

2012 Housing Supply Report

May 31, 2012

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2012 Housing Supply Report

What's New

- ✓ Permits for 8,936 new dwelling units were issued in New York City in 2011, a 32.8% increase over the prior year and the second consecutive year of increase.
- ✓ The number of new housing units completed in 2011 decreased 41.8% over the prior year, to 13,984.
- ✓ City-sponsored residential construction spurred 15,735 new housing starts, almost 75% of which were rehabilitations.
- ✓ The number of housing units newly receiving 421-a exemptions increased 86.7% in 2011, to 11,007.
- ✓ The number of housing units newly receiving J-51 abatements and exemptions increased 9.0% in 2011, to 54,775.
- ✓ There was a 7.5% decrease in the number of co-op or condo units accepted in 2011, to 243 plans containing 5,353 units.
- ✓ Demolitions were up in 2011, increasing by 1.2%, to 1,129 buildings.
- ✓ The city-owned *in rem* housing stock rose for the first time since FY 1989, rising 17.5% during FY 2011, to 845 units.
- ✓ The citywide vacancy rate was 3.12% in 2011.

Overview

Over the past year there was a 32.8% increase in the number of permits issued for new dwelling units, rising to 8,936, the second consecutive year of increase. Rehabilitation of residential units under the J-51 tax abatement and exemption program also increased during 2011, rising 9.0%, while the number of units receiving 421-a benefits rose 86.7% over 2010 levels. But the number of completed housing units fell during 2011, decreasing 41.8% from 2010 levels. A tight housing market also remains, with a citywide rental vacancy rate of 3.12% and 11.5% of all rental housing considered overcrowded as of 2011. There was also a 7.5% decrease in the number of units in cooperative and condominium plans accepted for conversion or new construction (the fifth consecutive year of decline). However, demolitions did increase during 2011, rising 1.2%, following four consecutive annual declines.

New York City's Housing Inventory

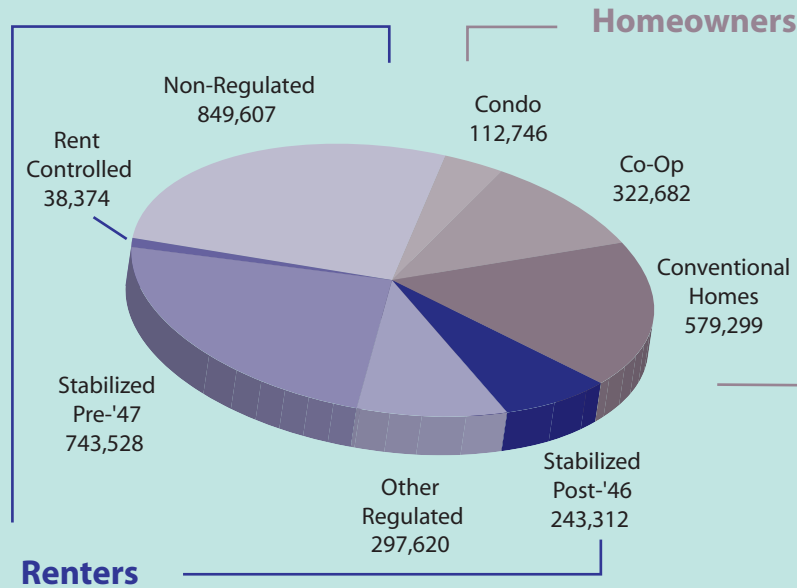
In contrast to the rest of the country, most New Yorkers do not own the homes in which they live. According to the *2011 Housing and Vacancy Survey (HVS)*,¹ rental units comprised 68.2% of New York City's available housing stock in 2011, almost twice as many rental units as the nation as a whole.² New York City in 2011 had a total of 3,352,041 housing units, the largest housing stock since the first *HVS* was conducted in 1965. New York City's housing is not only dominated by the size of its rental housing stock, but unlike most cities, the bulk of rental units are rent regulated. Of the 2,172,634 occupied and vacant rental units reported in the most recent *HVS*, 39.1% were unregulated, or "free market." The majority were either pre-war (pre-47) rent stabilized (34.2%) or post-war (post-46) rent stabilized (11.2%), and the rest were rent controlled (1.8%) or part of various other³ types of regulated apartment programs (13.7%). (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 3.12% in 2011, below the 5% threshold required for rent regulation to continue under State law. This translates into the availability of just 67,818 vacant units out of more than 2.1 million rental units Citywide. Brooklyn had the lowest vacancy rate in the city, at 2.61%. Queens had the highest vacancy rate in 2011, at 3.79%. Of the remaining boroughs, the Bronx had a vacancy rate of 3.23%, Manhattan was at 2.80%, and the small sample size in Staten Island made the rate too inaccurate to report.⁴

Vacancy rates also vary by rent regulation status. The tightest market for non-income based housing was found among pre-war stabilized units, with a vacancy rate of 2.54% in 2011. Post-war stabilized units also maintained

Number of Renter and Owner Units

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



Source: U.S. Bureau of the Census, 2011 New York City Housing and Vacancy Survey
 Note: Above figures exclude vacant units that are not available for sale or rent.

a low vacancy rate, at 2.91%, while private, non-regulated units were vacant at a 4.43% rate.

The frequency of crowding also varied by rent regulation status. Overall, 11.5% of all rental housing in New York City in 2011 was overcrowded (defined as more than one person per room, on average) and 4.3% was severely overcrowded (defined as an average of more than 1.5 persons per room). Pre-war stabilized housing was most crowded, with 14.7% of units overcrowded and 5.9% severely overcrowded, while 11.5% of post-war units were overcrowded, and 4.8% of units were severely overcrowded. Overall, 13.9% of rent stabilized housing was overcrowded and 5.6% was severely overcrowded. In non-regulated housing, 10.9% was overcrowded and 3.8% severely overcrowded.

Changes in the Housing Inventory

New Additions

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

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

Following a dramatic decrease in 2009, the City issued more housing permits in both 2010 and 2011 for single- and multi-family buildings than the year prior. In 2011, permits were issued for 8,936 units of new housing, an increase of 32.8% from the 6,727 units in 2010 (see graph on following page). While the second consecutive year of increase, levels are still 25,000 units below where they were in 2008.⁵

Permits increased Citywide in 2011, despite a double digit decrease in Brooklyn. (See Appendix 1 and the map on Page 6) Manhattan permits increased by the greatest proportion, rising 260.1%, to 2,535. Permits issued in Queens also increased significantly, rising by 34.9%, to 3,182 permits, while permits issued in Staten Island grew at a somewhat slower pace, increasing by 14.4%, to 581 permits. Permits rose by the smallest proportion in the Bronx, rising by 4.9%, to 1,116 permits over the year. But in Brooklyn, the only

borough to see a decline in permits, levels fell by 27.3%, to 1,522 units.

Despite the rise in permits issued during 2011, as compared to the relatively high number issued in recent years, permits are down considerably. Compared to 2008, permits are down 88.1% in Brooklyn, 73.9% in Manhattan, 58.8% in Queens, 55.0% in the Bronx, 53.7% in the Staten Island, and 73.6% citywide.

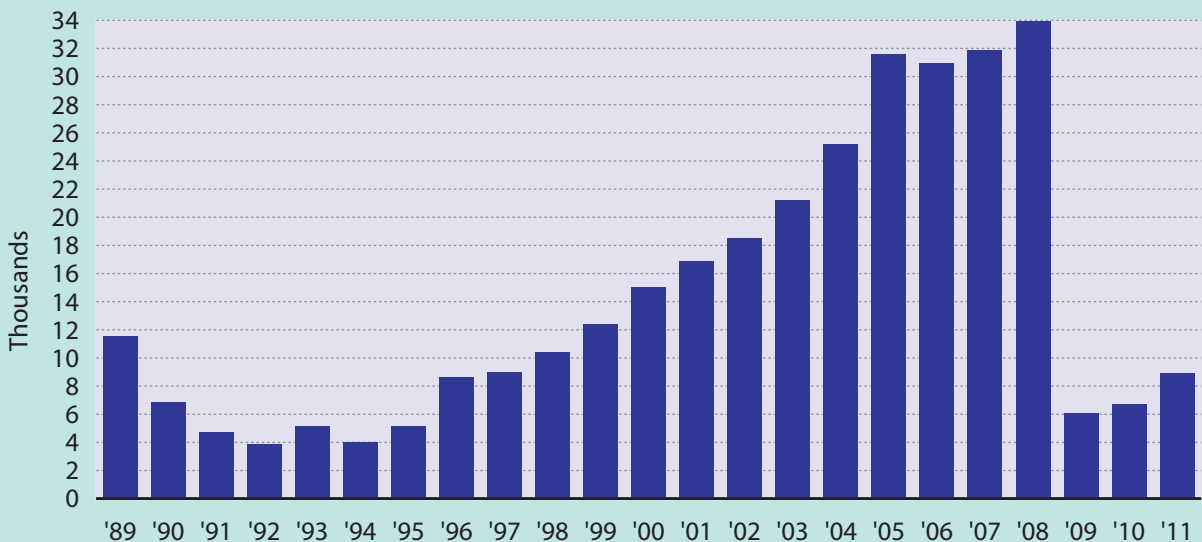
Permits issued in the first quarter of 2012 were also up as compared to 2011. The number of permits issued in New York City increased from 1,141 in the first quarter of 2011 to 2,110 during the same period of 2012, an 84.9% increase. Permits issued more than doubled in Manhattan, the Bronx, Staten Island, and Brooklyn, which increased by 280.8%, 175.1%, 119.3%, and 106.2%, respectively. However, permits issued did decrease in Queens, which fell by 52.1%. In Manhattan, which saw the number of permits issued almost triple, the rise had less to do with the number of buildings newly permitted, and more with the average size of the buildings issued permits, which more than doubled between the first quarter of 2011 and 2012, rising from an average of 20.9 to 50.5 units.

Permit data can also be analyzed more deeply by looking at the reported size of the buildings applying for permits. In 2011, a total of 997 buildings received permits (containing a total of 8,936 housing units). Citywide, 26.5% of these buildings were single-family, 48.3% were two-family, 11.3% were three- or four-family structures, and 13.8% were buildings with five or more units. More than 82% of all permits Citywide were for units in five-family or greater buildings, with the average five-family or greater building containing 53 units for the City as a whole, and 97 units in Manhattan (both increases from the prior year). As the chart on the following page illustrates, almost all building permits in Manhattan were for the largest buildings, while in Staten Island virtually all permits were for either one- or two-family buildings. Building size was more evenly distributed in the other boroughs. (See Appendix 2)

This report also examines the number of units completed in the City each year, illustrating what housing actually enters the market in a particular year.⁶ In 2011, approximately 13,984 new housing units were completed, a 41.8% decrease over 2010.⁷ Completions were down in every borough, falling by the greatest proportion in Manhattan, which fell by 69.6% (to

Units Issued New Housing Permits, 1989-2011, in Thousands

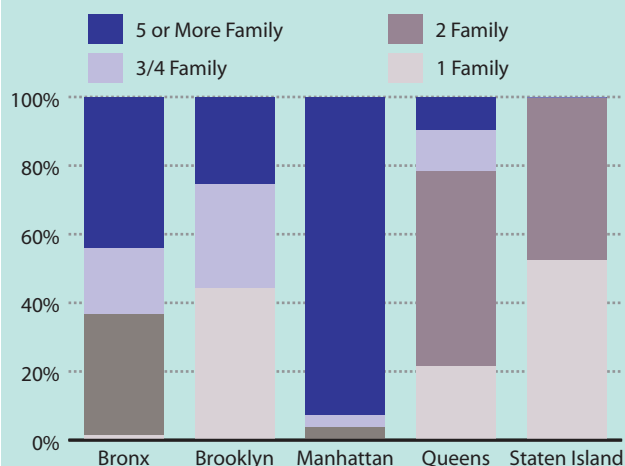
Number of Permits Issued for New Construction of Residential Units Increases



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

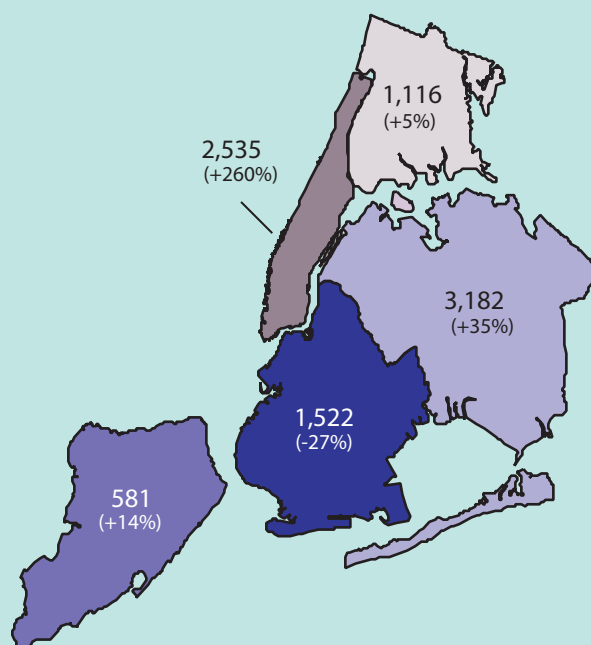
Residential Building Permits, 2011

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 2011 and Percentage Change From 2010 by Borough



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

2,375). Completions fell by the second greatest proportion in Queens, which dropped 35.2% (to 2,852), followed closely by Brooklyn, which fell 34.2% (to 4,728). Completions fell less steeply in Staten Island, which declined by 14.3% (to 612), and the Bronx, which fell by the smallest proportion, 13.4% (to 3,417). (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 (AMI). HDC operates programs such as the Low-Income Affordable Marketplace Program, which provides financing for apartments that rent to tenants with income no more than 60% of the AMI, and the New Housing Opportunities Program, which helps finance housing for middle-income New Yorkers.

HPD- and HDC-sponsored programs spurred a total of 15,735 reported housing starts⁸ in FY 2011, an 8.7% increase over the prior fiscal year.⁹ Of these starts, 11,680 were rehabilitation starts, and 4,055 were new construction starts. HPD and HDC collectively expect to start an additional 14,275 units of new construction and rehabilitation in FY 2012, and 14,396 in FY 2013. During the first three quarters of FY 2012 there were 6,188 starts by HPD and HDC, a 78.6% increase over the corresponding period of the previous year.¹⁰

HPD and HDC starts are part of Mayor Michael R. Bloomberg's New Housing Marketplace Plan, first announced in 2006. The original five-year, \$3 billion commitment of 65,000 units is now an 11-year commitment to build and preserve 165,000 units of affordable housing by 2014. This \$8.5 billion plan will ultimately provide affordable homes for 500,000 New

Yorkers.¹¹ As of March 2012, HPD and HDC have created or preserved almost 130,000 units of housing under the New Housing Marketplace Plan, almost 80% of the total planned.¹¹ The City has also shifted from its priority on new construction, and now anticipates that 66% of units by 2014 will be preservations, up from the 44% anticipated in the initial plan. More than 80% of planned units will be affordable to low-income households (making no more than 80% of HUD Income Limits), and 76% will be rental units.¹²

As part of this program, HPD has also been working with the NYC Housing Authority (NYCHA) to build affordable housing on underutilized NYCHA property. The latest project to open, 168 units built in the parking lot of the Elliott and Chelsea Houses in Manhattan, is part of at least 3,800 units that have been, or will be, built on NYCHA property.¹³

In addition, the City in 2011 closed its second deal under the “Housing Asset Renewal Program (HARP),” a \$20 million plan first conceived in 2009 as a way for the City to buy vacant, unsold units in new developments for use as middle-income housing. Under this latest deal, 108 units of a 117-unit Queens market-rate condo building will now become rental housing aimed at households making no more than 130% of the Area Median Income.¹⁴ Under the terms of the first HARP deal, another 46 units of rental housing will be built on the Brooklyn site of a never-constructed condo development.¹⁵ HPD also reports that they are considering projects that would yield at least an additional 214 units for the program.¹⁶

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 are vacant, predominantly vacant, or improved with a non-

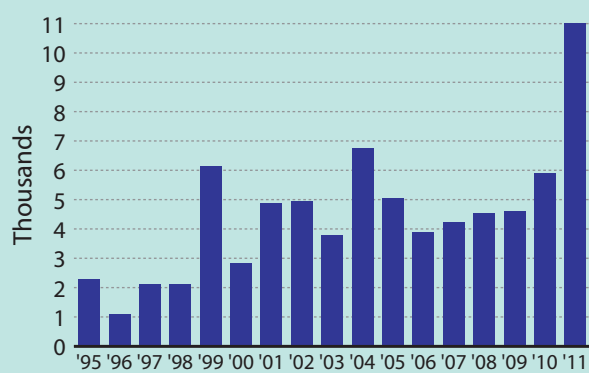
conforming use three or more years before the new construction commenced. Rental apartments built with 421-a tax exemptions are subject to the provisions of the Rent Stabilization Laws during the exemption period. Initial rents are first approved by HPD and are then subject to increases established by the Rent Guidelines Board.

A variety of factors are used to establish the level and period of 421-a benefits, and properties are also subject 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.¹⁷

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

Units Newly Receiving 421-a Certificates, 1995-2011, in Thousands

87% Increase in Number of Units Newly Issued 421-a Certificates in 2011



Source: NYC Department of Housing Preservation and Development

Through the 421-a program, the number of housing units newly receiving 421-a exemptions increased for the fifth consecutive year, up 86.7%, to 11,007 (see graph on the previous page), including increases in every borough but the Bronx. While the number of units decreased 7.7% in the Bronx, units newly receiving benefits increased 248.3% in Brooklyn, 68.5% in Queens, 63.9% in Manhattan, and rose from 28 to 40 units in Staten Island. The largest proportion of units receiving benefits in 2011 were in buildings located in Brooklyn, which contained 35.8% of the total units in the City. Manhattan had 30.1% of these units, Queens had 24.2%, the Bronx had 9.5%, and Staten Island, with only 40 units, had 0.4% of units Citywide. Because buildings in Manhattan are so much larger than buildings in the outer boroughs, almost one-third of units were in Manhattan, despite having only 70 of the 811 buildings newly approved for 421-a benefits Citywide.¹⁸ (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, 2010, or 2011. However, some units did complete construction in 2011 — 248 new affordable units, producing approximately 1,240 certificates for market-rate housing were completed, a 52.0% decrease in affordable units from last year.¹⁹

Another program that has offered affordable housing, the New York State Mitchell-Lama program, has suffered from a loss of housing since "buyouts" from the program began in 1985. Between 1955 and 1978, approximately 140,000 units of low- and middle-income housing were built in New York City through this tax-break and mortgage subsidy program. Since buyouts began in 1985, the City has lost approximately 42,000 units of Mitchell-Lama housing, although some has transitioned to rent stabilization.

After averaging an annual loss of more than 5,000 units between 2004 and 2007, the pace slowed considerably, and no Mitchell-Lama units were lost in the City in either 2010 or 2011.²⁰

Conversions and Subdivisions

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

One indicator of conversions is the number of non-residential buildings newly receiving J-51 benefits for conversion to residential use. In 2011, 38 formerly non-residential buildings, containing 743 units, received J-51 benefits for conversion. Just over two-thirds of these were rental units. Overall, this is 32% more units than in 2010, when 563 units (mostly co-op/condo units) in formerly non-residential buildings converted using J-51 benefits. But while the number of non-residential units converting with J-51 benefits increased in 2011, the number of non-residential units in downtown Manhattan that converted with the aid of 421-g benefits decreased substantially, down 71% to 124 units, all contained within one condo building.²¹

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 seventh consecutive year, falling to 100 in 2011, down from 107 in 2010, and more than 200 in each year from 2004-2006.²² Efforts are also underway to ensure that SROs are used for permanent housing rather than as transient hotels. As of May 1, 2011, laws were newly passed strengthening the City's ability to crack down on housing being used illegally for transient occupancy. Transient occupancy

is now clearly defined as stays of less than 30 days, and between May of 2011 and April of 2012 1,820 violations (ranging from \$800 to \$2,000) were issued to illegal hotel operators.²³

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 2011, the Attorney General accepted 243 co-op and condo plans, a 6.5% decrease from the number accepted in 2010. These 243 plans encompassed 5,353 housing units, 7.5% less than in 2010. This is the fifth straight year of decline in accepted co-op and condo plans (see graph on this page). More than half of all plans, 129, were accepted for buildings located in Brooklyn; 64 were located in Manhattan; 38 plans were accepted for Queens; and there were six plans in both Staten Island and the Bronx. Because Manhattan buildings tend to be larger than the outer boroughs, more units were located in Manhattan (1,970), with Brooklyn (1,930) and Queens (1,172) following close behind, and only a combined total of 281 units in the Bronx and Staten

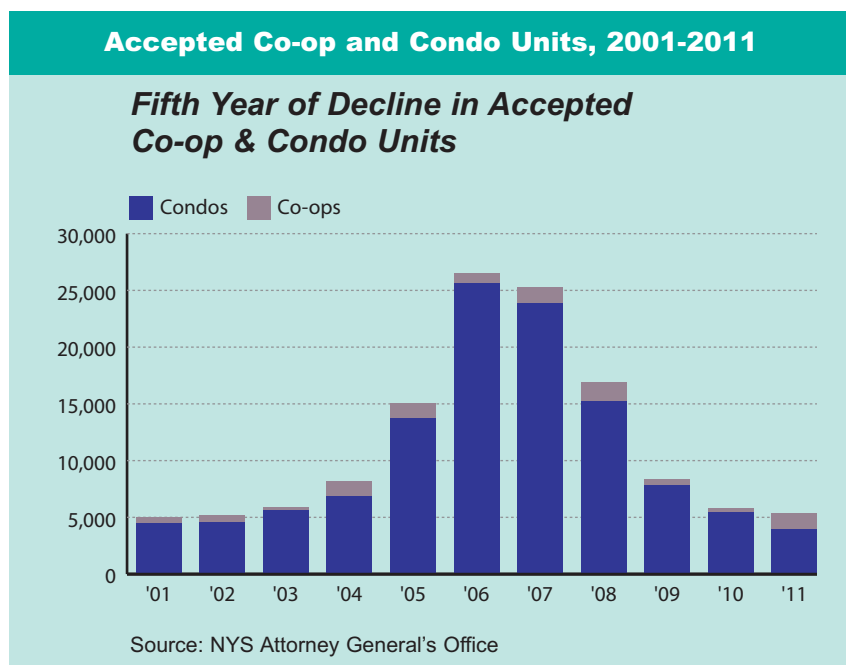
Island.²⁴ (See Appendices 4 and 5)

Almost all of the plans accepted citywide in 2011 were for new construction, comprising 210 of 243 plans, and a total of 4,625 of 5,353 units. This is similar to the prior year, when new construction accounted for 236 of the 260 accepted plans. In 2011, 22 plans and 505 units were non-eviction conversions and two plans, with 14 units, were rehabilitations. An additional nine plans, containing 209 units, were eviction plan conversions, all sponsored by HPD.

While the conversion of rental housing into co-op and condo units increases the housing inventory for sale, it simultaneously reduces the total number of housing units for rent. Conversions represented 13.3% of the total number of units in 2011 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 2011), only when the original rental tenant moves out, or opts to buy the apartment, does the apartment become owner-occupied and removed from the rental universe.

Rehabilitation

Another method for adding (or keeping) residential units to the City's housing stock is through rehabilitation of old buildings. As buildings age, they must undergo renovation and rehabilitation to remain in habitable condition. This is particularly relevant to NYC's rental housing stock, of which more than 62% of units are in buildings constructed prior to 1947.²⁵ 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, which expired at the end of 2011, was intended to encourage the periodic renovation of New York City's stock of both renter- and owner-occupied housing. Utilization rates of the



benefit have varied widely over the years, with new benefits approved for more than 100,000 units in six of the 10 years of the 1990s, before falling to generally between 60,000-80,000 units in the 2000s.

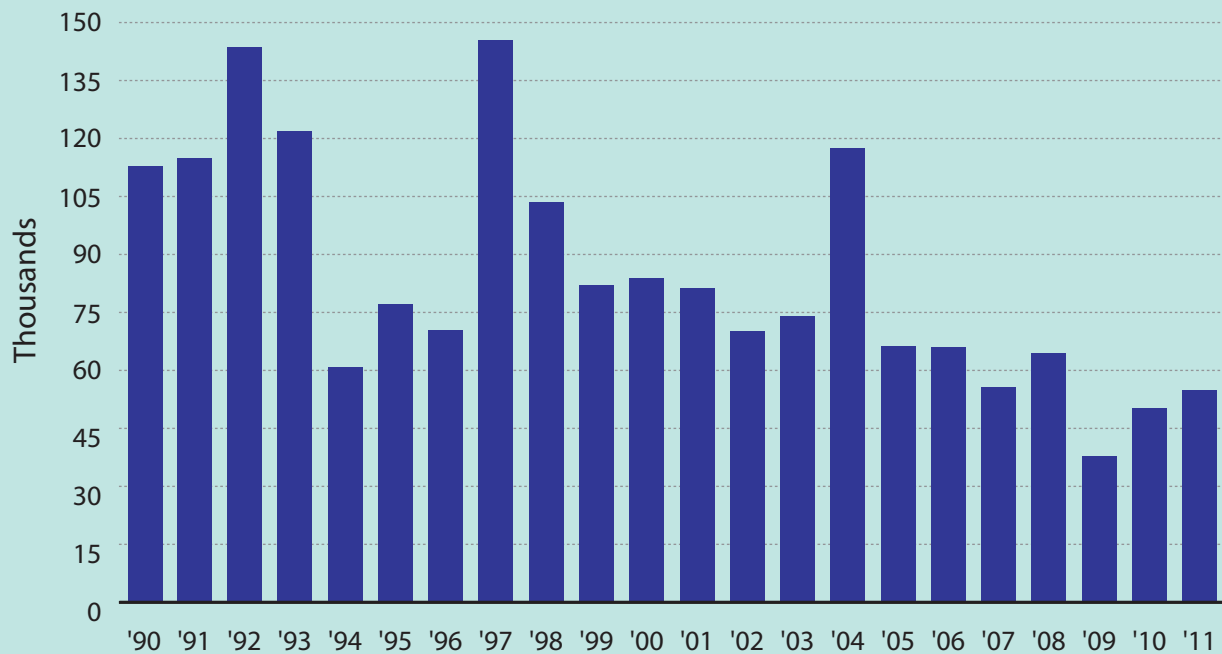
The J-51 tax relief program is similar to the 421-a program in that it required that those rental units not already rent stabilized be subject to rent regulation for the duration of the benefits. Apartment units in many high-rent neighborhoods were not allowed to enter the program because the apartment unit tax assessment generally could not exceed \$38,000-\$40,000 after completion. Rehabilitation activities that were eligible for tax abatements and exemptions include Major Capital Improvements (MCIs), substantial rehabilitation, conversion from non-residential uses, and moderate rehabilitation, which requires significant improvement to at least one major building-wide system. Enriched exemption and abatement benefits were 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.²⁶

In 2011, 54,775 units newly received J-51 benefits, an increase of 9.0% from the previous year, but the third lowest level in the history of this report (see graph on this page and Appendix 7). These units were contained in 1,555 buildings, an increase of 16.7% from 2010 levels. The location of the units newly receiving benefits ranged from 35.4% located in Queens; to 32.3% in Brooklyn; 21.9% in the Bronx; 10.3% in Manhattan; and 0.1% in Staten Island. The greatest increase in units receiving benefits was in Brooklyn, which rose 89.8%, while the only other borough to rise, Queens, saw an increase of 11.7%. The other boroughs each saw declines in the number of units newly receiving benefits, including a decrease of 28.0% in the Bronx, 17.4% in Manhattan, and a decline from 109 units to 52 units in Staten Island.²⁷ (See Appendices 6 and 7) In Fiscal Year 2012, the J-51 tax program will cost the City \$254.6 million in lost tax revenue for all housing types, including almost 380,000 rental units.²⁸

While J-51 is owner-initiated, a City-initiated program will also help rehabilitate NYC's housing

Units Receiving Initial J-51 Benefits, 1990-2011, in Thousands

2011 Saw Increase in Number of Units Newly Receiving J-51 Benefits



Source: NYC Department of Housing Preservation and Development

stock. HPD last year announced the creation of the “Proactive Preservation Initiative (PPI),” which identifies those buildings in need of rehabilitation, regardless of whether there are complaints from tenants in the building. HPD works to identify distressed buildings that are actively declining and in danger of becoming blighted. The first group of PPI buildings were announced in August of last year. Of 335 buildings surveyed over a six month period, 49 were determined to exhibit level of distress that warranted further action and placement on the PPI list. HPD works with these building to reduce housing code violations, and once violations have been reduced by at least 80%, buildings are removed from the PPI list. By March of this year, 18 of these buildings were released from this program, while 39 remained on the list (with an average violation reduction of 56%). In the second round of this program, 95 newly identified buildings were added to the list, in addition to the 39 from the first round of PPI. HPD will survey at least 250 possibly distressed buildings every six months and will update the PPI list as warranted.²⁹

HPD is also continuing rehabilitation work through its “Alternative Enforcement Program (AEP),” now in its fifth year of identifying the 200 “worst” buildings in the City, based on housing code violations. These latest group of 200 buildings (containing 2,373 units of housing) have a combined total of more than 26,000 housing code violations, including more than 4,500 immediately hazardous C-Class violations. If landlords in this program do not make repairs to their buildings, the City steps in to do so, and then charges the landlords. Through the first four rounds of the program, the City has recovered \$19.3 million for AEP repairs to 800 buildings containing more than 8,000 units of housing. Just over half of those buildings have since been discharged from the program after sufficiently lowering the number of outstanding violations in their buildings.³⁰

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 vacant buildings containing 55,000 units of housing (see Appendix 8). Most of these were dilapidated multi-family buildings occupied by a predominantly low-income population. To counter this trend, HPD developed multiple disposition programs over time to manage, rehabilitate and sell many of these *in rem* buildings. HPD’s Alternative Management Programs began in 1994 with the goal of returning city-owned properties to private owners and stimulating neighborhood development. While the number of *in rem* units in FY 2011 did increase for the first time since FY 1989 (by 17.5%), HPD has successfully reduced the number of occupied and vacant *in rem* units in central management to 845 through June 2011, a 98.1% decline since FY 1994. Currently 10 buildings, containing a total of 163 units, are in the sales pipeline.³¹

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,³² and a Housing Education Program, which teaches owners and superintendents basic management, maintenance, and finance skills to improve their properties.³³

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.³⁴

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.³⁵ Since it began in 1996, the program has collected \$474 million in back taxes, and more than 400 buildings have been transferred to responsible for-profit and non-profit owners.³⁶

In a relatively new initiative, the City also plans to spend \$750 million to rescue multi-family apartment buildings in financial and/or physical distress. The program aims to transfer distressed properties in foreclosure, in danger of foreclosure, or owned by HUD after a foreclosure, to pre-qualified developers and assist these new owners in making the building financial competitive, as well as physically sound.³⁷

Demolitions and Stalled Construction

While in the early 1990s relatively few residential buildings in New York City were demolished, this began to change in 1996, the same year that the number of building permits issued began to increase significantly. In fact, the number of buildings demolished between 2005 and 2007 alone was almost triple the number demolished in all the years from 1990 to 1999 combined. But after declining for four consecutive years, demolitions in New York City rose in 2011 as compared to the prior year. A total of 1,129 buildings were demolished in 2011, a 1.2% increase over the prior year, following declines of 8%-39% between 2007 and 2010. Queens accounted for 41.0% of all the buildings demolished in 2011, Brooklyn had 27.3%, Staten Island had 12.5%, Manhattan had 11.0%, and the Bronx had the lowest proportion, 8.2%. Demolitions fell in the Bronx, Brooklyn, and Queens (by 23.1%, 5.5%, and 0.2%, respectively), but rose in both Manhattan and Staten Island (by 63.2% and 9.3%, respectively).³⁸ (See Appendix 8)

Beginning in mid-July 2009, the NYC Dept. of Buildings began releasing a weekly “snapshot” of

stalled construction sites throughout the City.³⁹ Inclusive of data through May, 2012, stalled construction sites grew from a low of 395 sites on July 26, 2009 to a high of 709 on November 7, 2010. Following that high in November, 2010, rates generally declined, falling as low as 586 sites in February of 2011 before climbing again, reaching more just shy of 700 units in May of 2012. Similar to the results of a year ago, the bulk of these stalled sites are located in Brooklyn (45.8%), with significant shares also located in Queens (25.1%) and Manhattan (18.7%). Within Brooklyn, almost 45% of stalled construction sites are located in Community Districts that abut the East River waterfront, including areas such as Williamsburg, Greenpoint, Red Hook, and DUMBO. Conversely, the East River-adjacent Community Districts of Queens (Astoria and Long Island City) contain less than 15% of stalled construction sites, with more than 40% located in The Rockaways and Jamaica.

Conclusion

Housing permits increased for the second consecutive year, rising by 32.8%, while the number of completed housing units fell, by 41.8%. The number of new units receiving 421-a tax benefits increased 86.7% in 2011, while J-51 tax abatements and exemptions also rose, by 9.0%. But for the fifth consecutive year there was a decline in the number of units accepted in new or converted co-op and condo buildings, falling 7.5%. Rental housing availability remains tight, with a citywide vacancy rate of just 3.12% in 2011, and overcrowding remains a problem. Mayor Bloomberg’s ten-year housing initiative has begun development/construction on 130,000 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 36% renter-occupied units, according to the 2010 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://censtats.census.gov/bldg/bldgprmt.shtml>>.
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 final 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. Preliminary Fiscal 2012 Mayor's Management Report (MMR). <<http://home2.nyc.gov/html/ops/html/data/mmr.shtml>>
10. Citywide Performance Reporting website: <http://www.nyc.gov/html/ops/cpr/html/home/home.shtml>; Accessed May 2012
11. "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." *HPD Press Release*. February 22, 2010.
12. Testimony of the NYC Dept. of Housing Preservation and Development before the NYC Rent Guidelines Board. March 22, 2012.
13. "City Partners Celebrate Opening of 168 New Affordable Apartments at the Elliott-Chelsea Development on the West Side of Manhattan," *HPD Press Release*. April 3, 2012.
14. "Speaker Quinn, HPD Commissioner Wambua Announce Second Deal in Pilot Program to Turn Stalled Private Residential Developments into Affordable Housing," *HPD Press Release*. July 18, 2011.
15. "Deal on Stalled Condo Project is First Under a City Program." *NY Times*. March 22, 2011.
16. See Endnote 14.
- 17 Program information available at: <http://nyc.gov/html/hpd/html/developers/421a.shtml>
18. NYC Department of Housing Preservation and Development, Tax Incentives Program data.
19. Data obtained from the NYC Dept. of Housing Preservation and Development, Inclusionary Housing/421-a 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.
20. The number of Mitchell-Lama buyouts were provided most recently through the NYC Dept. of Housing Preservation and Development and the NYS Division of Housing and Community Renewal, and in previous years through other sources, such as the report "Affordable No More: An Update" by the Office of the New York City Comptroller, Office of Policy Management on May 25, 2006.
21. NYC Department of Housing Preservation and Development, Tax Incentives Program data.
22. NYC Department of Housing Preservation and Development.
23. Mayor Bloomberg Announces Results of City's Efforts to Curb Dangerous Illegal Hotels in New York City After State Legislation Enhances Enforcement Abilities." *Mayor's Office Press Release 157-12*. April 27, 2012.
24. NYS Attorney General's Office, Real Estate Financing Bureau data. and the NYC Dept. of Housing Preservation and Development, Sales Unit.
25. *2011 NYC Housing and Vacancy Survey*, U.S. Census Bureau.
26. 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>.
27. 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.
28. "Annual Report on Tax Expenditures," NYC Dept. of Finance publication, February, 2012.
29. "HPD Commissioner Wambua, Council Speaker Quinn Celebrate Success of Proactive Preservation Initiative and Announce Publication of the Second At-Risk Building List." *HPD Press Release*. March 21, 2012.
30. "HPD Commissioner Wambua Announces List of 200 Buildings with 2,373 Units in Latest Round of Alternative Enforcement Program." *HPD Press Release*. February 14, 2012.
31. NYC Dept. of Housing Preservation and Development..
32. NYC Department of Housing Preservation and Development website. <http://www.nyc.gov/html/hpd/html/homeowners/tax.shtml>.
33. NYC Department of Housing Preservation and Development website. <http://www.nyc.gov/html/hpd/html/buyers/courses.shtml>
34. 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.
35. "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/>.
36. Most recent figures obtained from NYC Dept. of Housing Preservation and Development, May, 2012.
37. "HPD Commissioner Cestero Announces New Initiative to Rescue Severely Distressed Residential Buildings and Keep New Yorkers in Their Homes." *HPD Press Release*. June 17, 2010.
38. 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.
39. NYC Department of Buildings Snapshot Reports: http://www.nyc.gov/html/dob/html/codes_and_reference_materials/snapshot_report.shtml.. Data covers the period through May 20, 2012.

Appendices

1. Permits Issued For Housing Units in New York City, 1960-2012

Year	Bronx	Brooklyn	Manhattan	Queens	Staten Island	Total
1960	--	--	--	--	--	46,792
1961	--	--	--	--	--	70,606
1962	--	--	--	--	--	70,686
1963	--	--	--	--	--	49,898
1964	--	--	--	--	--	20,594
1965	--	--	--	--	--	25,715
1966	--	--	--	--	--	23,142
1967	--	--	--	--	--	22,174
1968	--	--	--	--	--	22,062
1969	--	--	--	--	--	17,031
1970	--	--	--	--	--	22,365
1971	--	--	--	--	--	32,254
1972	--	--	--	--	--	36,061
1973	--	--	--	--	--	22,417
1974	--	--	--	--	--	15,743
1975	--	--	--	--	--	3,810
1976	--	--	--	--	--	5,435
1977	--	--	--	--	--	7,639
1978	--	--	--	--	--	11,096
1979	--	--	--	--	--	14,524
1980	--	--	--	--	--	7,800
1981	--	--	--	--	--	11,060
1982	--	--	--	--	--	7,649
1983	--	--	--	--	--	11,795
1984	--	--	--	--	--	11,566
1985	1,263	1,068	12,079	2,211	3,711	20,332
1986	920	1,278	1,622	2,180	3,782	9,782
1987	931	1,650	3,811	3,182	4,190	13,764
1988	967	1,629	2,460	2,506	2,335	9,897
1989	1,643	1,775	2,986	2,339	2,803	11,546
1990	1,182	1,634	2,398	704	940	6,858
1991	1,093	1,024	756	602	1,224	4,699
1992	1,257	646	373	351	1,255	3,882
1993	1,293	1,015	1,150	530	1,185	5,173
1994	846	911	428	560	1,265	4,010
1995	853	943	1,129	738	1,472	5,135
1996	885	942	3,369	1,301	2,155	8,652
1997	1,161	1,063	3,762	1,144	1,857	8,987
1998	1,309	1,787	3,823	1,446	2,022	10,387
1999	1,153	2,894	3,791	2,169	2,414	12,421
2000	1,646	2,904	5,110	2,723	2,667	15,050
2001	2,216	2,973	6,109	3,264	2,294	16,856
2002	2,626	5,247	5,407	3,464	1,756	18,500
2003	2,935	6,054	5,232	4,399	2,598	21,218
2004	4,924	6,825	4,555	6,853	2,051	25,208
2005	4,937	9,028	8,493	7,269	1,872	31,599
2006	4,658	9,191	8,790	7,252	1,036	30,927
2007	3,088	10,930	9,520	7,625	739	31,902
2008	2,482	12,744	9,700	7,730	1,255	33,911
2009	1,647	1,003	1,363	1,474	570	6,057
2010	1,064	2,093	704	2,358	508	6,727
2011	1,116	1,522	2,535	3,182	581	8,936
2012 (1st Qtr) ^Ω	564 (205)	600 (291)	556 (146)	197 (411)	193 (88)	2,110 (1,141)

Ω First three months of 2011. The number of permits issued in the first three months of 2011 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), 2003-2011

Year/Borough	1-Family	2-Family	3/4 Family	5 or More-Family	Total Buildings
2003					
Bronx	9.2%	50.3%	30.5%	9.9%	596
Brooklyn	8.2%	46.1%	31.5%	14.2%	1,446
Manhattan	1.3%	8.8%	2.5%	87.5%	80
Queens	12.1%	54.2%	28.6%	5.2%	1,335
Staten Island	64.8%	34.6%	0.5%	0.1%	1,887
<i>Citywide</i>	<i>29.1%</i>	<i>44.0%</i>	<i>19.3%</i>	<i>7.6%</i>	<i>5,344</i>
2004					
Bronx	4.1%	40.2%	46.9%	8.9%	813
Brooklyn	8.0%	31.3%	43.6%	17.1%	1,407
Manhattan	1.1%	3.3%	16.7%	78.9%	90
Queens	13.3%	55.5%	25.9%	5.2%	1,986
Staten Island	46.2%	53.3%	0.2%	0.3%	1,308
<i>Citywide</i>	<i>18.1%</i>	<i>45.9%</i>	<i>27.3%</i>	<i>8.7%</i>	<i>5,604</i>
2005					
Bronx	3.5%	29.9%	54.9%	11.6%	825
Brooklyn	6.4%	28.3%	45.3%	20.0%	1,638
Manhattan	2.6%	0.9%	6.1%	90.4%	115
Queens	17.5%	47.5%	27.1%	7.8%	1,912
Staten Island	63.9%	34.6%	1.0%	0.5%	1,297
<i>Citywide</i>	<i>22.5%</i>	<i>35.8%</i>	<i>30.0%</i>	<i>11.8%</i>	<i>5,787</i>
2006					
Bronx	7.7%	33.6%	51.4%	7.3%	959
Brooklyn	8.1%	23.2%	45.7%	23.0%	1,389
Manhattan	1.8%	3.5%	5.3%	89.4%	113
Queens	14.3%	49.7%	29.0%	7.1%	2,014
Staten Island	62.7%	36.2%	0.0%	1.1%	697
<i>Citywide</i>	<i>17.7%</i>	<i>36.7%</i>	<i>33.2%</i>	<i>12.4%</i>	<i>5,172</i>
2007					
Bronx	6.8%	43.7%	41.7%	7.8%	643
Brooklyn	0.0%	18.3%	51.7%	30.0%	1,079
Manhattan	5.0%	1.7%	5.8%	87.6%	121
Queens	17.1%	53.1%	21.3%	8.6%	1,562
Staten Island	60.7%	38.6%	0.2%	0.6%	511
<i>Citywide</i>	<i>16.0%</i>	<i>38.5%</i>	<i>29.8%</i>	<i>15.8%</i>	<i>3,916</i>
2008					
Bronx	43.4%	17.7%	23.1%	15.8%	373
Brooklyn	0.0%	25.0%	18.7%	56.3%	787
Manhattan	2.0%	0.0%	0.0%	98.0%	152
Queens	18.5%	42.3%	14.8%	24.4%	755
Staten Island	50.4%	40.1%	0.5%	9.0%	367
<i>Citywide</i>	<i>20.1%</i>	<i>30.0%</i>	<i>14.3%</i>	<i>35.7%</i>	<i>2,434</i>
2009					
Bronx	38.1%	14.4%	20.6%	26.9%	160
Brooklyn	0.8%	28.2%	38.9%	32.1%	131
Manhattan	0.0%	0.0%	11.8%	88.2%	34
Queens	29.7%	43.3%	16.0%	11.0%	418
Staten Island	48.0%	49.8%	0.0%	2.2%	271
<i>Citywide</i>	<i>31.2%</i>	<i>37.1%</i>	<i>15.3%</i>	<i>16.5%</i>	<i>1,014</i>
2010					
Bronx	9.2%	38.5%	23.1%	29.2%	65
Brooklyn	3.6%	31.4%	27.9%	37.1%	140
Manhattan	0.0%	18.2%	9.1%	72.7%	11
Queens	12.4%	67.2%	11.2%	9.2%	509
Staten Island	71.9%	27.2%	0.6%	0.3%	349
<i>Citywide</i>	<i>30.3%</i>	<i>47.3%</i>	<i>10.6%</i>	<i>11.8%</i>	<i>1,074</i>
2011					
Bronx	1.5%	35.3%	19.1%	44.1%	68
Brooklyn	0.0%	44.3%	30.5%	25.3%	174
Manhattan	3.6%	0.0%	3.6%	92.9%	28
Queens	21.5%	57.0%	11.9%	9.6%	386
Staten Island	52.5%	47.2%	0.0%	0.3%	341
<i>Citywide</i>	<i>26.5%</i>	<i>48.3%</i>	<i>11.3%</i>	<i>13.8%</i>	<i>997</i>

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

3. New Dwelling Units Completed in New York City, 1960-2011

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	4,422	7,109	7,498	5,907	1,446	26,382
2008 π	4,217	7,254	6,118	5,437	1,019	24,045
2009 π	2,964	7,522	8,110	4,969	887	24,452
2010 π	3,948	7,181	7,801	4,401	714	24,045
2011 π	3,417	4,728	2,375	2,852	612	13,984

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 2004-2011 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, 2006-2011

	2006	2007	2008	2009	2010	2011
	Plans (Units)	Plans (Units)	Plans (Units)	Plans (Units)	Plans (Units)	Plans (Units)
Private Plans						
New Construction	644 (19,780)	573 (19,511)	454 (13,998)	335 (7,270)	236 (4,916)	210 (4,625)
Rehabilitation	0	8 (71)	4 (130)	1 (73)	0	2 (14)
Conversion (Non-Eviction)	53 (6,331)	66 (5,441)	50 (2,582)	29 (725)	20 (812)	22 (505)
Conversion (Eviction)	0	0	0	0	0	0
Private Total	697 (26,201)	647 (25,023)	508 (16,710)	364 (8,068)	256 (5,728)	234 (5,144)
HPD Sponsored Plans						
New Construction	0	0	0	0	0	0
Rehabilitation	0	0	0	0	0	0
Conversion (Non-Eviction)	0	0	0	0	0	0
Conversion (Eviction)	13 (273)	16 (248)	18 (241)	13 (274)	4 (59)	9 (209)
HPD Total	13 (273)	16 (248)	18 (241)	13 (274)	4 (59)	9 (209)
Grand Total	710 (26,474)	663 (25,271)	526 (16,951)	378 (8,342)	260 (5,787)	243 (5,353)

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, 1984-2011

Year	New Construction	Conversion Eviction	Conversion Non-Eviction	Rehabilitation	Total New Construction Conversion & Rehab	Units in HPD Sponsored Plans
1984	4,663	7,432	25,873	--	37,968	519
1985	9,391	2,276	30,277	--	41,944	935
1986	11,684	687	39,874	--	52,245	195
1987	8,460	1,064	35,574	--	45,098	1,175
1988	9,899	1,006	32,283	--	43,188	1,159
1989	6,153	137	25,459	--	31,749	945
1990	4,203	364	14,640	--	19,207	1,175
1991	1,111	173	1,757	--	3,041	2,459
1992	793	0	566	--	1,359	1,674
1993	775	41	134	--	950	455
1994	393	283	176	807	1,659	901
1995	614	426	201	1,258	2,499	935
1996	21	0	149	271	441	0
1997	1,417	26	131	852	2,426	533
1998	3,225	0	386	826	4,437	190
1999	1,123	343	359	1,029	2,854	295
2000	1,911	203	738	220	3,072	179
2001	3,833	22	1,053	124	5,032	22
2002	2,576	260	1,974	348	5,158	260
2003	4,870	0	639	418	5,927	0
2004	6,018	274	1,550	334	8,176	274
2005	12,210	269	2,356	223	15,058	269
2006	19,870	273	6,331	0	26,474	273
2007	19,511	248	5,441	71	25,271	248
2008	13,998	241	2,582	130	16,951	241
2009	7,270	274	725	73	8,342	274
2010	4,916	59	812	0	5,787	59
2011	4,625	209	505	14	5,353	209

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, 2009-2011

Buildings Receiving Certificates for 421-a Exemptions, 2009-2011

	2009		2010		2011	
	Certificates	Units	Certificates	Units	Certificates	Units
Bronx	27	793	32	1,134	54	1,047
Brooklyn	59	820	84	1,133	197	3,946
Manhattan	27	2090	22	2,020	65	3,311
Queens	54	813	93	1,580	174	2,663
Staten Island	3	97	3	28	7	40
TOTAL	170	4613	234	5,895	497	11,007

Buildings Receiving J-51 Tax Abatements and Exemptions, 2009-2011

	2009			2010			2011		
	Buildings	Units	Certified Cost (\$1,000s)	Buildings	Units	Certified Cost (\$1,000s)	Buildings	Units	Certified Cost (\$1,000s)
Bronx	134	5,973	14,615	198	16,661	20,545	202	12,001	18,391
Brooklyn	269	12,209	26,742	320	9,333	27,945	346	17,713	36,993
Manhattan	125	7,443	14,613	173	6,806	28,739	172	5,622	20,560
Queens	607	11,621	10,261	640	17,354	15,113	833	19,387	14,588
Staten Island	3	621	122	1	109	215	2	52	232
TOTAL	1,138	37,867	66,353	1,332	50,263	92,557	1,555	54,775	90,764

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

7. Tax Incentive Programs – Units Receiving Initial Benefits, 1981-2011

Year	421-a	J-51	Year	421-a	J-51
1981	3,505	--	1997	2,099	145,316
1982	3,620	--	1998	2,118	103,527
1983	2,088	--	1999	6,123	82,121
1984	5,820	--	2000	2,828	83,925
1985	5,478	--	2001	4,870	81,321
1986	8,569	--	2002	4,953	70,145
1987	8,286	--	2003	3,782	74,005
1988	10,079	109,367	2004	6,738	117,503
1989	5,342	64,392	2005	5,062	66,370
1990	980	113,009	2006	3,875	66,010
1991	3,323	115,031	2007	4,212	55,681
1992	2,650	143,593	2008	4,521	64,478
1993	914	122,000	2009	4,613	37,867
1994	627	60,874	2010	5,895	50,263
1995	2,284	77,072	2011	11,007	54,775
1996	1,085	70,431			

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

8. Building Demolitions in New York City, 1985-2011

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

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 through 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.