
2008 Housing Supply Report

June 3, 2008

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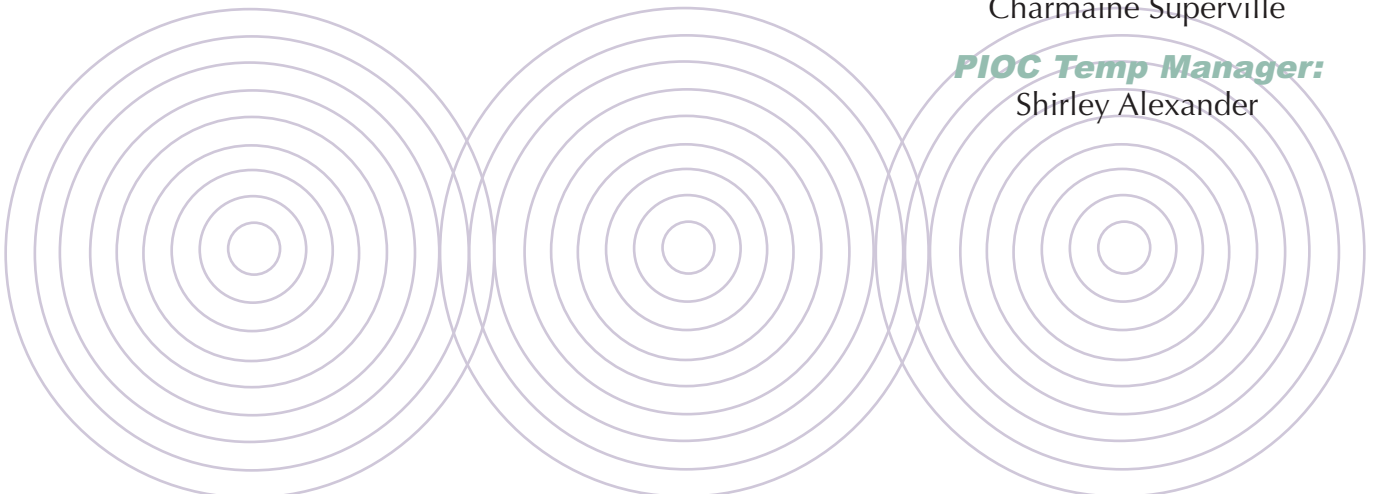
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2008 Housing Supply Report

What's New

- ✓ Permits for 31,902 new dwelling units were issued in New York City in 2007, the most since 1972, and a 3.2% increase over the prior year.
- ✓ The number of new housing units completed in 2007 increased 7.3% over the prior year, to 25,510.
- ✓ The citywide vacancy rate was 3.09% in 2005.
- ✓ City-sponsored residential construction spurred 18,195 new housing starts, more than 70% of which were rehabilitations.
- ✓ The city-owned *in rem* housing stock continued to decline, with a 36.7% decline in housing units during FY 2007.
- ✓ The number of housing units newly receiving 421-a exemptions increased 8.7% in 2007, to 4,212.
- ✓ The number of housing units newly receiving J-51 abatements and exemptions decreased 15.6% in 2007, to 55,681.
- ✓ The Attorney General's office reported a 4.5% decrease in the number of co-op or condo units accepted in 2007, to 663 plans containing 25,271 units.
- ✓ Demolitions, as reported by the New York City Department of Buildings, were down in 2007, decreasing by 8.0% to 3,283 buildings.

Introduction

Over the past year there was a 3.2% increase in the number of permits issued for new dwelling units, rising to 31,902, the most since 1972. The number of completed housing units grew as well, rising 7.3% over 2006 levels. This growth in development has been prompted by the tight housing market, with a citywide rental vacancy rate of 3.09% and 10.2% of all rental housing considered overcrowded. There was also a 4.5% decrease in the number of units in cooperative and condominium plans accepted for conversion or new construction (the first drop since 1999), while the number of city-owned vacant and occupied buildings continued to fall through various disposition programs, declining more than 30% during the 2007 fiscal year. During 2007, housing starts under the 421-a Affordable Housing Program decreased 33.7%, but completions rose by 40.9%. The City also saw a decrease in demolitions during 2007, falling 8.0%. And rehabilitation of residential units under the J-51 tax abatement and exemption program during 2007 decreased for the third year in a row, falling 15.6%, while the number of market-rate 421-a units rose 8.7% over 2006 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 results from the *2005 Housing and Vacancy Survey (HVS)*,¹ rental units comprised 67.0% of New York City's housing stock in 2005, twice as many rental units as the nation as a whole.² New York City in 2005 had a total of 3,260,856 housing units, the largest housing stock since the first HVS was conducted in 1965.

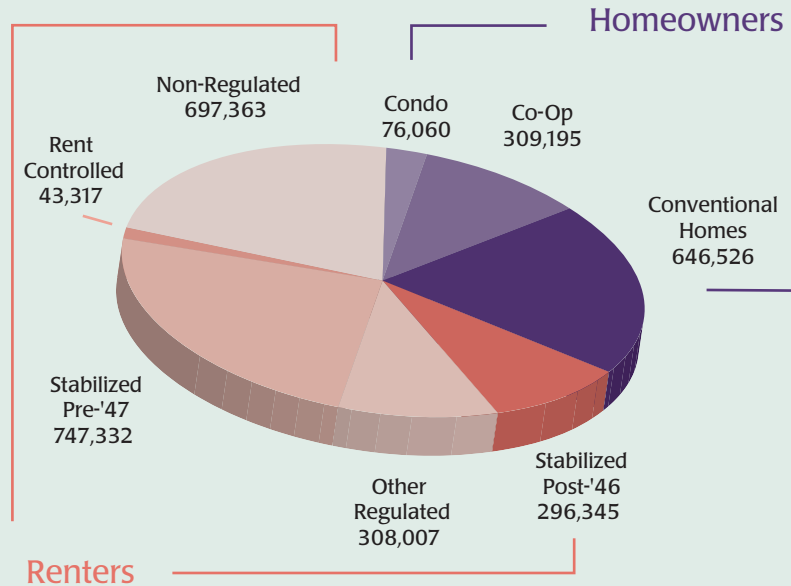
New York City's housing is dominated by the size of its rental housing stock and unlike most cities, the bulk of rental units are rent regulated. Of the 2,092,363 occupied and vacant rental units reported in the most recent HVS, a third (33.3%) were unregulated, or "free market." The majority are either pre-war (pre-47) rent stabilized (35.7%) or post-war (post-46) rent stabilized (14.2%), and the rest are rent controlled (2.1%) or part of various other³ types of regulated apartment programs (14.7%). (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 3.09% in 2005, below the 5% threshold required for rent regulation to continue under state law. The Bronx had the lowest vacancy rate in the city, at 2.63%, while Manhattan had the highest, 3.79%. Of the other boroughs, Queens' was 2.82%, Brooklyn's was 2.78%, and the small sample size of vacant apartments in Staten Island made calculation of a vacancy rate in that borough unobtainable.⁴

Vacancy rates also vary by rent regulation status. The tightest market was found among post-war stabilized units, with a vacancy rate of 2.28% in 2005.

Number of Renter and Owner Units

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



Source: U.S. Bureau of the Census, 2005 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 2.84%, while private, non-regulated units were vacant at a 4.11% rate.

The frequency of crowding also varies by rent regulation status. Overall, 10.2% of all rental housing in NYC is overcrowded (defined as more than one person per room, on average) and 3.7% is severely overcrowded (defined as an average of more than 1.5 persons per room). Pre-war stabilized housing is most crowded, with 13.4% of units overcrowded and 5.5% severely overcrowded, while 9.5% of post-war units are overcrowded, and 3.6% of units are severely overcrowded. Private, non-regulated housing is slightly less overcrowded, at 9.2%, with 3.0% 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 slight decline during 2006, the City in 2007 issued more housing permits for single- and multi-family buildings than the year prior. In 2007, permits were issued for 31,902 units of new housing, an increase of 3.2% over the 30,927 units in 2006 (see graph on following page). While still below the 1960's average of 37,000 new units per year, 2007 saw the highest level in the number of permits since 1972, when 36,061 were issued. Permits issued Citywide in 2007 increased, despite decreases in permits issued in the Bronx and Staten Island. Proportionally, the Bronx decreased the most, down 33.7%, to 3,088 and Staten Island decreased by 28.7%, to 739. Levels in Brooklyn, Manhattan, and Queens all increased during 2007. Brooklyn rose by the greatest proportion, up 18.9% to 10,930 permits, while Manhattan increased by 8.3% to 9,520 and

Queens increased by the lowest proportion, increasing by 5.1% to 7,625. (See Appendix 1 and the map on next page)

While permits issued increased between 2006 and 2007, the number of permits issued in early 2008 has decreased significantly. The number of permits issued in New York City decreased from 7,264 in the first quarter of 2007 to 3,893 during the same period of 2008, a 46.4% decrease. Permits issued declined in every borough but Staten Island, where levels rose 24.6% during the first quarter of 2008. Permit levels dropped by the most proportionally in Manhattan, falling 68.7%, followed by Queens with a drop of 62.2%, Brooklyn with a 38.8% decline, and the Bronx, with a fall of 16.9%.⁵

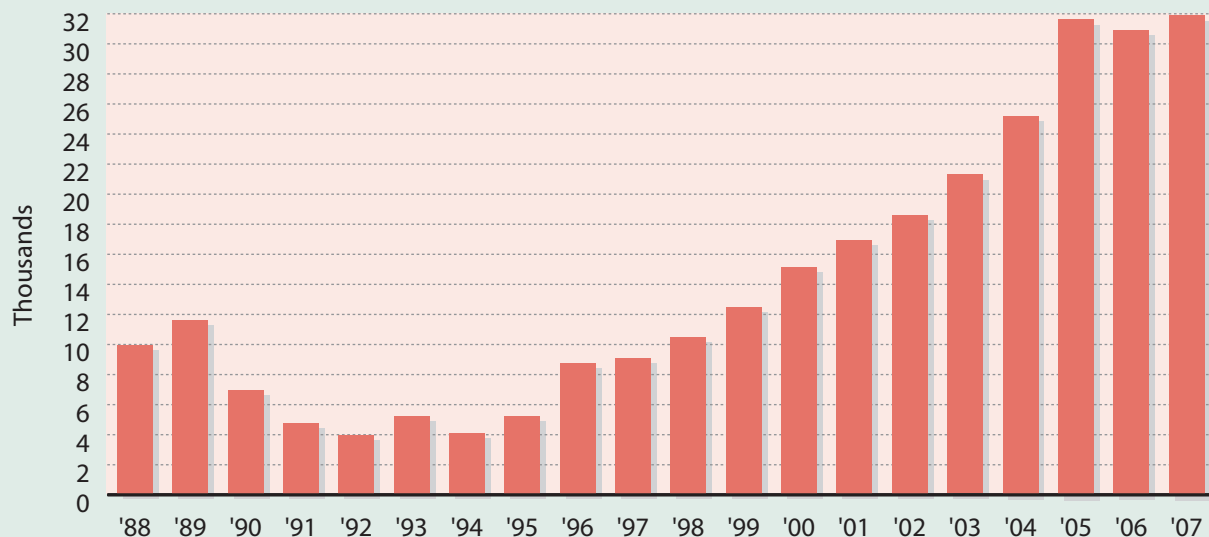
Permit data can also be analyzed by the reported size of the buildings applying for permits. In 2007, a total of 3,916 buildings received permits (containing a total of 31,902 housing units). Citywide, 16.0% of these buildings were single-family, 38.5% were two-family, 29.8% were three- or four-family structures, and 15.8% were five-family or greater buildings. The average five-family or greater building contained 40 units for the City as a whole, and 89 units in

Manhattan, with 80% of all permits Citywide in these largest buildings. While the number of units of housing increased from 2006, the number of buildings containing these units dropped 24% causing the average building size Citywide to grow 36%. 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 2007, approximately 25,510 new housing units were completed, a 7.3% increase over 2006.⁷ This number includes significant gains in the Manhattan and Brooklyn, a smaller increase in the Bronx, and decreases in Queens and Staten Island. Manhattan saw its number of new housing units grow more sharply than any other borough in 2007, up 26.6%, to 6,584. Brooklyn saw an 11.0% increase, to 7,123; and the Bronx increased by 2.9% to 4,436. Showing declines, Queens decreased by 0.4% to 5,918; and the number

Units Issued New Housing Permits, 1988-2007, in Thousands

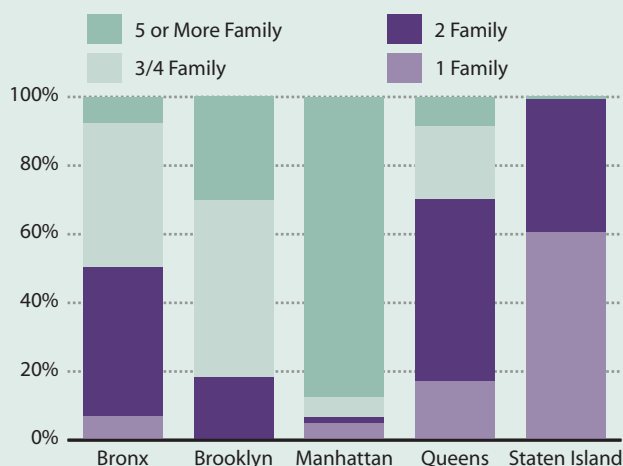
Slight Increase in Growth of Number of Permits Issued for New Construction of Residential Units



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

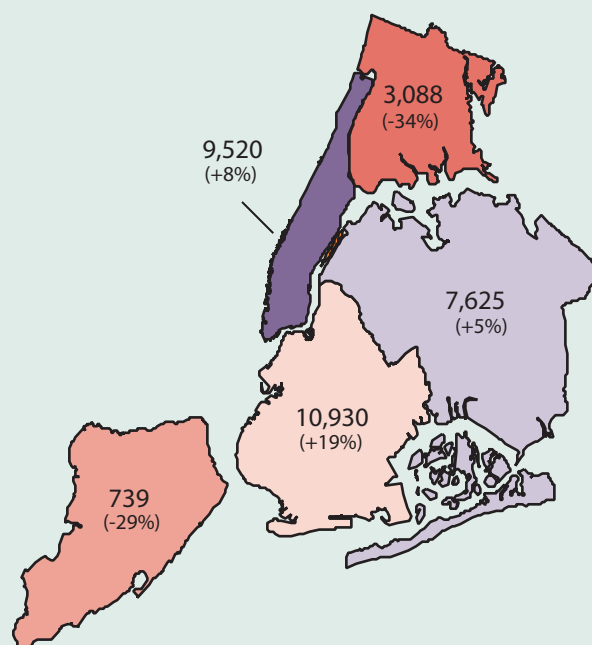
Residential Building Permits, 2007

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 2007 and Percentage Change From 2006 by Borough



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

of new units in Staten Island decreased by the greatest amount, a 23.7% drop in 2007, to 1,449. (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 ANCHOR program, which is a revitalization program that creates both commercial retail and housing on vacant City-owned land; and the New Housing Opportunities Program, which issues taxable bonds to provide long-term fixed-rate permanent financing for middle-income rental projects. HDC operates such programs as 80/20, which requires developers to set aside 20% of units for moderate-income families, and oversees the Liberty Bond program, which encourages residential development in lower Manhattan.

HPD- and HDC-sponsored programs spurred a total of 18,195 reported housing starts⁸ in FY 2007, an increase of 5.4% over the prior year. Of the 18,195 total starts this year, 12,970 were rehabilitation starts, and 5,225 were new construction starts. HPD and HDC collectively expect to start an additional 16,619 units of new construction and rehabilitation in FY 2008, and 16,485 in FY 2009. During the first four months of FY 2008 there were 2,455 starts by HPD and HDC, a 35.1% decline over the corresponding period of the previous year. Units were nearly evenly split between rehabilitation and new construction during this period.⁹

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 a ten-year commitment to build and preserve 165,000 units of affordable housing by 2013. This \$7.5 billion plan will provide affordable homes for 500,000 New Yorkers. As of March 2008, HPD and HDC have started 70,953 units of housing under the New

Housing Marketplace Plan. As part of this program the City is identifying new sources of land and funding sources, and making changes to regulations in the private market, such as 421-a reforms and new inclusionary zoning initiatives.¹⁰

Other initiatives to increase the supply of housing in New York City are new bills aimed at reducing the supply of vacant land in Upper Manhattan. Following a 2007 study by Manhattan Borough President Scott Stringer which found that there are approximately 2,228 Manhattan properties with vacancies, almost a quarter of which are completely empty lots, with more than 70% of vacancies above 96th Street,¹¹ legislation was proposed in the City Council that would require vacant properties to be registered annually, at a cost of up to \$5,000 each. Tax breaks enacted in the 1970s for vacant land above 110th Street would also be repealed at the State level, reducing incentives for warehousing of buildable land.¹²

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. Thus, 421-a tenants share the same tenancy protection as stabilized tenants, and initial rents approved by HPD are then confined to increases established by the Rent Guidelines Board.

A variety of factors are used to establish the level and period of 421-a benefits, including geographic location; preservation of units for low- and moderate-income families; construction periods; and government

commitment. Properties are also subject to construction guidelines. Rental 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.¹³

Effective December 28, 2007, major revisions to the 421-a program were enacted. Among the changes was an extension of the Geographic Exclusion area (previously approximately 14th to 96th Streets in Manhattan and Greenpoint/Williamsburg in Brooklyn) to include all of Manhattan (except Roosevelt Island), and multiple neighborhoods in every borough, including portions of Crotona Park in the Bronx, the entire Queens East River waterfront, most of northern Staten Island, and large portions of northern Brooklyn, including Downtown, Cobble Hill, and Park Slope. Any housing built in these neighborhoods that receive 421-a benefits must set aside 20% of units in these buildings for affordable housing.

The new legislation also reduces the length of the exemption period for many buildings. In addition, the legislation stipulates that affordable units must be kept affordable for a minimum of 35 years, and residents of the community board where the development is located will be guaranteed 50% of the units. The minimum building size was also raised from three units to four units, and only the first \$65,000 of an apartment's value will now be exempt from taxes. Additionally, the boundaries of the Geographic Exclusion Area will be reviewed every two years, with the first review in December of 2008.¹⁴

Historically, tax-incentive housing has also been developed through the 421-a Affordable Housing Program, aimed at providing new housing for low- and moderate-income families. Units could have been located anywhere in the City, and received up to a 25-year tax exemption. In addition to receiving tax benefits, for each low-income rental unit produced through the Affordable Housing Program, approximately five 421-a tax exemption certificates were produced, each allowing construction of one market-rate unit within the "Exclusion Zone."

Therefore, the City had ensured that development of tax-exempt, market-rate housing within core Manhattan created at least one affordable housing unit for each five market-rate units within the Zone. Developers had the option of locating the affordable units on-site, by setting aside twenty percent of the units in the building for low-income tenants, or building off-site. If developers within the Exclusion Zone choose not to build affordable housing themselves, they had the option of buying these certificates from affordable housing developers in other parts of the City for an estimated cost of \$10,000 to \$15,000 each, thereby helping finance additional affordable housing.¹⁵ As described above, new rules for the 421-a program are phasing out this certificate program in favor of on-site location of affordable housing units. No new agreements with developers for these negotiable certificates have been written since the new law became effective in December of 2007, however previously issued certificates can still be used in the traditional way, with certain limitations. (See Endnote 14)

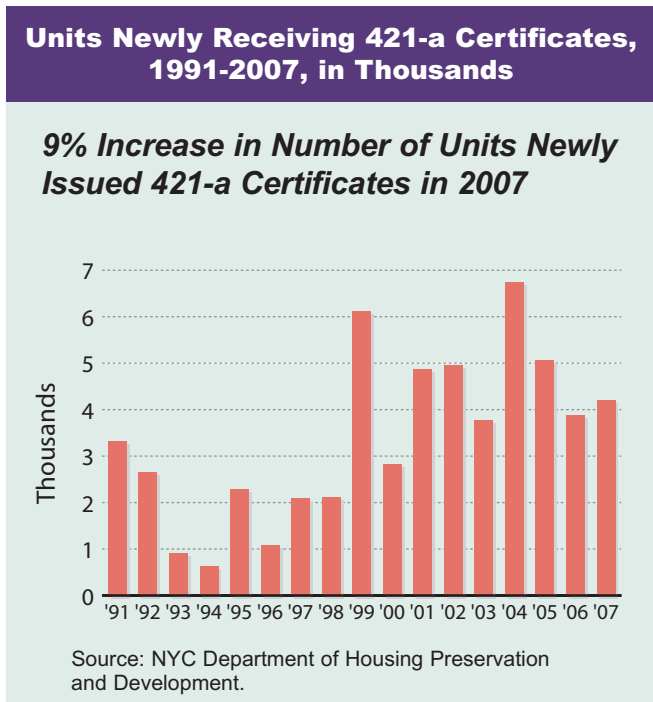
Housing starts under the 421-a Affordable Housing Program declined during 2007, falling 33.7% from 2006 levels, for a total of 686 units. When all the units begun in 2007 are completed,

these 686 new affordable units will create approximately 3,769 certificates eligible to be sold for market-rate housing within the Exclusion Zone. While construction starts under the 421-a Affordable Housing Program were down by almost 34%, housing units completed under the Affordable Housing program in 2007 grew significantly. In 2007, 1,141 new affordable units, producing approximately 5,904 certificates for market-rate housing, were completed, a 40.9% rise from last year.¹⁶

Through the market-rate 421-a program, the number of housing units newly receiving 421-a exemptions increased for the first time in three years, up 8.7%, to 4,212 (see graph on this page), including increases in the Bronx and Brooklyn (794.7% and 12.1% respectively), decreases in Manhattan and Queens (18.4% and 34.2% respectively) and no change in Staten Island, which remained at zero. The largest proportion of units receiving benefits in 2007 were in buildings located in Manhattan, which contained 46.0% of the total units in the City, despite having only 10.4% of the buildings that received benefits. The remainder of these units were in the Bronx (24.2%), Brooklyn (19.6%), and Queens (10.2%). No buildings in Staten Island utilized 421-a tax benefits this year. The most significant changes were seen in the Bronx, which had an almost 800% increase in units receiving benefits (from 114 to 1,020) and saw its share of units Citywide rise from 2.9% to 24.2%.¹⁷ (See Appendices 6 and 7)

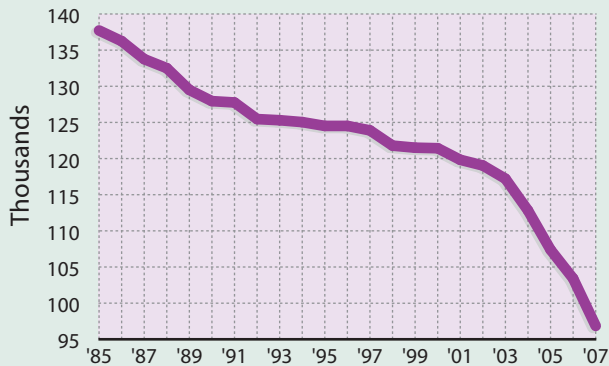
Another program that has offered affordable housing, the New York State Mitchell-Lama program, is losing residential units as market rents rise and landlords choose to opt out of the program. The program, which was created in 1955 as a means of providing affordable rental and cooperative housing to moderate- and middle-income families, granted low-cost mortgages and tax breaks to landlords who developed low- and middle-income housing. There are approximately 97,000 Mitchell-Lama units in the City today (and up to 18,000 elsewhere in the state), and the last Mitchell-Lama project opened in 1978.¹⁸

After twenty years, landlords may leave the program, and in recent years, some have done so by “buying out” of the program. In New York City approximately 41,000 units in Mitchell-Lama buildings



Units in the Mitchell-Lama Program, 1985-2007, in Thousands

30% Decrease in Number of NYC Mitchell-Lama Units Since 1985



Source: NYC Housing Preservation and Development and NYS Division of Housing and Community Renewal

have been lost due to buyouts since 1985 (see graph above). The pace has accelerated in the past couple of years, with at least 22,000 units bought out between 2003 and 2007.¹⁹

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 opting 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 buildings leaving Mitchell-Lama and built before 1974 to apply to have apartment rents set at market rates instead of lower, current rents 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.²⁰ Another proposed bill would require all buildings leaving Mitchell-Lama, regardless of their construction date, to enter rent stabilization.²¹

There were also recent reports that the NYS Housing Finance Agency, which issues tax-exempt financing for the 80/20 program (buildings where 80% of apartments are market-rate and 20% are affordable to low-income households), will have significantly less funds available for 2008 through at least 2010. *Crain's*

reports that only two or three of the 30 projects seeking financing will receive it during 2008, and none may get funded in 2009 and 2010.²²

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 a larger number of units. Non-residential spaces, such as offices or other commercial spaces, can also be converted for residential use. With a tight housing market and high demand for luxury apartments, there has been an increasing number of conversions in neighborhoods citywide, including buildings some in the past may have never considered for residential uses. A 96-unit condo building will take the place of the Sony recording studios in Hell's Kitchen,²³ 447 condo units will be built in a former power plant in Long Island City,²⁴ while a former riding academy on the Upper West Side will now house luxury condo units.²⁵

Conversion of single room occupancy (SRO) buildings also continued in high numbers over the past year. SRO owners may convert SRO housing to other uses after obtaining a “Certificate of No Harassment” from HPD. The last several years have seen significantly more Certificates issued than in previous years. While from 1995-1996, there were an average of 67 applications filed each year, from 1997- 2001, an average of 114 applications for Certificates were filed. HPD reports there were 182 Certificates applied for in 2007, down from 209 in 2006.²⁶ In addition, there has been increased focus on the issue of illegal hotels, that is residential units meant to be used by permanent tenants that are instead rented out on a nightly basis to tourists. A bill pending in the City Council would increase fines from \$800 for an illegal conversion to \$1,000-\$5,000 for a first offense, and up to \$20,000 for subsequent offenses.²⁷

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 2007, the Attorney General accepted 663 co-op and condo plans, a 6.6% decrease over the number accepted in 2006. These 663 plans encompassed 25,271 housing units, 4.5% less than in 2006. The majority of plans (371) were accepted for buildings located in Brooklyn; 185 were located in Manhattan; 86 plans were accepted for Queens; the Bronx had 15 plans; and there were six in Staten Island. However, while more buildings were in Brooklyn, the average building in Manhattan is larger, so more units were located in Manhattan (11,227) than in Brooklyn (8,061).²⁸ (See Appendices 4 and 5)

Almost all of the plans accepted citywide in 2007 were for new construction, comprising 573 of 663 plans, and a total of 19,511 of 25,271 units. This is similar to the prior year, when new construction accounted for 644 of the 710 accepted plans. In 2007, 66 plans and 5,441 units were non-eviction conversions. An additional 16 plans, containing 248 units, were eviction plan conversions, all sponsored by the New York City Dept. of Housing Preservation and Development. In addition, eight plans and 71 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 22.5% of the total number of units in 2007 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 2007), only when the original rental tenant moves out 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

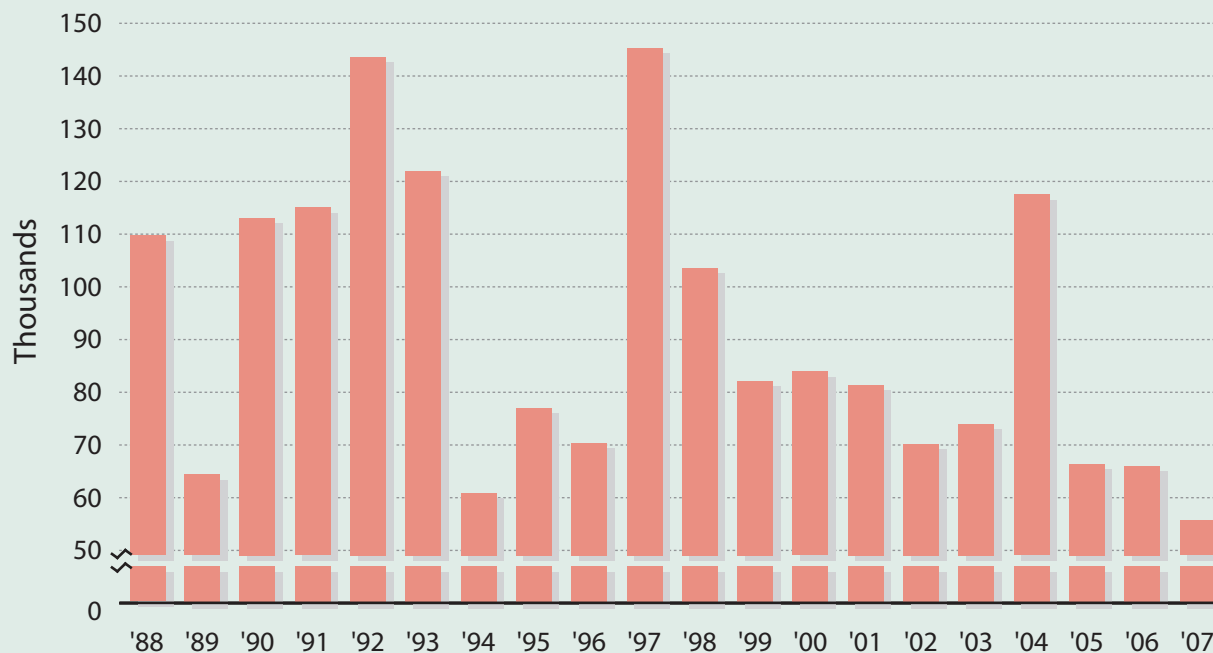
which more than 60% of units are in buildings constructed prior to 1946.²⁹ Through tax abatement and exemption subsidy programs offered by the City for rehabilitation, units are able to remain in, or be readmitted to, the City's housing stock. The J-51 tax abatement and exemption program is intended to encourage the periodic renovation of New York City's stock of both renter- and owner-occupied housing. In the late 1980s and early 1990s, the number of units approved for initial J-51 tax abatements and exemptions each year was frequently above 100,000. In the mid-1990s, rehabilitation activity declined to just under 70,000 units per year. But in 1997, coinciding with the improving NYC economy, the number of units receiving J-51 benefits increased sharply, with over 145,000 additional units receiving this tax incentive. Levels have decreased significantly from that high, mostly remaining less than 100,000 units since then.

In 2007, 55,681 units newly received J-51 benefits, a decrease of 15.6% from the previous year (see graph on next page). These units were contained in 957 buildings, a decrease of 12.2% from 2006 levels. The location of the units newly receiving benefits ranged from 41.6% located in Queens; to 22.4% in Brooklyn; 22.2% in Manhattan; 13.3% in the Bronx; and 0.6% in Staten Island. Buildings were distributed through the boroughs in roughly the same way units were distributed.³⁰

The J-51 tax relief program is similar to the 421-a program in that it requires that rental units be subject to rent regulation for the extent 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.³¹

Units Receiving Initial J-51 Benefits, 1988-2007, in Thousands

2007 Saw Decrease in Number of Units Receiving J-51 Certificates



Source: NYC Department of Housing Preservation and Development.

In Fiscal Year 2007 (the most recently available data), the J-51 tax program cost the City \$220.5 million for all housing types, including more than 700,000 rental units.³² Most of these units will remain stabilized after the benefit period, because most units receiving J-51 benefits would ordinarily be under the jurisdiction of rent stabilization laws even without tax abatements. However, rental apartments not stabilized prior to receiving tax benefits will not be subject to the City's rent regulations once their benefits end. (See Appendices 6 and 7)

Tax-Delinquent Property

In Rem Housing

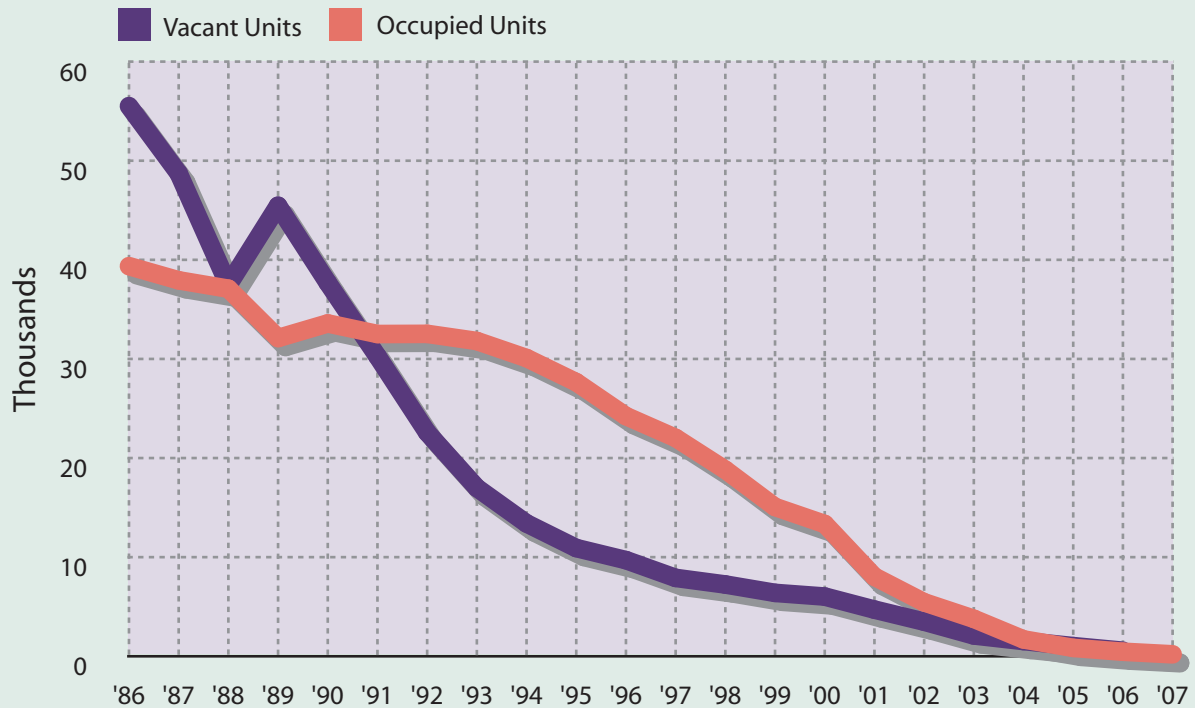
For two decades, the City foreclosed on thousands of tax-delinquent residential properties, becoming the owner and manager of these buildings. By its peak in 1986, the city owned and managed 4,000 occupied buildings containing 40,000 units of housing (see graph

on next page). Most of these buildings were dilapidated multi-families occupied by a predominantly low-income population. To counter this trend, HPD has developed multiple disposition programs over time to manage, rehabilitate and sell many of these so-called *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 *in rem* units in central management to 466 through October 2007, a 98.5% decline since FY 1994.³³ HPD transfers buildings into alternative management programs before returning them to private ownership. During FY 2007, 105 buildings with 763 units were sold through these programs.

Units in HPD Central Management Stock, FY 1986-FY 2007, in Thousands

Continued Decline in City In Rem Housing Stock in FY 2007



Source: Mayor's Management Report, Office of Operations, FY 1986-FY 2007.

The number of units in vacant city-owned buildings also fell significantly over the same period, to 499 units by the end of October 2007, a 96.4% decline since FY 1994. During FY 2007, the total number of buildings operated by HPD, including both occupied and vacant, fell 31.8%, and the number of units in these buildings fell 36.7%, as compared to FY 2006. This trend continued during the first four months of FY 2008. (See Appendix 8)

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.³⁴

Since the mid-1990's, 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.³⁵

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, 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.³⁶ Since beginning in 1996, the program has collected \$309 million in back taxes, and 438 buildings have been transferred to responsible for-profit and non-profit owners.³⁷

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 1990's 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. A total of 3,283 buildings were demolished in 2007, an 8.0% decrease over the prior year, the first decrease in six years. This was still the third highest total since 1985, when the RGB began collecting this data. Queens accounted for 42.9% of all the buildings demolished in 2007, Brooklyn had 30.0%, Staten Island had 9.4%, the Bronx had 9.2%, and Manhattan had the lowest proportion, 8.6%. Demolitions fell in every borough but Manhattan in 2007, declining by 19.2% in Staten Island, 11.3% in Brooklyn, 9.6% in the Bronx, and 5.3% in Queens. In Manhattan, demolitions rose by 8.9%.³⁸ (See Appendix 9)

Conclusion

Housing permits remained at high levels, with the highest number of permits issued in 2007 than in any year since 1972, while the number of completed housing units increased by 7.3%. The City also continued to reduce its share of city-owned vacant and

occupied housing units, seeing a 36.7% decline during the most recent fiscal year. The number of new units receiving 421-a tax benefits increased 8.7% in 2007, while J-51 tax abatements and exemptions decreased 15.6%. Rental housing availability remains tight, with a citywide vacancy rate of just 3.09% in 2005, and overcrowding remains a problem. Mayor Bloomberg's ten-year housing initiative has begun development/construction on more than 70,000 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 *2006 American Community Survey*, conducted by the U.S. Census Bureau.
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 in the *2006 Housing Supply Report*, the RGB will now define 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 2007 and Preliminary Fiscal Year 2008*.
10. "Mayor Bloomberg's Affordable Housing Plan," May 2008. <http://nyc.gov/html/hpd/downloads/pdf/New-Housing-Market-Place-Plan.pdf>
11. "No Vacancy: The Role of Underutilized Properties in Meeting Manhattan's Affordable Housing Needs," Manhattan Borough President Scott M. Stringer, April 2007. <http://www.mbpo.org/uploads/NO%20VACANCY.pdf>
12. "Legislation to Fine Housing Speculators," Kevin Shin. *Columbia Spectator*, February 7, 2008.
13. Program information available at: <http://nyc.gov/html/hpd/html/developers/421a.shtml>

14. "421-a Legislation Overview and FAQ," NYC Dept. of Housing Preservation and Development. February 28, 2008. <http://nyc.gov/html/hpd/downloads/pdf/421a-FAQ.pdf>
15. Program information available at: <http://nyc.gov/html/hpd/html/developers/ahp.shtml>
16. 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.
17. NYC Department of Housing Preservation and Development, Tax Incentives Program data.
18. "2007 Annual Report: Mitchell-Lama Housing Companies in NYS." NYS Division of Housing and Community Renewal. January 15, 2008.
19. The number of Mitchell-Lama buyouts were provided most recently through the NYC Dept. of Housing Preservation and Development, 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.
20. "Albany Bars Rent Rise for Thousands." Manny Fernandez, *New York Times*, November 26, 2007.
21. NYS Assembly Bill A07253.
22. "Tax-exempt housing funds are drying up." Theresa Agovino, *Crains New York Business*, February 17, 2008.
23. "Same Old Tune: Sony Sells Hell's Kitchen Studio for \$44M., Condos Planned." Eliot Brown, *The New York Observer*, November 26, 2007.
24. "Powerhouses to the People." C.J. Hughes, *New York Times*, March 9, 2008.
25. "Luxury Units Set To Rise Where Horses Once Trotted." Bradley Hope, *The New York Sun*, February 28, 2008.
26. Historic data obtained from the West Side SRO Law Project, reporting NYC Department of Housing Preservation and Development (HPD) data and 2007 data obtained directly from HPD.
27. "Council Plans Heftier Fines for Apartments Used as Hotels." Fernanda Santos, *New York Times*, December 4, 2007.
28. NYS Attorney General's Office, Real Estate Financing Bureau data. and the NYC Dept. of Housing Preservation and Development, Sales Unit.
29. *2005 NYC Housing and Vacancy Survey*.
30. 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.
31. 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>.
32. "Annual Report on Tax Expenditures," NYC Dept. of Finance publication, December, 2007.
33. *Mayor's Management Reports*, Fiscal Year 1994-Preliminary Fiscal 2008, with additional, unpublished information provided by the Mayor's Office of Operations.
34. NYC Department of Housing Preservation and Development website. http://www.nyc.gov/html/hpd/html/buyers/small_prop.shtml.
35. 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.
36. "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/>.
37. Most recent figures obtained from NYC Dept. of Housing Preservation and Development, May 9, 2008.
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.

Appendices

1. Permits Issued For Housing Units in New York City, 1960-2008

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 (1 st Qtr) ^Ω	862 (1,037)	1,603 (2,621)	485 (1,551)	705 (1,864)	238 (191)	3,893 (7,264)

Ω First three months of 2008. The number of permits issued in the first three months of 2007 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), 1999-2007

Year/Borough	1-Family	2-Family	3/4 Family	5 or More-Family	Total Buildings
1999					
Bronx	6.4%	44.5%	48.1%	1.0%	393
Brooklyn	31.7%	37.0%	21.2%	10.1%	783
Manhattan	0.0%	4.4%	4.4%	91.1%	45
Queens	13.4%	62.4%	19.1%	5.1%	681
Staten Island	63.4%	36.4%	0.0%	0.2%	1,738
Citywide	40.3%	41.9%	13.4%	4.5%	3,640
2000					
Bronx	7.7%	67.8%	22.5%	1.9%	466
Brooklyn	15.9%	50.7%	23.5%	9.9%	837
Manhattan	0.0%	13.8%	43.1%	43.1%	109
Queens	10.9%	58.4%	25.0%	5.7%	801
Staten Island	71.8%	27.9%	0.0%	0.3%	1,895
Citywide	39.4%	42.6%	13.4%	4.6%	4,108
2001					
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
Citywide	37.6%	41.4%	16.4%	4.6%	4,519
2002					
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
Citywide	29.9%	43.2%	19.9%	7.1%	4,474
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
Citywide	29.1%	44.0%	19.3%	7.6%	5,344
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
Citywide	18.1%	45.9%	27.3%	8.7%	5,604
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
Citywide	22.5%	35.8%	30.0%	11.8%	5,787
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
Citywide	17.7%	36.7%	33.2%	12.4%	5,172
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
Citywide	16.0%	38.5%	29.8%	15.8%	3,916

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

3. New Dwelling Units Completed in New York City, 1960-2007

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	4,436	7,123	6,584	5,918	1,449	25,510

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

π Data from 2004-2007 now includes Final Certificates of Occupancies (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, 2002-2007

	2002	2003	2004	2005	2006	2007
	Plans (Units)	Plans (Units)	Plans (Units)	Plans (Units)	Plans (Units)	Plans (Units)
Private Plans						
New Construction	136 (2,576)	190 (4,870)	268 (6,018)	361 (12,210)	644 (19,780)	573 (19,511)
Rehabilitation	20 (348)	18 (418)	18 (334)	6 (223)	0	8 (71)
Conversion (Non-Eviction)	14 (1,974)	10 (639)	16 (1,550)	24 (2,356)	53 (6,331)	66 (5,441)
Conversion (Eviction)	0	0	0	0	0	0
Private Total	170 (4,898)	218 (5,927)	302 (7,902)	391 (14,789)	697 (26,201)	647 (25,023)
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)	15 (260)	0	15 (274)	18 (269)	13 (273)	16 (248)
HPD Total	15 (260)	0	15 (274)	18 (269)	13 (273)	16 (248)
Grand Total	185 (5,158)	218 (5,927)	317 (8,176)	409 (15,058)	710 (26,474)	663 (25,271)

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, 1981-2007

Year	New Construction	Conversion Eviction	Conversion Non-Eviction	Rehabilitation	Total New Construction Conversion & Rehab	Units in HPD Sponsored Plans
1981	6,926	13,134	4,360	--	24,420	925
1982	6,096	26,469	16,439	--	49,004	1,948
1983	4,865	18,009	19,678	--	42,552	906
1984	4,663	7,432	25,873	--	37,968	519
1985	9,391	2,276	30,277	--	41,944	935
1986	11,684	687	39,874	--	52,245	195
1987	8,460	1,064	35,574	--	45,098	1,175
1988	9,899	1,006	32,283	--	43,188	1,159
1989	6,153	137	25,459	--	31,749	945
1990	4,203	364	14,640	--	19,207	1,175
1991	1,111	173	1,757	--	3,041	2,459
1992	793	0	566	--	1,359	1,674
1993	775	41	134	--	950	455
1994	393	283	176	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

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

Buildings Receiving Certificates for 421-a Exemptions, 2005-2007

	2005		2006		2007	
	Certificates	Units	Certificates	Units	Certificates	Units
Bronx	7	183	10	114	24	1,020
Brooklyn	89	1,185	57	736	50	825
Manhattan	30	2,890	32	2,375	24	1,939
Queens	38	772	52	650	44	428
Staten Island	1	32	0	0	0	0
TOTAL	165	5,062	151	3,875	142	4,212

Buildings Receiving J-51 Tax Abatements and Exemptions, 2005-2007

	2005			2006			2007		
	Buildings	Units	Certified Cost (\$1,000s)	Buildings	Units	Certified Cost (\$1,000s)	Buildings	Units	Certified Cost (\$1,000s)
Bronx	469	20,289	48,982	279	13,766	35,979	153	7,381	16,757
Brooklyn	210	12,828	14,437	249	13,167	28,300	283	12,470	24,575
Manhattan	269	13,387	36,131	271	21,884	27,969	208	12,348	24,302
Queens	510	19,757	16,854	287	17,106	12,600	309	23,148	15,487
Staten Island	1	109	112	4	87	43	4	334	158
TOTAL	1,459	66,370	116,516	1,090	66,010	104,891	957	55,681	81,278

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

7. Tax Incentive Programs - Units Receiving Initial Benefits, 1981-2007

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

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

8. City-Owned Properties, Fiscal Years 1987-2007

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

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

Source: NYC Office of Operations, Fiscal 2007 *Mayor's Management Report*; NYC Department of Housing Preservation and Development.

9. Building Demolitions in New York City, 1987-2007

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
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

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.