

# 2010 Housing Supply Report

June 3, 2010

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# 2010 Housing Supply Report

## What's New

- ✓ Permits for 6,057 new dwelling units were issued in New York City in 2009, the least since 1995, and an 82.1% decrease over the prior year.
- ✓ The number of new housing units completed in 2009 decreased 8.8% over the prior year, to 22,229.
- ✓ The citywide vacancy rate was 2.91% in 2008.
- ✓ City-sponsored residential construction spurred 12,231 new housing starts, more than 66% of which were rehabilitations.
- ✓ The number of housing units newly receiving 421-a exemptions increased 2.0% in 2009, to 4,613.
- ✓ The number of housing units newly receiving J-51 abatements and exemptions decreased 41.3% in 2009, to 37,867.
- ✓ The Attorney General's office reported a 50.8% decrease in the number of co-op or condo units accepted in 2009, to 378 plans containing 8,342 units.
- ✓ Demolitions, as reported by the New York City Dept. of Buildings, were down in 2009, decreasing by 39.3% to 1,626 buildings.
- ✓ The city-owned *in rem* housing stock continues to decline, falling 7.7% during FY 2009, to 766 units.

## Introduction

Over the past year there was an 82.1% decrease in the number of permits issued for new dwelling units, falling to 6,057, the least since 1995. And the number of completed housing units fell for the second consecutive year, declining 8.8% from 2008 levels. A tight housing market also remains, with a citywide rental vacancy rate of 2.91% and 10.1% of all rental housing considered overcrowded as of 2008. In 2009 there was a 50.8% decrease in the number of units in cooperative and condominium plans accepted for conversion or new construction (the third consecutive year of decline), while the number of city-owned occupied and vacant units continued to fall through various disposition programs, declining 7.7% during FY 2009, to 766 units. The City also saw a decrease in demolitions during 2009, falling 39.3%, the third consecutive annual decline. In addition, rehabilitation of residential units under the J-51 tax abatement and exemption program during 2009 decreased, falling 41.3%, while the number of market-rate units receiving 421-a benefits rose 2.0% over 2008 levels.

## New York City's Housing Inventory

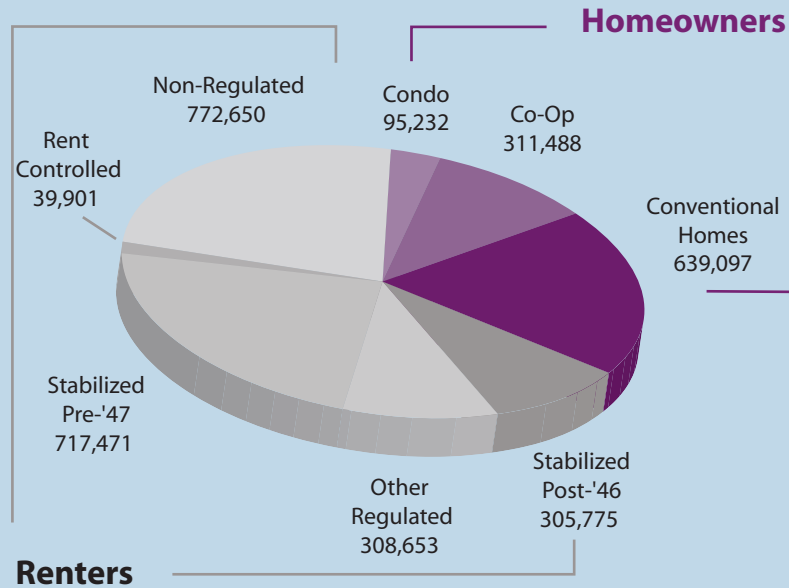
In contrast to the rest of the country, most New Yorkers do not own the homes in which they live. According to the *2008 Housing and Vacancy Survey (HVS)*,<sup>1</sup> rental units comprised 67.2% of New York City's available housing stock in 2008, twice as many rental units as the nation as a whole.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

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

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

## Number of Renter and Owner Units

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



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

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

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

## Changes in the Housing Inventory

### New Additions

Housing supply grows in a variety of ways: new construction, substantial rehabilitation of deteriorated

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

Following two consecutive years of growth, the City in 2009 issued fewer housing permits for single- and multi-family buildings than the year prior. In 2009, permits were issued for 6,057 units of new housing, a decrease of 82.1% from the 33,911 units in 2008 (see graph on following page). This is the smallest number of permits issued on an annual basis since 1995, and is a drop of almost 28,000 from the prior year.<sup>5</sup>

Permits decreased by double digits in every borough during 2009. Proportionally, Brooklyn dropped by the greatest proportion, falling 92.1%, to 1,003. Manhattan and Queens also decreased significantly, falling by 85.9% in Manhattan, to 1,363 and by 80.9% in Queens, to 1,474. Permits issued in Staten Island fell at a somewhat slower pace, decreasing by 54.6%, to 570 permits over the year. Permits fell by the smallest proportion in the Bronx,

declining by 33.6%, to 1,647. (See Appendix 1 and the map on Page 6) While more than two-thirds of all permits in 2008 were issued during the second quarter, permits were more evenly distributed in 2009, falling by the smallest proportion in the fourth quarter, by 31.6%.

While permits issued decreased sharply between 2008 and 2009, the number of permits issued in early 2010 has declined at a much slower rate. The number of permits issued in New York City decreased from 1,077 in the first quarter of 2009 to 1,005 during the same period of 2010, a 6.7% decrease. Permits issued declined steeply in both the Bronx and Queens, by 65.9% and 51.0% respectively. However permits increased sharply in Manhattan, Staten Island, and Brooklyn, by 115.9%, 70.1%, and 27.7% respectively. It should be noted that although permits in the first quarter of 2010 declined by only 6.7% over the first quarter of 2009, permits were down much more sharply as compared to prior years, such as the first quarter of 2007 when 6,000 more permits were issued Citywide than in the first quarter of 2010.

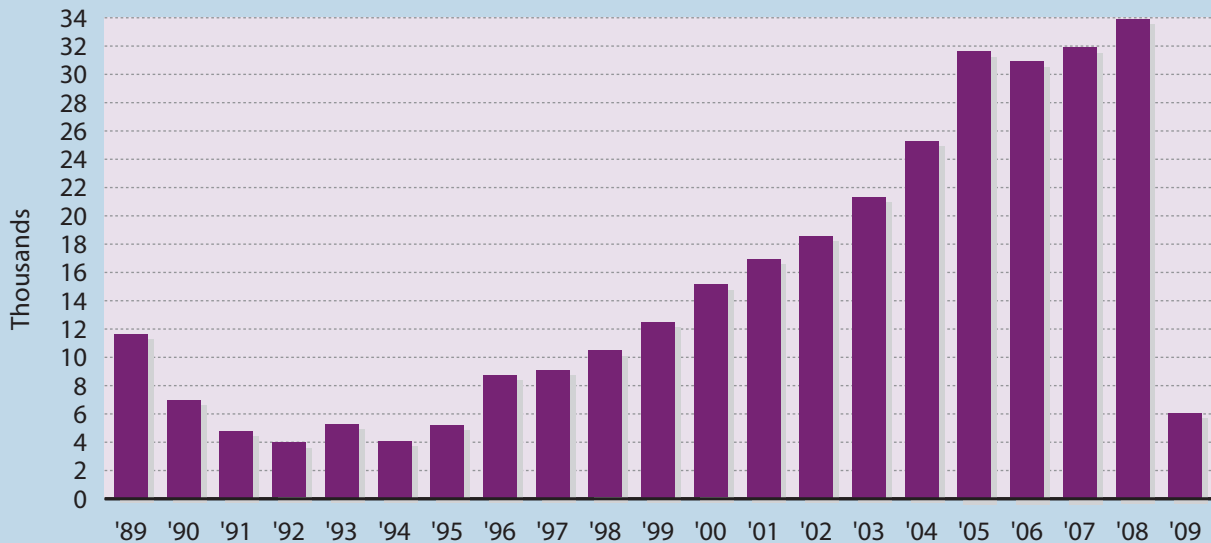
Permit data can also be analyzed by the reported size of the buildings applying for permits. In 2009, a

total of 1,014 buildings received permits (containing a total of 6,057 housing units). Citywide, 31.2% of these buildings were single-family, 37.1% were two-family, 15.3% were three- or four-family structures, and 16.5% were buildings with five or more units. The number of buildings receiving permits in 2009 was 58.3% lower than in 2008, and there was a shift towards smaller buildings, with the highest proportion of single-family permits since 2001. More than 74% of all permits Citywide were for units in five-family or greater buildings, with the average five-family or greater building containing 27 units for the City as a whole, and 45 units in Manhattan (both declines from the prior year). As the chart on the following page illustrates, almost all building permits in Manhattan were for the largest buildings, while in Staten Island virtually all permits were for either one- or two-family buildings. Building size was more evenly distributed in the other boroughs. (See Appendix 2)

This report also examines the number of units completed in the City each year, illustrating what housing actually enters the market in a particular year.<sup>6</sup> In 2009, approximately 22,229 new housing units were completed, an 8.8% decrease over 2008.<sup>7</sup>

### Units Issued New Housing Permits, 1989-2009, in Thousands

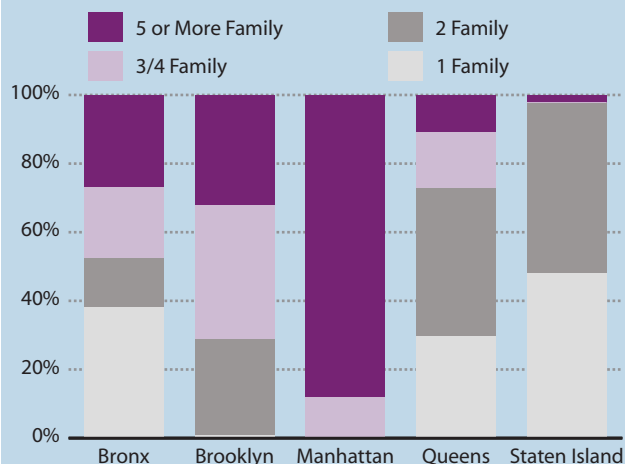
**Number of Permits Issued for New Construction of Residential Units Drops Sharply**



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

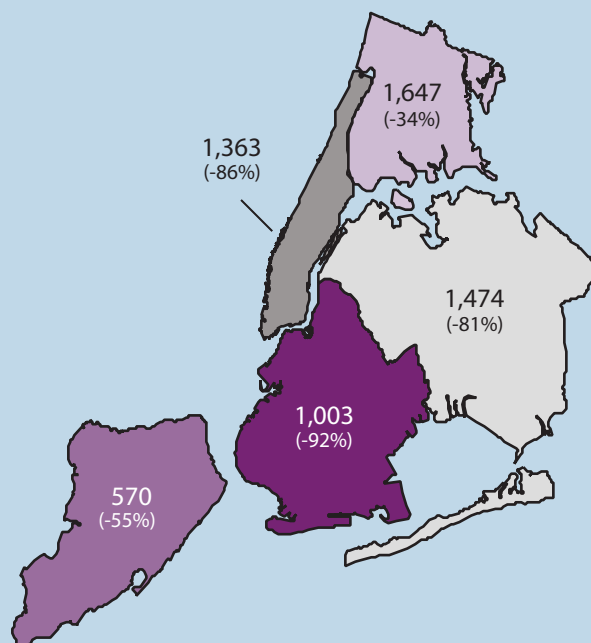
## Residential Building Permits, 2009

**Permits by Building Size:**  
**Most New Buildings in Manhattan are Five Family or More, in Staten Island One and Two Family Homes Predominate**



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

**Total Number of Permits Issued in 2009 and Percentage Change From 2008 by Borough**



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

Completions were down in all boroughs but Brooklyn, which rose by 4.7%, to 7,653. Proportionally, completions were down by the greatest amount in the Bronx, which fell 30.0%, to 2,970, followed by Staten Island, which fell 13.1%, to 887. Smaller decreases were seen in Manhattan, which fell 12.0%, to 5,406 and Queens, which fell by 6.3%, to 5,313. (See Appendix 3 for historical breakdown)

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

HPD- and HDC-sponsored programs spurred a total of 12,231 reported housing starts<sup>8</sup> in FY 2009, a decrease of 27.1% over the prior fiscal year. Of the 12,231 total starts this year, 8,108 were rehabilitation starts, and 4,123 were new construction starts. HPD and HDC collectively expect to start an additional 14,275 units of new construction and rehabilitation in FY 2010, and 14,299 in FY 2011. During the first four months of FY 2010 there were 3,380 starts by HPD and HDC, a 106.1% increase over the corresponding period of the previous year. Almost 93% of these units were rehabilitations.<sup>9</sup>

In February 2006, Mayor Michael R. Bloomberg announced the expansion of his New Housing Marketplace Plan. The original five-year, \$3 billion commitment of 65,000 units is now an 11-year commitment to build and preserve 165,000 units of

affordable housing by 2014. This \$8.5 billion plan will ultimately provide affordable homes for 500,000 New Yorkers.<sup>10</sup> As of May 2010, HPD and HDC have created or preserved 100,000 units of housing under the New Housing Marketplace Plan, more than 60% of the total planned. These units are fairly evenly dispersed throughout the Bronx, Brooklyn, and Manhattan, with only 12% of units in Queens and Staten Island.<sup>11</sup> The City has also shifted from its priority on new construction, and now anticipates that 64% of units by 2014 will be preservations, up from the 44% anticipated in the initial plan. More than three-quarters of planned units will be affordable to low-income households (making no more than 80% of HUD Income Limits), and 69% will be rental units.<sup>12</sup>

In another effort to create new affordable housing, and as reported in last year's report, the City has created the "Housing Asset Renewal Program," a \$20 million plan for the City to buy vacant, unsold units in new developments for use as middle-income housing.<sup>13</sup> While at least five<sup>14</sup> buildings were in talks to participate in the program, no deals have been finalized, and the deadline for the program has been extended to July 1.<sup>15</sup>

HPD is also working with the New York City Housing Authority (NYCHA) to build affordable housing on "underutilized" NYCHA grounds. Up to 6,000 units are planned, with 3,500 units at 12 different sites already finished or in the pipeline.<sup>16</sup>

As also reported last year, the City received \$24 million from the federal government to rehabilitate and resell 115 foreclosed homes. As of February, only eight had been bought by the City, and none had yet been rehabilitated and resold.<sup>17</sup> But the City also has plans to spend \$750 million over the next five years to rescue multi-family apartment buildings that are falling into disrepair and veering towards foreclosure. They are specifically focusing on more than 3,500 units in 267 buildings, although an estimated 100,000 units are in buildings which are mortgaged for more than their market value.<sup>18</sup>

There are also reports that some City-subsidized housing is failing to attract buyers, particularly middle-income housing in lower-income neighborhoods. And only two new development deals for owner-occupied subsidized housing have been approved in

the past two years, versus two dozen in the preceding two years.<sup>19</sup>

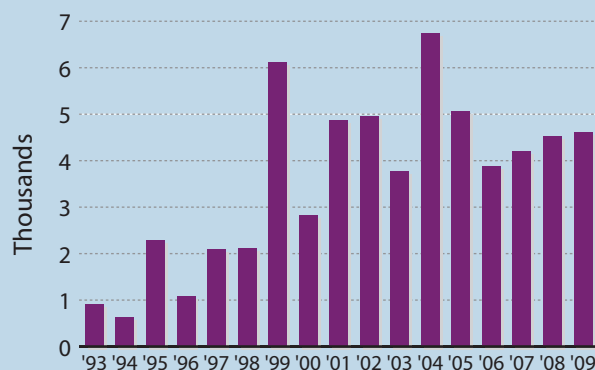
## Tax Incentive Programs

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

A variety of factors are used to establish the level and period of 421-a benefits, and properties are also subject

**Units Newly Receiving 421-a Certificates, 1993-2009, in Thousands**

**2% Increase in Number of Units Newly Issued 421-a Certificates in 2009**



Source: NYC Department of Housing Preservation and Development

to construction guidelines. Properties receive an exemption for 10 to 25 years depending on location, the number of units reserved for low- and moderate-income tenants, and whether they are located in a neighborhood preservation area. Longer exemption periods apply in northern Manhattan and boroughs outside Manhattan, and to projects that receive governmental assistance or contain 20% low-income units.<sup>20</sup>

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

Through the market-rate 421-a program, the number of housing units newly receiving 421-a exemptions increased for the third consecutive year, up 2.0%, to 4,613 (see graph on previous page), including increases in every borough but the Bronx and Brooklyn. While the number of units decreased 47.9% in the Bronx and 33.9% in Brooklyn, it increased 69.0% in Manhattan, 57.6% in Queens, and rose from six to 97 units in Staten Island. The largest proportion of units receiving benefits in 2009 were in buildings located in Manhattan, which contained 45.3% of the total units in the City. The Bronx, Queens, and Brooklyn each had virtually the same number of units newly receiving 421-a benefits, with 17.2%, 17.6%, and 17.8% of units respectively. And Staten Island, with only 97 units, had 2.1% of units Citywide. Because buildings in Manhattan are so much larger than buildings in the outer boroughs, the majority of units were in Manhattan, despite having only 27 of the 244 buildings Citywide newly approved for 421-a benefits.<sup>21</sup> (See Appendices 6 and 7)

Historically, tax-incentive housing has also been developed through the 421-a Affordable Housing Program, which allowed developers to build within Manhattan's "Exclusion Zone" as long as they provided either 20% of housing on-site to be affordable, or they financed affordable housing elsewhere in the City (at the rate of one affordable unit for every five units built in Manhattan). With changes to the 421-a program that now require all developers in the newly expanded

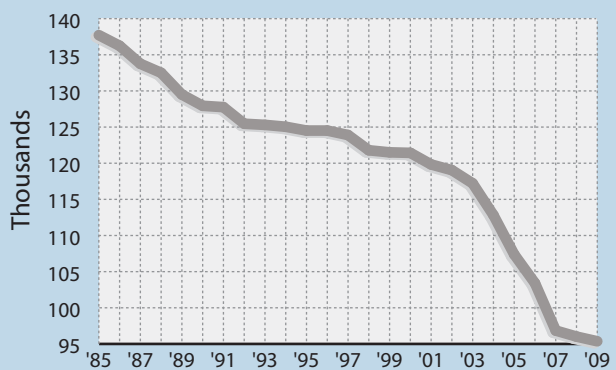
Exclusion Zone to build affordable housing on-site, the 421-a Affordable Housing Program is being phased out and no new units began construction during 2009. However, some units did complete construction in 2009 — 469 new affordable units, producing 2,352 certificates for market-rate housing were completed, a 40.2% decline from last year.<sup>22</sup>

Another program that has offered affordable housing, the New York State Mitchell-Lama program, is losing residential units as market rents rise and landlords choose to leave the program. The program, which was created in 1955 as a means of providing affordable rental and cooperative housing to moderate- and middle-income families, granted low-cost mortgages and tax breaks to landlords who developed low- and middle-income housing. There are approximately 95,000 Mitchell-Lama units in the City today (and up to 18,000 elsewhere in the state), with the last Mitchell-Lama project opening in 1978.<sup>23</sup>

After twenty years, owners may leave the program by "buying out" of it. By repaying in full the subsidized mortgages that they are receiving from the government, the buildings are no longer subject to the regulations of the Mitchell-Lama program. In New York City approximately 42,000 units in Mitchell-Lama buildings have been lost due to buyouts since 1985 (see graph on this page). After averaging more than 5,000 buyouts

**Units in the Mitchell-Lama Program, 1985-2009, in Thousands**

**31% Decrease in Number of NYC Mitchell-Lama Units Since 1985**



Source: NYC Dept. of Housing Preservation & Development



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annually between 2004 and 2007, the pace slowed significantly for the second consecutive year, with only four buildings, containing 648 units, leaving the program in 2009.<sup>24</sup>

As more and more Mitchell-Lama apartments leave the program, new legislation and policies are increasingly being proposed to clarify the laws regarding rents in buildings buying out. In November of 2007, the New York State Division of Housing and Community Renewal (DHCR) issued a new policy on “unique and peculiar” circumstances, a policy that had allowed owners of buildings leaving Mitchell-Lama and built before 1974 to apply to have apartment rents set at market rates when entering rent stabilization. The new policy requires all Mitchell-Lama buildings built before 1974 to enter rent stabilization at current rents, preserving affordable rent levels for thousands of renters.<sup>25</sup> A proposed bill in the NYS Legislature would require all buildings leaving Mitchell-Lama or Section 8 to become rent stabilized, and would apply retroactively to buildings that have already left the system.<sup>26</sup> Other pending bills would require a one-year notification to tenants of any buyouts<sup>27</sup>, while another bill, backed by Mayor Bloomberg, would put post-1973 rental buildings in rent stabilization after a buyout, and would allow current Mitchell-Lama developments to follow rent stabilization guidelines for rent increases.<sup>28</sup>

## Conversions and Subdivisions

New housing units are also brought onto the market through subdivisions and conversions. Subdivisions involve the division of existing residential space into an increased number of units. Non-residential spaces, such as offices or other commercial spaces, can also be converted for residential use. As chronicled in prior Housing Supply Reports, during the mid-2000s, with a tight housing market and high demand for luxury apartments, there were an increasing number of conversions in neighborhoods citywide, including 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 2009, 12 formerly

non-residential buildings, containing 855 units, received J-51 benefits for conversion. Almost all were converted to co-op and condo units. This is roughly equivalent to 2008, when a total of 15 non-residential buildings and 765 units converted using J-51 benefits, also mostly co-op/condo units. But while the number of non-residential units converting with J-51 benefits increased slightly in 2009, the number of non-residential units in downtown Manhattan that converted with the aid of 421-g benefits declined in 2009, down 86% to 157 units.<sup>29</sup>

Conversion of single room occupancy (SRO) buildings also continued over the past year. SRO owners may convert SRO housing to other uses after obtaining a “Certificate of No Harassment” from HPD. Certificates are down for the fifth consecutive year, falling to 117 in 2009, down from 127 in 2008 and more than 200 in each year from 2004-2006.<sup>30</sup> Efforts are also underway to ensure that SROs are used for permanent housing rather than as transient hotels. A bill introduced to the State Legislature earlier this year, and backed by Mayor Bloomberg, would close a loophole in the existing law and require owners of SROs to rent only to permanent tenants who intend to stay more than 30 days.<sup>31</sup>

## 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 2009, the Attorney General accepted 378 co-op and condo plans, a 28.1% decrease from the number accepted in 2008. These 378 plans encompassed 8,342 housing units, 50.8% less than in 2008. The vast majority of plans, 227, were accepted for buildings located in Brooklyn; 69 were located in Manhattan; 67 plans were accepted for Queens; Staten Island had eight plans; and there were seven in the Bronx. Most units were located in Brooklyn (3,765), Manhattan (2,335) and Queens (1,950), with only a combined total of 292 units in the Bronx and Staten Island.<sup>32</sup> (See Appendices 4 and 5)

Almost all of the plans accepted citywide in 2009 were for new construction, comprising 335 of 378 plans, and a total of 7,270 of 8,342 units. This is similar to the prior year, when new construction accounted for 454 of the 526 accepted plans. In 2009, 29 plans and 725 units were non-eviction conversions. An additional 13 plans, containing 274 units, were eviction plan conversions, all sponsored by HPD. In addition, one plan and 73 units were rehabilitation conversions.

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 12.0% of the total number of units in 2009 co-op and condo plans. Conversions held in the 70-90% range for all of the 1980s, before beginning to fall in the 1990s. Because most conversion plans are non-eviction plans (including all private plans in 2009), only when the original rental tenant moves out, or opts to buy the apartment, does the apartment become owner-

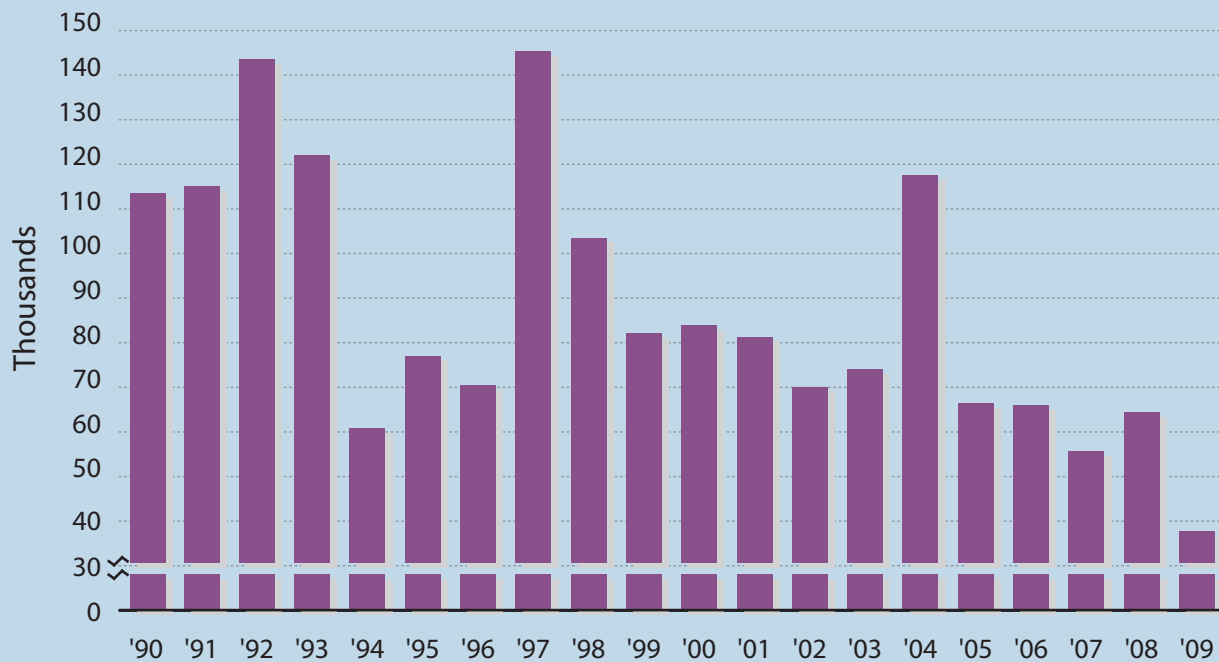
occupied. When that happens, the unit is then removed from the rental universe, thereby reducing the number of rental apartments available.

## Rehabilitation

Another method for adding residential units to the City's housing stock is through rehabilitation of old buildings. As buildings age, they must undergo renovation and rehabilitation to remain in habitable condition. This is particularly relevant to NYC's rental housing stock, of which almost 61% of units are in buildings constructed prior to 1946.<sup>33</sup> Through tax abatement and exemption subsidy programs offered by the City for rehabilitation, units are able to remain in, or be readmitted to, the City's housing stock. The J-51 tax abatement and exemption program is intended to encourage the periodic renovation of New York City's stock of both renter- and owner-occupied housing. Utilization rates of the benefit have varied widely over the years, with new benefits approved for more than 100,000 units in

### Units Receiving Initial J-51 Benefits, 1989-2009, in Thousands

#### 2009 Saw Decrease in Number of Units Receiving J-51 Certificates



Source: NYC Department of Housing Preservation and Development

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six of the 10 years of the 1990s, but rates generally between 60,000-80,000 units in the 2000s.

In 2009, 37,867 units newly received J-51 benefits, a decrease of 41.3% from the previous year, and the lowest level in the history of this report (see graph on previous page and Appendix 7). These units were contained in 1,138 buildings, a decrease of 16.4% from 2008 levels. The location of the units newly receiving benefits ranged from 32.2% located in Brooklyn; to 30.7% in Queens; 19.7% in Manhattan; 15.8% in the Bronx; and 1.6% in Staten Island. Just over half of buildings containing these units were in Queens, while the other half were almost entirely located in either Manhattan, Brooklyn, or the Bronx.<sup>34</sup>

The J-51 tax relief program is similar to the 421-a program in that it requires that those rental units not already rent stabilized be subject to rent regulation for the duration of the benefits. Apartment units in many high-rent neighborhoods are not allowed to enter the program because the apartment unit tax assessment generally cannot exceed \$38,000-\$40,000 after completion. Rehabilitation activities that are eligible for tax abatements and exemptions include Major Capital Improvements (MCI's), substantial rehabilitation, conversion from non-residential uses, and moderate rehabilitation, which requires significant improvement to at least one major building-wide system. Enriched exemption and abatement benefits are also available for conversion to Class A multiple dwellings (which are permanent residential dwellings) and rehabilitation of Class A buildings that are not entirely vacant.<sup>35</sup> In Fiscal Year 2010, the J-51 tax program will cost the City \$254.1 million for all housing types, including almost 440,000 rental units.<sup>36</sup> (See Appendices 6 and 7)

## **Tax-Delinquent Property**

### **In Rem Housing**

For two decades, the City foreclosed on thousands of tax-delinquent residential properties, becoming the owner and manager of these buildings, known as *in rem* properties. By its peak in 1986, the city owned and managed 4,000 occupied buildings containing 40,000 units of housing and almost 6,000 buildings and 55,000 units of vacant housing (see graph on next page). Most

of these were dilapidated multi-family buildings occupied by a predominantly low-income population. To counter this trend, HPD developed multiple disposition programs over time to manage, rehabilitate and sell many of these *in rem* buildings. HPD's Alternative Management Programs began in 1994 with the goal of returning city-owned properties to private owners and stimulating neighborhood development. The programs enable local entrepreneurs, community not-for-profit housing organizations, and groups of tenants to own and manage these buildings. Many of these programs include funds for rehabilitation and use the proceeds of federal tax credits to keep rents affordable.

HPD has successfully reduced the number of occupied and vacant *in rem* units in central management to 766 through June 2009, a 98.3% decline since FY 1994.<sup>37</sup> HPD transfers buildings into alternative management programs before returning them to private ownership. During FY 2009, 251 units were sold through these programs and there are currently 25 buildings, with 591 units, in the sales pipeline. (See Appendix 8 for a historical breakdown)

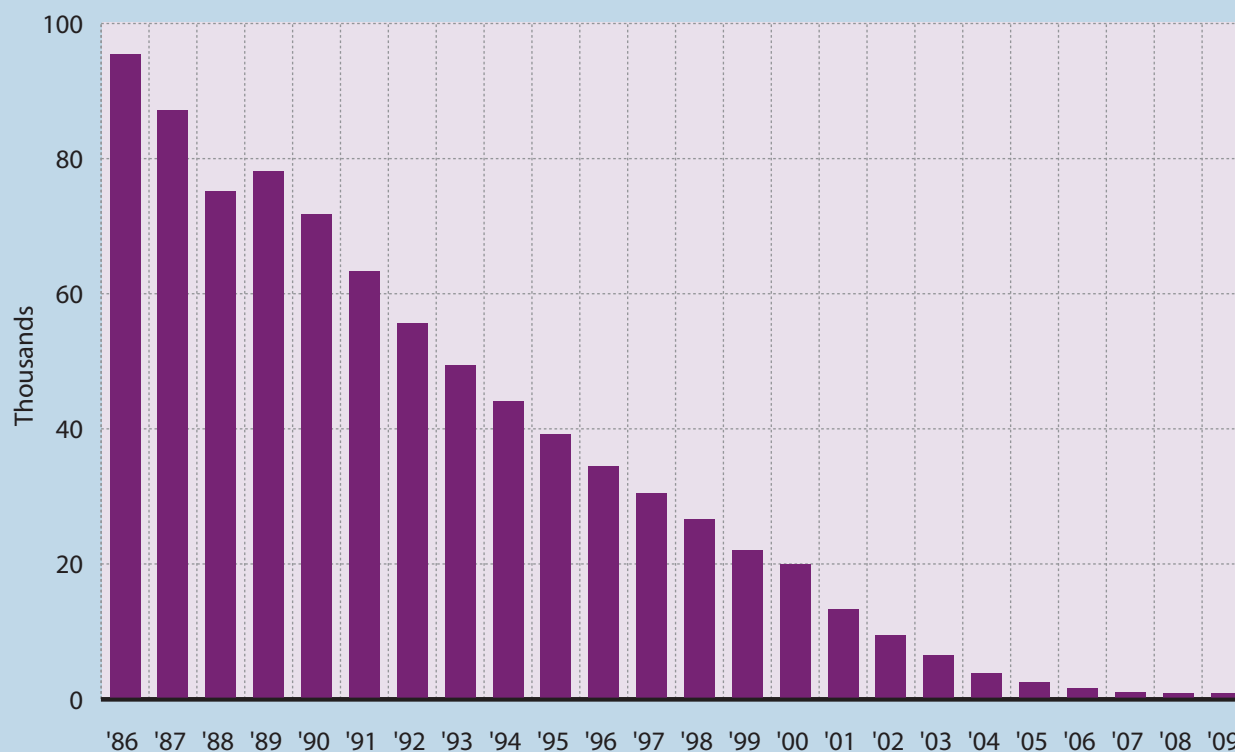
## **Anti-Abandonment Strategies**

The City has also been able to significantly reduce its share of *in rem* buildings by identifying buildings at risk and helping owners. Key initiatives to prevent abandonment include the Third Party Transfer Program, which targets distressed and other buildings with tax arrears, and a Housing Education Program, which teaches owners and superintendents basic management, maintenance, and finance skills to improve their properties.<sup>38</sup>

Since the mid-1990s, the City has not taken title (i.e., vesting) of properties that are tax delinquent. Instead, the City has developed a comprehensive anti-abandonment strategy. First, tax liens for properties that are not distressed are sold in bulk to private investors. After the lien is sold, the lien holder is entitled to collect the entire lien amount, plus other interest and charges, from the property owner. In addition, the property owner must continue to pay current taxes to the City. If the owner has not paid the lien or entered into a payment plan, the lien holder can file for foreclosure on the property.<sup>39</sup>

## Units in HPD Central Management Stock, FY 1986-FY 2009, in Thousands

### Continued Decline in City In Rem Housing Stock in FY 2009



Source: NYC Dept. of Housing Preservation and Development

An additional facet of the City's anti-abandonment strategy is third party transfer. For buildings that are distressed and in tax arrears, the City can initiate an *in rem* tax foreclosure action against property owners. The policy, authorized under Local Law 37 of 1996, transfers the title of *in rem* properties directly to new owners (qualified third parties) without the City ever taking title itself. The properties are temporarily transferred to Neighborhood Restore, a nonprofit corporation, and upon the judgment of the court, are transferred to a qualified third party.<sup>40</sup> Since it began in 1996, the program has collected \$386 million in back taxes, and 442 buildings have been transferred to responsible for-profit and non-profit owners.<sup>41</sup>

Another anti-abandonment strategy involves the identification of buildings that are at risk of abandonment and helping these owners achieve fiscal and structural soundness for their properties through housing education, counseling, subsidized loans, and

voluntary repair agreements, to preserve housing and avoid *in rem* actions entirely.

### Demolitions

While in the early 1990s relatively few residential buildings in New York City were demolished, this began to change in 1996, the same year that the number of building permits issued began to increase significantly. In fact, the number of buildings demolished between 2005 and 2007 alone was almost triple the number demolished in all the years from 1990 to 1999 combined. But for the third consecutive year, demolitions in New York City fell as compared to the prior year. A total of 1,626 buildings were demolished in 2009, a 39.3% decrease over the prior year, following an 18.4% decline in 2008. Queens accounted for 40.8% of all the buildings demolished in 2009, Brooklyn had 28.7%, Staten Island had 10.9%,

the Bronx had 10.2%, and Manhattan had the lowest proportion, 9.4%. Demolitions fell in every borough, declining by 49.5% in Brooklyn, 39.3% in Manhattan, 38.7% in Queens, 19.4% in the Bronx and 17.7% in Staten Island.<sup>42</sup> (See Appendix 9)

## Conclusion

Housing permits dropped precipitously in 2009, by 82.1%, and were at their lowest annual level since 1995, while the number of completed housing units also decreased, by 8.8%. The City also continued to reduce its share of city-owned vacant and occupied housing units, seeing a 7.7% decline during the most recent fiscal year. The number of new units receiving 421-a tax benefits increased 2.0% in 2009, while J-51 tax abatements and exemptions decreased 41.3%. There was also a 50.8% drop in the number of units accepted in new or converted co-op and condo buildings. Rental housing availability remains tight, with a citywide vacancy rate of just 2.91% in 2008, and overcrowding remains a problem. Mayor Bloomberg's ten-year housing initiative has begun development/construction on more than 100,000 units, helping to reduce the affordable housing shortage. □

## Endnotes

1. The New York City Housing and Vacancy Survey (HVS) is done triennially, sponsored by the NYC Department of Housing Preservation and Development (HPD) and conducted by the U.S. Census Bureau.
2. The U.S. housing stock was comprised of 33% renter-occupied units, according to the 2008 American Community Survey, conducted by the U.S. Census Bureau. To calculate the ratio of renter-occupied units in New York City, staff did not include vacant units that are not for sale or for rent in the total number of housing units.
3. Other units include public housing, Mitchell-Lama, In Rem, HUD-regulated, Article 4 and Loft Board units.
4. Since the number of vacant units available for rent in Staten Island is small, and the HVS is a sample survey, the sampling error of the vacancy rate is likely to be large, and thus, the Census Bureau could not calculate an accurate vacancy rate.
5. U.S. Census Bureau web site. World Wide Web page <<http://www.census.gov/const/www/permitsindex.html>>.
6. NYC Dept. of City Planning data. Note that the data is continually updated and is subject to change, including data from prior years.
7. Beginning with the *2006 Housing Supply Report*, the RGB defines a housing completion as any unit receiving either a permanent or a temporary Certificate of Occupancy in the stated year. The Department of City Planning provided this information for the 2004 calendar year and beyond, and believes it is a more accurate representation of new housing in New York City than previous methodologies which only counted final Certificates of Occupancy.
8. Starts refer to the number of units beginning construction or rehabilitation in a given period.
9. Mayor's Management Reports, Fiscal Year 2009 and Preliminary Fiscal Year 2010.
10. Mayor's Office Press Release. "Mayor Bloomberg Outlines Steps the City is Taking to Achieve Affordable Housing Goal of 165,000 Units to House 500,000 New Yorkers Despite Historic Economic Challenges." February 22, 2010.
11. Mayor's Office Press Release. "Mayor Bloomberg, HUD Secretary Donovan, Speaker Quinn, Commissioner Cestero and Other Officials Announce 100,000 Units of Affordable Housing." May 3, 2010.
12. "2010 New Housing Marketplace Plan." NYC Dept. of Housing Preservation and Development.
13. "City Dealing to Make Luxe Condos Cheaper." *NY Post*. August 24, 2009.
14. "City's Affordable Housing Program Faces Trouble Finding Buyers," *The New York Times*. February 18, 2010.
15. "One Year Later, Plan to Reverse Condo Boom a Bust." *City Hall News*. April 26, 2010.
16. "As City Squeezes in Housing, Some Perks are Squeezed Out." *The New York Times*. March 25, 2010.
17. "City slow to recover from housing market collapse; buys just 8 homes out of promised 115." *New York Daily News*. February 7, 2010
18. "City Bids to Save Housing Imperiled by Investors." *The New York Times*. January 22, 2010.
19. "City's Affordable Housing Program Faces Trouble Finding Buyers," *The New York Times*. February 18, 2010.
20. Program information available at: <http://nyc.gov/html/hpd/html/developers/421a.shtml>
21. NYC Department of Housing Preservation and Development, Tax Incentives Program data.
22. Data obtained from the NYC Dept. of Housing Preservation and Development, Inclusionary Housing/421a Affordable Housing Program. Each affordable housing unit financed or built under the Affordable Housing Program creates between four and six certificates for market rate housing.
23. "2007 Annual Report: Mitchell-Lama Housing Companies in NYS." NYS Division of Housing and Community Renewal. January 15, 2008 and updated with known buyouts.
24. The number of Mitchell-Lama buyouts were provided most recently through the NYC Dept. of Housing Preservation and Development and the NYS Division of Housing and Community Renewal, and in previous years through other sources, such as the report "Affordable No More: An Update" by the Office of the New York City Comptroller, Office of Policy Management on May 25, 2006.
25. "Albany Bars Rent Rise for Thousands." Manny Fernandez, *The New York Times*, November 26, 2007.

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26. NYS Senate Bill S3326-B. Summary of all Mitchell-Lama Bills available at: <http://www.save-ml.org/modules.php?name=News&file=article&sid=225>
  27. NYS Senate Bill S5509. Summary of all Mitchell-Lama Bills available at: <http://www.save-ml.org/modules.php?name=News&file=article&sid=225>
  28. NYS Senate Bill S6873. Summary of all Mitchell-Lama Bills available at: <http://www.save-ml.org/modules.php?name=News&file=article&sid=225>
  29. NYC Department of Housing Preservation and Development, Tax Incentives Program data.
  30. NYC Department of Housing Preservation and Development.
  31. "Lawmakers Seek to Crack Down on Illegal Hotels." *Gotham Gazette*. March 16, 2010.
  32. NYS Attorney General's Office, Real Estate Financing Bureau data. and the NYC Dept. of Housing Preservation and Development, Sales Unit.
  33. *2008 NYC Housing and Vacancy Survey*, U.S. Census Bureau.
  34. NYC Dept. of Housing Preservation and Development, Tax Incentives Program data. Note that, similar to the 421-a program, J-51 provides tax abatements and incentives to newly built renter- and owner-occupied units, which are included in the figures given in this report.
  35. Landlord Information/Tax Incentives: J-51, NYC Department of Housing Preservation and Development web site. <http://www.nyc.gov/html/hpd/html/developers/j51.shtml>.
  36. "Annual Report on Tax Expenditures," NYC Dept. of Finance publication, February, 2010.
  37. NYC Dept. of Housing Preservation and Development..
  38. NYC Department of Housing Preservation and Development website. <http://www.nyc.gov/html/hpd/html/homeowners/tax.shtml>.
  39. NYC Department of Finance, General Information on the City's Tax Lien Sale Process. [http://www.nyc.gov/html/dof/html/property/property\\_bill\\_taxlien.shtml#general](http://www.nyc.gov/html/dof/html/property/property_bill_taxlien.shtml#general).
  40. "New York City Case Study: Third Party Transfer Initiative: A Solution To Property Abandonment," by Lisa Mueller, Local Initiative Support Corporation report, January 14, 2003. <http://www.lisc.org/content/publications/detail/794/>.
  41. Most recent figures obtained from NYC Dept. of Housing Preservation and Development, May, 2010.
  42. NYC Department of Buildings (DOB) data. Note that demolition statistics include both residential as well as commercial buildings, as the DOB does not specify the type of building in its data.

## Appendices

### 1. Permits Issued For Housing Units in New York City, 1960-2010

Year	Bronx	Brooklyn	Manhattan	Queens	Staten Island	Total
1960	--	--	--	--	--	46,792
1961	--	--	--	--	--	70,606
1962	--	--	--	--	--	70,686
1963	--	--	--	--	--	49,898
1964	--	--	--	--	--	20,594
1965	--	--	--	--	--	25,715
1966	--	--	--	--	--	23,142
1967	--	--	--	--	--	22,174
1968	--	--	--	--	--	22,062
1969	--	--	--	--	--	17,031
1970	--	--	--	--	--	22,365
1971	--	--	--	--	--	32,254
1972	--	--	--	--	--	36,061
1973	--	--	--	--	--	22,417
1974	--	--	--	--	--	15,743
1975	--	--	--	--	--	3,810
1976	--	--	--	--	--	5,435
1977	--	--	--	--	--	7,639
1978	--	--	--	--	--	11,096
1979	--	--	--	--	--	14,524
1980	--	--	--	--	--	7,800
1981	--	--	--	--	--	11,060
1982	--	--	--	--	--	7,649
1983	--	--	--	--	--	11,795
1984	--	--	--	--	--	11,566
1985	1,263	1,068	12,079	2,211	3,711	20,332
1986	920	1,278	1,622	2,180	3,782	9,782
1987	931	1,650	3,811	3,182	4,190	13,764
1988	967	1,629	2,460	2,506	2,335	9,897
1989	1,643	1,775	2,986	2,339	2,803	11,546
1990	1,182	1,634	2,398	704	940	6,858
1991	1,093	1,024	756	602	1,224	4,699
1992	1,257	646	373	351	1,255	3,882
1993	1,293	1,015	1,150	530	1,185	5,173
1994	846	911	428	560	1,265	4,010
1995	853	943	1,129	738	1,472	5,135
1996	885	942	3,369	1,301	2,155	8,652
1997	1,161	1,063	3,762	1,144	1,857	8,987
1998	1,309	1,787	3,823	1,446	2,022	10,387
1999	1,153	2,894	3,791	2,169	2,414	12,421
2000	1,646	2,904	5,110	2,723	2,667	15,050
2001	2,216	2,973	6,109	3,264	2,294	16,856
2002	2,626	5,247	5,407	3,464	1,756	18,500
2003	2,935	6,054	5,232	4,399	2,598	21,218
2004	4,924	6,825	4,555	6,853	2,051	25,208
2005	4,937	9,028	8,493	7,269	1,872	31,599
2006	4,658	9,191	8,790	7,252	1,036	30,927
2007	3,088	10,930	9,520	7,625	739	31,902
2008	2,482	12,744	9,700	7,730	1,255	33,911
<b>2009</b>	<b>1,647</b>	<b>1,003</b>	<b>1,363</b>	<b>1,474</b>	<b>570</b>	<b>6,057</b>
2010 (1st Qtr) <sup>Ω</sup>	56 (164)	175 (137)	326 (151)	249 (508)	199 (117)	1,005 (1,077)

Ω First three months of 2010. The number of permits issued in the first three months of 2009 is in parenthesis.

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

## 2. Permits Issued by Building Size & Borough (In Percentages), 2001-2009

Year/Borough	1-Family	2-Family	3/4 Family	5 or More-Family	Total Buildings
<b>2001</b>					
Bronx	3.7%	59.7%	31.9%	4.8%	543
Brooklyn	22.3%	44.6%	24.1%	9.0%	1,028
Manhattan	2.8%	3.5%	56.3%	37.3%	142
Queens	14.1%	58.8%	23.5%	3.6%	1,007
Staten Island	72.6%	27.3%	0.1%	0.0%	1,799
<i>Citywide</i>	37.6%	41.4%	16.4%	4.6%	4,519
<b>2002</b>					
Bronx	2.7%	57.4%	35.4%	4.6%	676
Brooklyn	15.8%	41.9%	27.5%	14.8%	1,197
Manhattan	4.1%	4.1%	24.3%	67.6%	74
Queens	17.7%	53.8%	23.8%	4.7%	1,210
Staten Island	69.3%	29.4%	1.1%	0.2%	1,317
<i>Citywide</i>	29.9%	43.2%	19.9%	7.1%	4,474
<b>2003</b>					
Bronx	9.2%	50.3%	30.5%	9.9%	596
Brooklyn	8.2%	46.1%	31.5%	14.2%	1,446
Manhattan	1.3%	8.8%	2.5%	87.5%	80
Queens	12.1%	54.2%	28.6%	5.2%	1,335
Staten Island	64.8%	34.6%	0.5%	0.1%	1,887
<i>Citywide</i>	29.1%	44.0%	19.3%	7.6%	5,344
<b>2004</b>					
Bronx	4.1%	40.2%	46.9%	8.9%	813
Brooklyn	8.0%	31.3%	43.6%	17.1%	1,407
Manhattan	1.1%	3.3%	16.7%	78.9%	90
Queens	13.3%	55.5%	25.9%	5.2%	1,986
Staten Island	46.2%	53.3%	0.2%	0.3%	1,308
<i>Citywide</i>	18.1%	45.9%	27.3%	8.7%	5,604
<b>2005</b>					
Bronx	3.5%	29.9%	54.9%	11.6%	825
Brooklyn	6.4%	28.3%	45.3%	20.0%	1,638
Manhattan	2.6%	0.9%	6.1%	90.4%	115
Queens	17.5%	47.5%	27.1%	7.8%	1,912
Staten Island	63.9%	34.6%	1.0%	0.5%	1,297
<i>Citywide</i>	22.5%	35.8%	30.0%	11.8%	5,787
<b>2006</b>					
Bronx	7.7%	33.6%	51.4%	7.3%	959
Brooklyn	8.1%	23.2%	45.7%	23.0%	1,389
Manhattan	1.8%	3.5%	5.3%	89.4%	113
Queens	14.3%	49.7%	29.0%	7.1%	2,014
Staten Island	62.7%	36.2%	0.0%	1.1%	697
<i>Citywide</i>	17.7%	36.7%	33.2%	12.4%	5,172
<b>2007</b>					
Bronx	6.8%	43.7%	41.7%	7.8%	643
Brooklyn	0.0%	18.3%	51.7%	30.0%	1,079
Manhattan	5.0%	1.7%	5.8%	87.6%	121
Queens	17.1%	53.1%	21.3%	8.6%	1,562
Staten Island	60.7%	38.6%	0.2%	0.6%	511
<i>Citywide</i>	16.0%	38.5%	29.8%	15.8%	3,916
<b>2008</b>					
Bronx	43.4%	17.7%	23.1%	15.8%	373
Brooklyn	0.0%	25.0%	18.7%	56.3%	787
Manhattan	2.0%	0.0%	0.0%	98.0%	152
Queens	18.5%	42.3%	14.8%	24.4%	755
Staten Island	50.4%	40.1%	0.5%	9.0%	367
<i>Citywide</i>	20.1%	30.0%	14.3%	35.7%	2,434
<b>2009</b>					
<b>Bronx</b>	<b>38.1%</b>	<b>14.4%</b>	<b>20.6%</b>	<b>26.9%</b>	<b>160</b>
<b>Brooklyn</b>	<b>0.8%</b>	<b>28.2%</b>	<b>38.9%</b>	<b>32.1%</b>	<b>131</b>
<b>Manhattan</b>	<b>0.0%</b>	<b>0.0%</b>	<b>11.8%</b>	<b>88.2%</b>	<b>34</b>
<b>Queens</b>	<b>29.7%</b>	<b>43.3%</b>	<b>16.0%</b>	<b>11.0%</b>	<b>418</b>
<b>Staten Island</b>	<b>48.0%</b>	<b>49.8%</b>	<b>0.0%</b>	<b>2.2%</b>	<b>271</b>
<b>Citywide</b>	<b>31.2%</b>	<b>37.1%</b>	<b>15.3%</b>	<b>16.5%</b>	<b>1,014</b>

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



### 3. New Dwelling Units Completed in New York City, 1960-2009

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

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

π Data from 2004-2009 now includes Final Certificates of Occupancy (as with all other years) as well as Temporary Certificates of Occupancy data for the first time. Data will be updated every year to reflect the most current estimates.

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

#### 4. Number of Residential Co-op and Condo Plans Accepted for Filing By the NYS Attorney General's Office, 2004-2009

	2004	2005	2006	2007	2008	2009
	Plans (Units)	Plans (Units)	Plans (Units)	Plans (Units)	Plans (Units)	Plans (Units)
<b>Private Plans</b>						
New Construction	268 (6,018)	361 (12,210)	644 (19,780)	573 (19,511)	454 (13,998)	335 (7,270)
Rehabilitation	18 (334)	6 (223)	0	8 (71)	4 (130)	1 (73)
Conversion (Non-Eviction)	16 (1,550)	24 (2,356)	53 (6,331)	66 (5,441)	50 (2,582)	29 (725)
Conversion (Eviction)	0	0	0	0	0	0
<b>Private Total</b>	<b>302 (7,902)</b>	<b>391 (14,789)</b>	<b>697 (26,201)</b>	<b>647 (25,023)</b>	<b>508 (16,710)</b>	<b>364 (8,068)</b>
	Plans (Units)	Plans (Units)	Plans (Units)	Plans (Units)	Plans (Units)	Plans (Units)
<b>HPD Sponsored Plans</b>						
New Construction	0	0	0	0	0	0
Rehabilitation	0	0	0	0	0	0
Conversion (Non-Eviction)	0	0	0	0	0	0
Conversion (Eviction)	15 (274)	18 (269)	13 (273)	16 (248)	18 (241)	13 (274)
<b>HPD Total</b>	<b>15 (274)</b>	<b>18 (269)</b>	<b>13 (273)</b>	<b>16 (248)</b>	<b>18 (241)</b>	<b>13 (274)</b>
<b>Grand Total</b>	<b>317 (8,176)</b>	<b>409 (15,058)</b>	<b>710 (26,474)</b>	<b>663 (25,271)</b>	<b>526 (16,951)</b>	<b>378 (8,342)</b>

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

#### 5. Number of Units in Co-op and Condo Plans Accepted for Filing By the NYS Attorney General's Office, 1983-2009

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

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

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

## 6. Tax Incentive Programs, 2007-2009

### Buildings Receiving Certificates for 421-a Exemptions, 2007-2009

	2007		2008		2009	
	Certificates	Units	Certificates	Units	Certificates	Units
Bronx	24	1,020	34	1,521	27	793
Brooklyn	50	825	55	1,241	59	820
Manhattan	24	1,939	26	1,237	27	2,090
Queens	44	428	49	516	54	813
Staten Island	0	0	1	6	3	97
<b>TOTAL</b>	<b>142</b>	<b>4,212</b>	<b>165</b>	<b>4,521</b>	<b>170</b>	<b>4,613</b>

### Buildings Receiving J-51 Tax Abatements and Exemptions, 2006-2008

	2007			2008			2009		
	Buildings	Units	Certified Cost (\$1,000s)	Buildings	Units	Certified Cost (\$1,000s)	Buildings	Units	Certified Cost (\$1,000s)
Bronx	153	7,381	16,757	148	7,767	18,203	134	5,973	14,615
Brooklyn	283	12,470	24,575	312	14,858	29,858	269	12,209	26,742
Manhattan	208	12,348	24,302	369	26,110	26,720	125	7,443	14,613
Queens	309	23,148	15,487	441	15,340	10,193	607	11,621	10,261
Staten Island	4	334	158	91	403	805	3	621	122
<b>TOTAL</b>	<b>957</b>	<b>55,681</b>	<b>81,278</b>	<b>1,361</b>	<b>64,478</b>	<b>85,779</b>	<b>1,138</b>	<b>37,867</b>	<b>66,353</b>

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

## 7. Tax Incentive Programs – Units Receiving Initial Benefits, 1981-2009

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

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

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

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

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

## 9. Building Demolitions in New York City, 1989-2009

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
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

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

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