in 2020 to reflect only residential housing units. Prior data relied on "total units," which includes residential, commercial, and storage units, as well as parking spaces (in addition to other categories with very few units).

6. Number of Units in Co-op and Condo Plans Accepted for Filing By the NYS Attorney General's Office, 1995-2022

Year	New Construction	Conversion Eviction	Conversion Non-Eviction	Rehabilitation	Total: New Construction Conversion & Rehab	Units in HPD Sponsored Plans
1995	614	426	201	1,258	2,499	935
1996	83	16	196	284	579	0
1997	1,417	38	131	852	2,438	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*	14,159	45	4,832	56	19,092	87
2008*	10,520	188	2,286	90	13,084	188
2009*	5,327	50	618	208	6,203	205
2010*	3,493	161	746	0	4,400	218
2011*	2,765	106	208	14	3,093	0
2012*	1,943	19	1,164	75	3,201	19
2013*	2,849	0	693	406	3,948	95
2014*	4,277	0	3,821	385	8,483	0
2015*	6,118	0	2,331	460	8,909	70
2016*	4,726	0	1,311	301	6,338	0
2017*	4,731	0	717	507	5,955	0
2018*	7,155	0	545	804	8,504	12
2019*	5,358	0	745	480	6,583	0
2020*	3,511	0	760	180	4,451	0
2021*	4,160	0	352	161	4,673	0
2022*	3,089	0	206	342	3,637	0

Source: NYS Attorney General's Office, Real Estate Financing Bureau

*2007-2022 data is based on residential units. Prior years data relies on "total units," which includes residential, commercial and storage units, as well as parking spaces (in addition to other categories with very few units). For context, on average, from 2007-2019, the number of residential units was 23.1% lower than total units.

Note: Rehabilitated units were tabulated separately from 1994 on. NYC Dept. of Housing Preservation and Development (HPD) Plans are a subset of all plans.

7. Tax Incentive Programs, 2020-2022

Buildings Newly Receiving Certificates for 421-a Exemptions, 2020-2022

	2020			2021			2022		
	Certificates	Buildings	Units	Certificates	Buildings	Units	Certificates	Buildings	Units
Bronx	120	138	3,437	61	67	1,744	93	103	2,810
Brooklyn	130	136	3,722	240	253	5,313	240	271	6,670
Manhattan	20	21	944	22	22	1,507	18	18	1,883
Queens	47	51	2,136	58	65	1,356	71	73	2,093
Staten Island	3	5	73	0	0	0	0	0	0
TOTAL	320	351	10,312	381	407	9,920	422	465	13,456

Buildings Newly Receiving J-51 Tax Abatements and Exemptions, 2020-2022

	2020			2021			2022		
	Certified Buildings	Certified Units	Certified Cost (\$1,000s)	Certified Buildings	Certified Units	Certified Cost (\$1,000s)	Certified Buildings	Certified Units	Certified Cost (\$1,000s)
Bronx	12	532	\$2,035	51	2,704	\$5,067	61	4,907	\$4,640
Brooklyn	23	589	\$3,195	70	1,684	\$3,147	55	1,964	\$4,057
Manhattan	4	138	\$439	7	268	\$795	18	728	\$2,659
Queens	96	681	\$275	113	2,706	\$3,215	306	7,141	\$8,711
Staten Island	0	0	\$0	0	0	\$0	2	161	\$168
TOTAL	135	1,940	\$5,945	241	7,362	\$12,224	442	14,901	\$20,234

Source: NYC Department of Housing Preservation and Development, Office of Development, Tax Incentive Programs

8. Tax Incentive Programs – Units Receiving Initial Benefits, 1981-2022

Year	421-a	J-51	Year	421-a	J-51
1981	3,505	--	2002	4,953	70,145
1982	3,620	--	2003	3,782	74,005
1983	2,088	--	2004	6,738	117,503
1984	5,820	--	2005	5,062	66,370
1985	5,478	--	2006	3,875	66,010
1986	8,569	--	2007	4,212	55,681
1987	8,286	--	2008	4,521	64,478
1988	10,079	109,367	2009	4,613	37,867
1989	5,342	64,392	2010	5,895	50,263
1990	980	113,009	2011	11,007	54,775
1991	3,323	115,031	2012	10,856	45,886
1992	2,650	143,593	2013	7,890	55,659
1993	914	122,000	2014	6,945	40,787
1994	627	60,874	2015	5,468	44,259
1995	2,284	77,072	2016	4,493	34,311
1996	1,085	70,431	2017	20,804	22,877
1997	2,099	145,316	2018	28,292	29,815
1998	2,118	103,527	2019	22,754	13,487
1999	6,123	82,121	2020	10,312	1,940
2000	2,828	83,925	2021	9,920	7,362
2001	4,870	81,321	2022	13,456	14,901

Source: NYC Department of Housing Preservation and Development, Office of Development, Tax Incentive Programs

9. Building Demolitions in New York City, 1985-2022

Year	Bronx		Brooklyn		Manhattan		Queens		Staten Island		Total	
	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
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	-	1,128	-	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
2011	-	93	-	308	-	124	-	463	-	141	-	1,129
2012	-	121	-	284	-	144	-	434	-	139	-	1,122
2013	-	105	-	367	-	145	-	453	-	216	-	1,286
2014	-	125	-	454	-	121	-	555	-	258	-	1,513
2015	-	116	-	668	-	225	-	612	-	266	-	1,887
2016	-	139	-	642	-	178	-	655	-	235	-	1,849
2017	-	136	-	573	-	114	-	579	-	320	-	1,722
2018	-	190	-	661	-	146	-	624	-	267	-	1,888
2019	-	245	-	741	-	246	-	663	-	214	-	2,109
2020	-	231	-	450	-	130	-	406	-	188	-	1,405
2021	-	235	-	525	-	119	-	461	-	203	-	1,543
2022	-	281	-	663	-	147	-	507	-	198	-	1,796

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

Note: The Census Bureau discontinued collecting demolition statistics in December, 1995. The New York City Department of Buildings (DOB) began supplying the total number of buildings demolished from 1996 forward, but does not specify whether buildings are residential or whether they have 5+ units. Demolition statistics from 1985 through 1995 are solely for residential buildings. Data from 1996 through 2018 was received directly from DOB, while data from 2019 forward was derived from published DOB data on the NYC Open Data portal, per criteria set by the DOB FOIL office.