
2017 Housing Supply Report

May 25, 2017

Board Members

Chair:

Hon. Kathleen A. Roberts (Ret.)

Public Members:

Hilary Botein

Cecilia Joza

David Reiss

Helen Schaub

Owner Members:

Mary Serafy

Scott Walsh

Tenant Members:

Harvey Epstein

Sheila Garcia

Staff Members

Executive Director:

Andrew McLaughlin

Research Director:

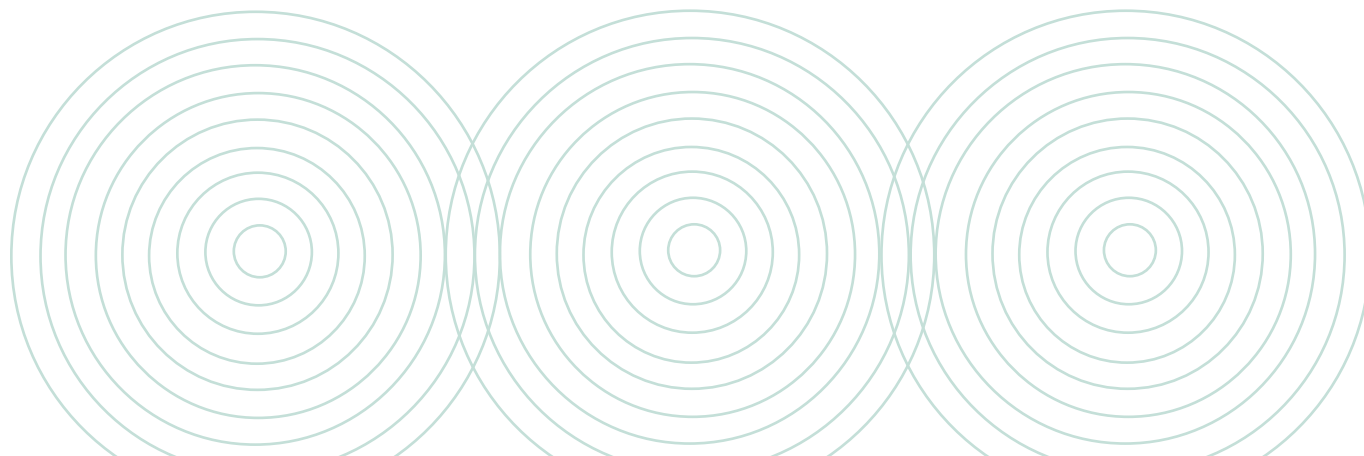
Brian Hoberman

Sr. Research Associate:

Danielle Burger

Office Manager:

Charmaine Superville



2017 Housing Supply Report

What's New

- ◆ Permits for 16,269 new dwelling units were issued in NYC in 2016, a 71.2% decrease over the prior year and the first decrease since 2009.
- ◆ There was a 31.3% decrease in the number of co-op or condo units accepted in 2016, to 282 plans containing 8,671 units.
- ◆ The number of housing units newly receiving 421-a exemptions decreased 17.8% in 2016, to 4,493.
- ◆ The number of housing units newly receiving J-51 abatements and exemptions decreased 22.5% in 2016, to 34,311.
- ◆ The number of new housing units completed in 2016 increased 61.9% over the prior year, to 23,247.
- ◆ Demolitions were down in 2016, decreasing by 2.0%, to 1,849 buildings.
- ◆ City-sponsored residential construction spurred 23,408 new housing starts in FY 2016, 74% of which were rehabilitations.
- ◆ The City-owned *in rem* housing stock declined 70.2% during FY 2016, to 125 units.

Introduction

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

Overview

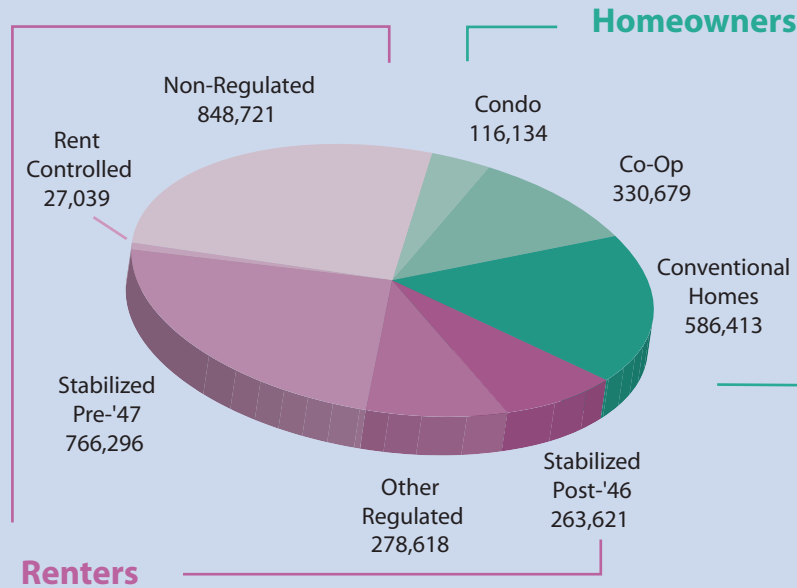
Between 2015 and 2016 there was a 71.2% decrease in the number of permits issued for new dwelling units, falling to 16,269, the first decrease since 2009. The number of units newly accepted in co-op and condo plans also fell, by 31.3%, with the number of plans falling by 3.1%. The number of units newly receiving 421-a benefits fell for the fifth consecutive year, decreasing 17.8% from 2015 levels. Rehabilitation of residential units under the J-51 tax abatement and exemption program also declined during 2016, down 22.5%. The number of completed housing units rose during 2016, increasing 61.9% to 23,247 units, and the number of demolitions fell by 2.0% during 2016, following three years of increase. As of 2014, a tight housing market also remains in New York City (NYC), with a Citywide rental vacancy rate of 3.45% and 12.2% of all rental housing considered overcrowded.

New York City's Housing Inventory

Most New Yorkers live in multi-family rental housing rather than owning homes. According to the *2014 Housing and Vacancy Survey (HVS)*,¹ rental units comprise 64.2% of NYC's available housing stock, 76% more than the proportion of rental units in the nation as a whole.² NYC in 2014 had a total of 3,400,093 housing units, the largest housing stock since the first *HVS* was conducted in 1965. NYC's housing is not only distinguished by the size of its rental housing stock, but unlike most cities, the bulk of rental units are rent regulated. Of the 2,184,297 occupied and vacant rental units reported in the most recent *HVS*, 38.9% were unregulated, or “free market.” The remaining units were rent regulated, including pre-war (pre-47) rent stabilized (35.1%), post-war (post-46) rent stabilized (12.1%), rent controlled (1.2%), or regulated under various other³ types of programs (12.8%). (See pie chart on the following page.)

Number of Renter and Owner Units

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



Source: U.S. Bureau of the Census, 2014 New York City Housing and Vacancy Survey
Note: Above figures exclude vacant units that are not available for sale or rent.

The HVS also indicated that NYC's housing market remains tight, finding a Citywide vacancy rate of 3.45% in 2014, below the 5% threshold required for rent regulation to continue under State law. This translates into the availability of just 75,458 vacant units out of more than 2.1 million rental units Citywide. The vacancy rate ranged from a low of 2.69% in Queens to a high of 4.07% in Manhattan. The Brooklyn vacancy rate was 3.06%, and the Bronx rate was 3.77%. The sample size in Staten Island was too small to permit calculation of an accurate vacancy rate.⁴

Vacancy rates also varied by rent regulation status. Both post-war and pre-war stabilized units had low vacancy rates, at 1.63% and 2.29%, respectively. Stabilized vacancy rates on the whole were 2.12%, while private, non-regulated units were vacant at a 5.60% rate.

The frequency of crowding also varied by rent regulation status. Overall, 12.2% of all rental housing in NYC in 2014 was overcrowded (defined as more than one person per room, on average) and 4.7% was severely overcrowded (defined as an average of more than 1.5 persons per room). Pre-war stabilized housing was most crowded, with 15.0% of units overcrowded

and 6.1% severely overcrowded, while 14.6% of post-war units were overcrowded, and 5.5% were severely overcrowded. Overall, 14.9% of rent stabilized housing was overcrowded and 6.0% was severely overcrowded. In non-regulated housing, 11.3% was overcrowded and 4.2% severely overcrowded.

Changes in the Housing Inventory

Housing Permits

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.

In 2016, permits newly issued for housing units fell for the first time since 2009. Following a large increase of 176.0% in 2015 (to 56,528 units), permits were issued in 2016 for 16,269 units of new housing, a

decrease of 71.2% from 2015.⁵ In 2015, permit applications rose dramatically because the 421-a tax abatement and exemption program was set to expire and developers rushed to file permits before the deadline passed. Permit levels in 2016, while much lower than those during 2015, are comparable to levels in 2013 and 2014 (see graph on this page).

Permits fell in 2016 by double digits in every borough except Staten Island, where they rose 66.5%, to 901 units. (See Appendix 1 and the map on the following page.) Permits in Brooklyn fell by the greatest proportion, declining 82.7%, to 4,503 units. Newly issued permits also decreased in Queens, by 77.6% (to 2,838 units); in Manhattan, by 68.1% (to 4,024 units); and by 14.5% in the Bronx (to 4,003 units).

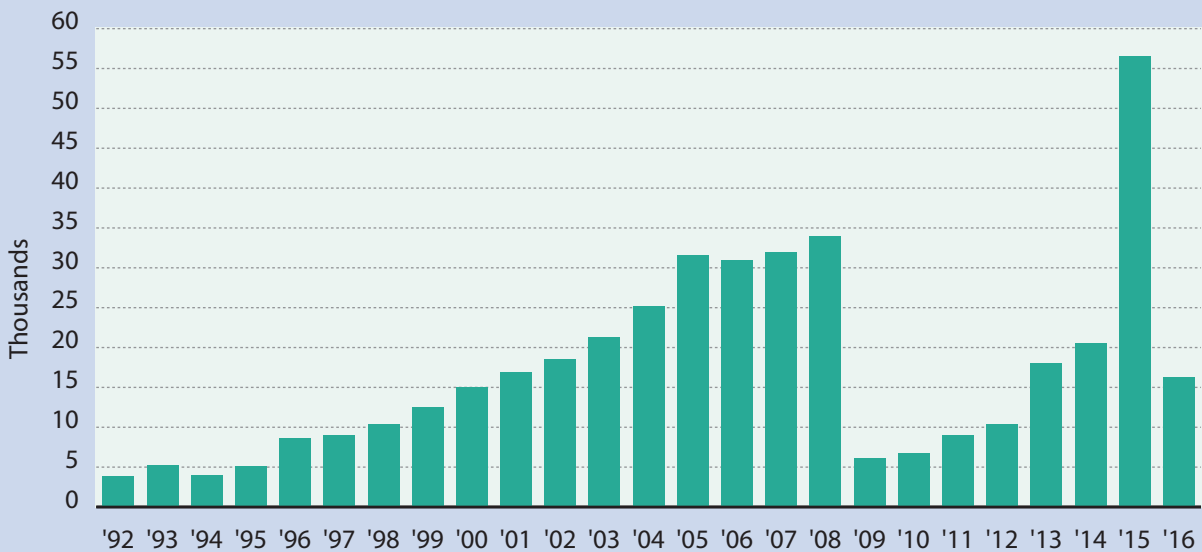
On a quarterly basis, permits fell in three of the four quarters of 2016, as compared to the same quarters of the prior year. While permits rose by 23.0% in the third quarter of 2016, they fell by 65.1% in the first quarter, 89.4% in the second quarter, and 50.9% in the fourth quarter. Permits for new housing units fell not only because the number of buildings being newly constructed fell, but because the size of these buildings

fell significantly. While the number of buildings receiving permits fell 22.3% between 2015 and 2016, the average building size fell from 28.3 units in 2015, to 10.5 in 2016, a 62.9% drop. In the second quarter of 2016, which experienced the greatest proportional drop in permits issued, average building size fell from 45.6 units to 9.2 units. For historical permit information by quarter, see Appendix 3.

Permits issued Citywide in the first quarter of 2017 were up as compared to the same period of the prior year, with increases in every borough. The number of permits issued in NYC increased from 2,158 in the first quarter of 2016 to 6,343 during the first quarter of 2017, a 193.9% increase. Citywide figures were propelled upward by significant increases in permits issued in Queens, Brooklyn, and Manhattan, with increases of 289.7%, 335.1% and 400.3%, respectively. Permits issued also rose in the Bronx and Staten Island, but by lesser amounts (29.8% and 39.3%, respectively). While the number of permits issued during the first quarter of 2017 nearly tripled as compared with the first quarter of 2016, the number of buildings permitted increased by a lesser amount,

Units Issued New Housing Permits, 1992-2016, in Thousands

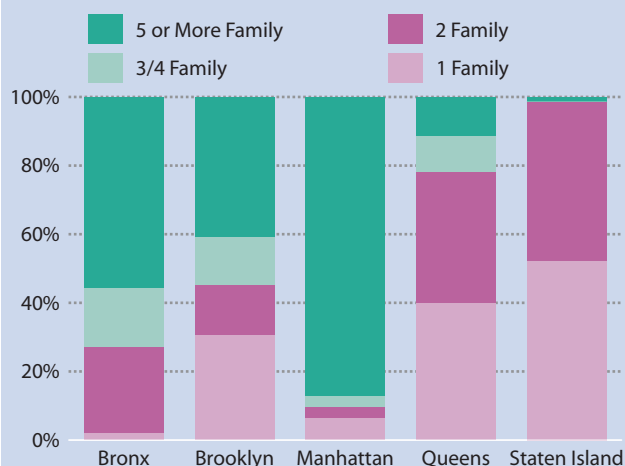
Number of Permits Issued for New Construction of Residential Units Decreases for First Time Since 2009



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

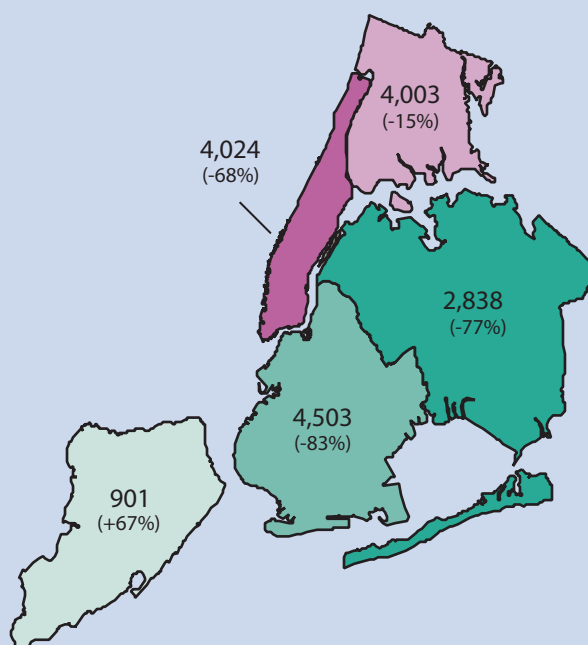
Residential Building Permits, 2016

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 2016 and Percentage Change From 2015 by Borough



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

36%. This is because the average size of the buildings newly permitted more than doubled, rising from just over 7 units in 2016 to almost 16 units in 2017. Average building size rose in every borough except Staten Island, rising by the greatest proportion in Manhattan, where the average building size rose from 27 units in the first quarter of 2016 to 87 units in the first quarter of 2017. For historical permit information by quarter, see Appendix 3.

Permit data can also be analyzed more deeply by looking at the reported size of the buildings applying for permits. In 2016, a total of 1,552 buildings received permits (containing a total of 16,269 housing units). Citywide, 36.1% of these buildings were single-family, 30.7% were two-family, 8.9% were three- or four-family structures, and 24.3% were buildings with five-or-more units. In 2016, 88.0% of all permits issued Citywide were for units in five-family or greater buildings (a total of 14,326 units), with the average five-family or greater building containing 38 units for the City as a whole, and 73 units in Manhattan (both large decreases from the prior year). As the graph on this page illustrates, almost all building permits in Manhattan were for the largest buildings, while in Staten Island and Queens virtually all permits were for either one- or two-family buildings. Building size was more evenly distributed in the Bronx and Brooklyn. (See Appendix 2.)

Housing Completions

This report also examines the number of units completed in the City each year, indicative of what housing actually enters the market in a particular year. In 2016, an estimated 23,247 new housing units were completed, a 61.9% increase from 2015.⁶ Completions were up in all boroughs, rising by the greatest proportion in Manhattan, which rose 131.1% (to 6,900 units). Completions also rose in Staten Island, up 126.1% (to 1,223 units); Brooklyn, up 71.8% (to 9,148 units); Queens, up 10.7% (to 3,444 units); and the Bronx, up 5.7% (to 2,532 units). Of the 23,247 units completed Citywide, 91.1% were in five-family or greater buildings, up from 87.4% in the prior year. The average size of completed buildings, by borough, ranged from 2.5 units in Staten Island, to 8.4

units in Queens; 16.0 units in the Bronx; 18.1 units in Brooklyn; and 97.2 units in Manhattan. (See Appendix 4 for a historical breakdown.⁷)

City-Sponsored Construction

Housing is also created and preserved through publicly funded sources, including programs sponsored by the NYC Department of Housing Preservation and Development (HPD) and the NYC Housing Development Corporation (HDC). HPD's Office of Development operates a number of programs that develop affordable housing for low- and moderate-income New Yorkers. Programs include the Extremely Low and Low-Income Affordability Program, which is HPD's multi-family new construction housing initiative, financed through both public and private sources; the Affordable Neighborhood Cooperative Program, which provides very low interest loans for the rehabilitation of buildings into affordable cooperatives for low and moderate-income households; and the Multifamily Housing Rehabilitation Loan Program, which provides rehabilitation loans at a maximum 3% interest for the replacement of major building systems. HDC operates some of the same programs as HPD, in addition to programs such as the Mitchell-Lama Preservation Program, which offers loans to Mitchell-Lama owners in order to make needed capital improvements, and the Preservation Program, which provides tax-exempt bond financing to affordable housing developments with at least 50 units.

HPD- and HDC-sponsored programs spurred a total of 23,408 housing starts⁸ in Fiscal Year (FY) 2016, a 15.2% increase over the prior FY.⁹ Of these starts, 17,311 (74.0%) were preservation, and 6,097 (26.0%) were new construction. HPD and HDC collectively expect to start an additional 20,000 units of new construction and preservation in FY 2017. During the first nine months of FY 2017 there were 10,264 starts by HPD and HDC, a decrease of 28.3% over the prior FY.¹⁰

As part of Mayor de Blasio's ten-year, \$41 billion plan to build and/or preserve 200,000 units of affordable housing, in March of 2016 the City Council modified the rules surrounding Mandatory Inclusionary Housing (MIH) to increase affordability

requirements when rezoning allows additional residential density.¹¹ The new MIH requirements apply to any building with more than 10 units in these newly rezoned areas. The specific affordability requirements will be decided at the discretion of the City Council, which has four options to choose from.

According to the new guidelines, buildings in rezoned areas must include between 20%-30% affordable units, targeted at households making anywhere from 40%-115% of Area Median Income. Buildings with between 11 and 25 units have the option to pay into a fund to develop affordable housing off-site. In March of 2017, the de Blasio administration announced that one year after the approval of the MIH program, 11 developments had been approved, including one each in Queens and Brooklyn, four in Manhattan, and five in the Bronx, totalling 5,976 units. The units include 4,724 affordable units, of which approximately 1,700 will be permanently affordable.¹²

In January of 2017, the de Blasio administration reported that the City had financed 62,506 units of affordable housing since the start of the Mayor's tenure, 67% preservation and 33% new construction. By borough, 31.4% of the starts were located in Manhattan, with 28.9% in Brooklyn, 28.8% in the Bronx, 7.7% in Queens, and 3.2% in Staten Island. By affordability level, 14.2% of the starts were aimed at extremely low-income households, 13.4% at very low-income households, 51.6% at low-income households, 6.0% at moderate-income households, and 14.4% at middle-income households. Just over 9,000 of these units were dedicated to special needs populations (the homeless and seniors).¹³

Tax Incentive Programs

The City offers various tax incentive programs to promote the development of new housing. Various iterations of the 421-a tax exemption program, which began in the early 1970s, have allowed both renter- and owner-occupied multifamily properties to reduce their taxable assessed value for the duration of the benefit period. That is, owners were exempt from paying additional real estate taxes due to the increased value of the property resulting from the new construction. Rental apartments built with 421-a tax

exemptions are currently subject to the provisions of the Rent Stabilization Laws during the exemption period. Initial rents are required to be approved by HPD and are then subject to increases established by the NYC 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. After expiring at the end of 2015, the latest iteration of the 421-a was reinstated in April of 2017 (retroactive to January of 2016) with a new name (Affordable New York Housing Program) and policy changes. Prior to 2016, the program, which is still newly certifying units, allowed eligible buildings to 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 were located in a neighborhood preservation area. Longer exemption periods applied in northern Manhattan and boroughs outside Manhattan, and to projects that received governmental assistance or contained no fewer than 20% low-income units. For buildings within the Geographic Exclusion area (all of Manhattan, and parts of each of the other boroughs), affordable housing must be built on-site.¹⁴

Per the new Affordable New York program (effective January 1, 2016), rental developments with

300 units or more in Manhattan (south of 96th Street) and the Brooklyn and Queens waterfront will be eligible for a full property tax abatement for 35 years if the development creates one of three options for affordable rental units and meets newly established minimum construction wage requirements. The units must remain affordable for 40 years. For all other rental developments in NYC utilizing the tax benefit, the full tax exemption benefit period is 25 years, with a phasing out of benefits in years 26-35. For developers who use the benefit program to build co-op or condo housing, the building must contain no more than 35 units, be located outside of Manhattan, and have an assessed value of no more than \$65,000 per unit. The benefit lasts for a total of 20 years, with a full exemption for the first 14.¹⁵ The governor estimates that the new program, which expires in 2022, will create 2,500 new units of affordable housing a year.¹⁶

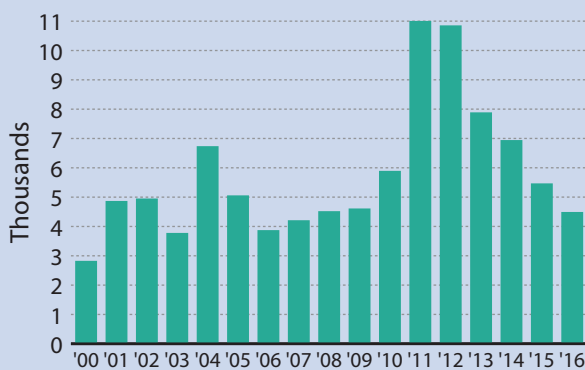
In March of 2017, the NYC Independent Budget Office analyzed the then-proposed Affordable New York program and estimated that it would cost the City a total of \$8.4 billion in lost tax revenue over the next ten years, an estimated \$1.2 billion more than the cost had the now-expired program continued unchanged.¹⁷

Despite the expiration of the program at the end of 2015, 421-a units approved before the expiration continue to be newly certified as they reach completion. In 2016, the number of housing units newly certified decreased for the fifth consecutive year, down 17.8%, to 4,493 units (see graph on this page), including decreases in three of the five boroughs.¹⁸ Newly certified units did increase in Brooklyn and the Bronx, rising 26.8% and 38.4%, respectively. But they fell 44.6% in Queens and 53.5% in Manhattan. In Staten Island, there were no newly certified units in 2016, down from one building with 11 units in 2015.

Citywide, the largest proportion of units newly certified in 2016 were in buildings located in Brooklyn, with 59.5% of the total units in the City. Manhattan had 18.7% of these units, Queens had 17.2%, the Bronx had 4.7%, and no units were in Staten Island. Because buildings in Manhattan are so much larger than buildings in the outer boroughs, nearly 19% of units were in Manhattan, despite having only 16 of the 156 buildings (10%) newly certified for 421-a benefits Citywide. (See Appendices 7 and 8.)

Units Newly Receiving 421-a Certificates, 2000-2016, in Thousands

18% Decrease in Units Newly Issued 421-a Certificates in 2016



Source: NYC Department of Housing Preservation and Development

While the overall (both owner- and renter-occupied) number of newly certified 421-a units fell 17.8% between 2015 and 2016, the number of rental units in this program fell by a greater amount, 24.0%. While the number of rental units rose in the Bronx and Brooklyn, by 33.1% and 46.7%, respectively, they fell by 78.7% in Manhattan and 56.4% in Queens. The number of co-op and condo units newly certified in 2016 rose slightly, by 1.0%. Almost 70% of newly certified units in 2016 were rental units.

In Fiscal Year 2017, the 421-a program will cost the City \$1.3 billion in lost tax revenue for all housing types, including 94,000 rental units, 56,000 co-op and condo units, and 21,000 1-3 family and mixed-use structures.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 1985.²⁰ Between 1955 and 1978, approximately 140,000 units of low- and middle-income housing were built in NYC through this tax-break and mortgage subsidy program. Since buyouts began in 1985, the City has lost approximately 47,000 units of Mitchell-Lama housing (including 4,000 units of hospital/university staff 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 has slowed considerably. Four developments bought out in 2016, with a total of 1,417 units. Half of these units were rentals, and converted to rent stabilization.²¹

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 2016, no formerly non-residential buildings received J-51 benefits for conversion to a co-op or condo. In the previous year, one building, with 39 units, converted with the aid of this program.²²

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. Following an increase of 52.8% in 2015, the number of approved certificates fell slightly, from 165 in 2015 to 162 in 2016, a decrease of 1.8%.²³

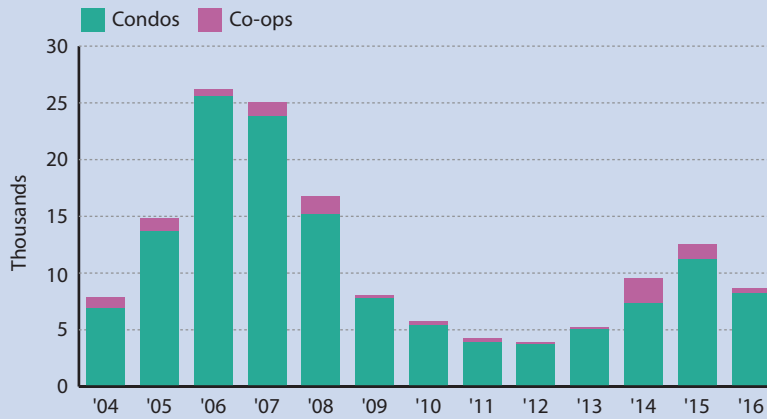
Efforts are also underway to ensure that SROs are used for permanent housing rather than as transient hotels. As of May 1, 2011, laws were newly passed strengthening the City’s ability to crack down on housing being used illegally for transient occupancy. Transient occupancy is now clearly defined as stays of fewer 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 (including private apartments, hostels, and SROs).²⁴ More than 7,500 violations have been issued since April of 2012 (including more than 1,600 between May, 2016 and April, 2017).²⁵

Governor Cuomo signed a bill in October of 2016 that increased the fine for illegally advertising short-term rentals to as much as \$7,500.²⁶ As reported in May of 2017, 16 buildings had received a total of 139 violations under the new law, including 104 first violations (at \$1,000 each) and 35 second violations (at \$5,000 each). The bulk of the violations were imposed on one owner (with three upper Manhattan SRO buildings), a total of 89 first and second violations, equalling \$234,000.²⁷

A report released in June of 2016 by Housing Conservation Coordinators and MFY Legal Services analyzed Airbnb listings from 2015 to ascertain whether short-term rentals affect the supply of housing in NYC.²⁸ The report focuses on what they call “impact listings,” those listings that are for entire homes or apartments; are booked for fewer than thirty days and more than once per month; and appear to be listed for commercial purposes (by hosts with multiple units for

New Co-op and Condo Units, 2004-2016

Fall in Newly Accepted Co-op & Condo Units



Source: NYS Attorney General's Office
NOTE: 2012-2015 data updated by the NYS Attorney General's Office (see Endnote 30)

at least three months of the year, or with single units, but for more than six months of the year). Of the more than 51,000 unique Airbnb listings during 2015, the study identified 8,058 impact listings, more than 90% of which are in Manhattan or Brooklyn. They found that while the average daily revenue for all Airbnb listings was \$160 a night, the average for impact listings was \$222. They estimate that holding all else constant, had all the impact listings to be brought back to the residential rental market as vacant units, the number of vacant units in NYC would increase 10% (including a 21% increase in Manhattan) and the overall vacancy rate would rise from 3.6% to 4.0% (and up to 4.7% in Manhattan).

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.²⁹ In 2016, the Attorney General accepted 282 co-op and condo plans, a 3.1% decrease from the number accepted in 2015.³⁰ These 282 plans encompassed 8,671 housing units, 31.3%

fewer than in 2015 (see graph on this page).

Almost two-thirds of all plans, 179, were accepted for buildings located in Brooklyn; 77 were located in Manhattan; 19 plans were accepted for Queens; seven plans were accepted in Staten Island; and no plans were in the Bronx. Because Manhattan buildings tend to be larger than those in the outer boroughs, more units were located in Manhattan (3,681), with Brooklyn (3,045) and Queens (1,860) trailing, and only 85 units in Staten Island. (See Appendices 5 and 6.)

The majority of the plans accepted Citywide in 2016 were for new construction, comprising 210 of 282 plans, and a total of 6,653 of 8,671

units. This is similar to the prior year, when new construction accounted for 219 of the 291 accepted plans. A significant number of units were located in non-eviction conversions (with 27 plans and 1,602 units), and 45 plans, with 416 units, were rehabilitations. Of all the newly accepted plans in 2016, 95.2% of the units were in condo plans, and 4.8% were in co-op plans (see graph on this page).

While the conversion of rental housing into co-op and condo units increases the housing inventory for sale, it simultaneously reduces the total number of housing units for rent. Conversions represented 18.5% of the total number of units in 2016 co-op and condo plans, a lesser share than the 24.9% share in 2015. Because most conversion plans are non-eviction plans (including all plans in 2016), 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 to or preserving the City's residential housing stock is through rehabilitation of old buildings. As buildings age, they must undergo renovation and rehabilitation to remain habitable. This

is particularly relevant to NYC’s housing stock, where more than 57% of units are in buildings constructed prior to 1947.³¹ 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 NYC’s stock of both renter- and owner-occupied housing.

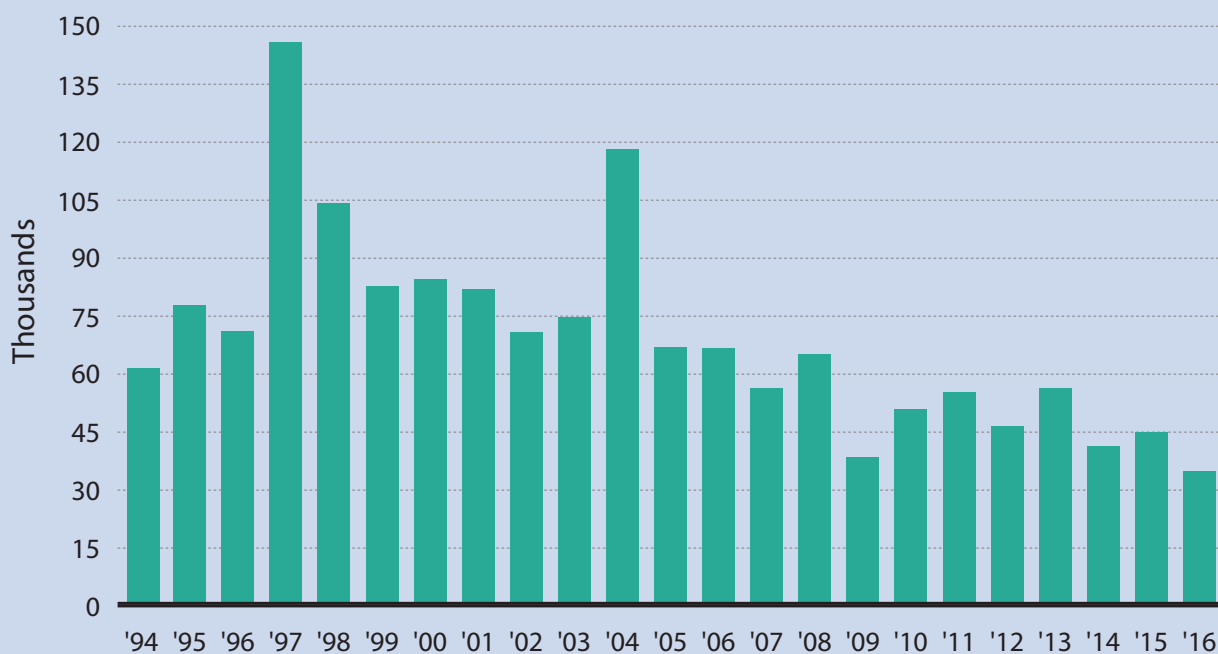
The J-51 tax relief program is similar to the 421-a program in that it requires that those rental units not already rent stabilized be subject to rent regulation for the duration of the benefits. Rehabilitation activities that are permitted under J-51 regulations are Major Capital Improvements (MCIs); moderate and gut rehabilitation of both government-assisted and privately-financed multiple dwellings (which requires significant improvement to at least one major building-wide system); as well as improvements to co-ops and condos (subject to certain assessment guidelines if the project does not include substantial governmental assistance). While prior incarnations of the J-51

program allowed for conversion of lofts and non-residential buildings into multiple dwellings, regulations effective January 1, 2012 allow only for conversions if there is substantial governmental assistance.³²

In 2016, 34,311 units newly received J-51 benefits, a decrease of 22.5% from the previous year (see graph on this page and Appendix 8).³³ These units were contained in 2,192 buildings, an increase of 0.8% from 2015 levels. The location of the units newly receiving benefits ranged from 38.8% located in the Bronx; to 33.6% in Queens; 22.4% in Brooklyn; 5.2% in Manhattan; and just two units in Staten Island. Units newly receiving benefits fell by double digits in all the boroughs except the Bronx, including decreases of 32.1% in Brooklyn, 33.8% in Queens, 37.3% in Manhattan, and from 1,151 units to two units in Staten Island. Units newly receiving J-51 benefits rose 15.4% in the Bronx. (See Appendices 7 and 8.) The average size of the buildings receiving benefits dropped for the fourth consecutive year, from an average of 20 units in 2015, to 16 units in 2016.

Units Receiving Initial J-51 Benefits, 1994-2016, in Thousands

2016 Saw Decrease in Number of Units Newly Receiving J-51 Benefits



Source: NYC Department of Housing Preservation and Development

In Fiscal Year 2016, the J-51 tax program cost the City \$286.9 million in lost tax revenue for all housing types, including approximately 281,000 rental units and 228,000 owner units.³⁴

Rehabilitation work is also carried out through HPD's "Alternative Enforcement Program (AEP)," now in its ninth year of identifying the 200-250 "worst" buildings in the City, based on housing code violations. The most recent group of 250 buildings include 3,963 units of housing, with 6,572 non-hazardous A-class violations, 20,931 hazardous B-class violations, and 5,103 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 nine rounds of the program, the City has discharged 1,887 buildings that entered the program, with a combined total of 22,747 units of housing.³⁵

Tax-Delinquent Property

In Rem Housing and Anti-Abandonment Strategies

Historically, the City foreclosed on thousands of tax-delinquent residential properties, becoming the owner and manager of these buildings, known as *in rem* properties. By its peak in 1986, the City owned and managed 4,000 occupied buildings containing 40,000 units of housing and almost 6,000 vacant buildings containing 55,000 units of housing.

HPD's Alternative Management Programs began in 1994 with the goal of returning City-owned properties to private owners and reducing its share of *in rem* buildings by identifying buildings at risk and helping owners. HPD has successfully reduced the number of occupied and vacant *in rem* units in central management to 125 through June 2016, a 70.2% decline from the previous FY and a 99.7% decline since FY 1994.³⁶ Key initiatives to prevent abandonment include tax lien sales; the Third Party Transfer Program, which targets distressed and other buildings with tax arrears;³⁷ and housing education courses, which teach owners and superintendents basic management, maintenance, and finance skills to improve their properties.³⁸

The City no longer forecloses and takes title to properties that are tax delinquent. Instead, 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.³⁹

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.⁴⁰ Since it began in 1996, the NYC Department of Finance has collected at least \$536 million in revenue associated with properties in this program, and more than 500 buildings have been transferred to responsible for-profit and non-profit owners. No new properties have been transferred since 2013.⁴¹

Demolitions

While in the early 1990s relatively few residential buildings in NYC 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. After increasing for three consecutive years, demolitions Citywide decreased in 2016. A total of 1,849 buildings were demolished in 2016, a 2.0% decrease over the prior year, following an increase of 24.7% in 2015. Queens accounted for 35.4% of all the buildings demolished in 2016, Brooklyn had 34.7%, Staten Island had 12.7%, Manhattan had 9.6%, and the Bronx had the lowest proportion, 7.5%. Demolitions fell in Brooklyn, Staten Island and Manhattan in 2016, by 3.9%, 11.7%, and 20.9%, respectively. Demolitions rose in both Queens and the

Bronx, by 7.0%, and 19.8%, respectively.⁴² (See Appendix 9.)

Summary

In 2016, housing permits fell for the first time since 2009, falling by 71.2%, while the number of completed housing units increased by 61.9%. The number of units newly receiving 421-a tax benefits fell 17.8% in 2016, while units newly receiving J-51 tax abatements and exemptions decreased by 22.5%. There was a decrease in newly accepted co-op and condo units, with units decreasing 31.3% and plans decreasing by 3.1%. Rental housing availability remains tight, with a Citywide vacancy rate of just 3.45% in 2014, and overcrowding remains a problem. Mayor de Blasio's ten-year housing initiative calls for the development and preservation of 200,000 units of housing by 2024, more than 62,000 of which have already been started, to help reduce the affordable housing shortage. □

Endnotes

1. The NYC Housing and Vacancy Survey is conducted triennially, sponsored by the NYC Department of Housing Preservation and Development and conducted by the U.S. Census Bureau. Data is based on "Selected Initial Findings of the 2014 NYC Housing and Vacancy Survey," prepared by HPD.
2. The U.S. housing stock was comprised of 36.1% renter-occupied units, according to the 2015 American Community Survey, conducted by the U.S. Census Bureau. To calculate the ratio of renter-occupied units in NYC, 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 U.S. Census Bureau could not calculate an accurate vacancy rate.
5. U.S. Census Bureau web site.
<https://www.census.gov/construction/bps/>
6. NYC Department 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 NYC Department of City Planning (DCP) defines a housing completion as any unit receiving either a final or a temporary Certificate of Occupancy in the stated year. DCP provided this information for the 2004 calendar year and beyond, and believes it is a more accurate representation of new housing in NYC 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 2017 Mayor's Management Report .
<<http://www1.nyc.gov/site/operations/performance/mmr.page>>
10. Citywide Performance Reporting website: <<http://www.nyc.gov/html/ops/cpr/html/home/home.shtml>>; Accessed May 2017.
11. Mandatory Inclusionary Housing (MIH), enacted in March 2016, requires a share of new housing in medium- and high-density areas that are rezoned to promote new housing production—whether rezoned as part of a city neighborhood plan or a private rezoning application—to be permanently affordable. For more information on the program, see Mandatory Inclusionary Zoning Summary. NYC Department of City Planning. <<http://www1.nyc.gov/assets/planning/download/pdf/plans-studies/mih/mih-summary-adopted.pdf>> and New York City Council. <<http://labs.council.nyc/land-use/mih-zqa/mih/>>
12. "In 1st Year Under Mandatory Rules, Mayor de Blasio and City Council Authorize 4,700 Affordable Homes Through Program." *HPD Press Release*. March 22, 2017.
13. "Still Your City: Mayor de Blasio Announces Major Progress Helping New Yorkers Afford Their Homes and Neighborhoods." *HPD Press Release and Fact Sheet*. January 12, 2017. Extremely Low-Income is defined as 0-30% of Area Median Income (AMI); Very Low-Income: 31-50% of AMI; Low-Income: 51-80% of AMI; Moderate-Income: 81-120% of AMI; Middle-Income: 121-165% of AMI.
14. Program information available at: <<http://www1.nyc.gov/site/hpd/developers/tax-incentives-421a.page>>
15. "Affordable Housing Program Revived," Greenberg Traurig, April 13, 2017. <<http://www.gtllaw.com/News-Events/Publications/Alerts/203029/Affordable-New-York-Housing-Program-Revived>>
16. "Governor Cuomo and Legislative Leaders Announce Agreement on FY 2018 State Budget," *State of New York Press Release*, April 7, 2017.
17. "Estimated Cost to New York City of Governor Cuomo's Proposed Affordable New York Housing Program," NYC Independent Budget Office, March, 2017.
18. NYC Department of Housing Preservation and Development, Tax Incentives Program data.
19. "Annual Report on Tax Expenditures," NYC Department of Finance publication, February, 2017.
20. Developments are eligible to withdraw from the Mitchell-Lama program, or buyout, after 20 years upon prepayment of the mortgage (or after 35 years in the case of developments aided by loans prior to May 1, 1959).
21. The number of Mitchell-Lama buyouts was provided most recently through the NYC Department of Housing Preservation and Development and 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.

22. NYC Department of Housing Preservation and Development, Tax Incentives Program data.
23. NYC Department of Housing Preservation and Development.
24. 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.
25. Office of the Criminal Justice Coordinator, Mayor's Office of Special Enforcement. Inclusive of data through April 8, 2017.
26. "Cuomo signs bill that deals huge blow to Airbnb," *New York Post*, October 21, 2016.
27. "No Landlords Fined in Airbnb Hot Spot Since City Crackdown Began," *DNA Info*, May 12, 2017.
28. "Shortchanging New York City: The Impact of Airbnb on New York City's Housing Market." Prepared by BJH Advisors LLC for Housing Conservation Coordinators Inc. and MFY Legal Services, June 2016.
29. NYS Attorney General's Office, Real Estate Financing Bureau data and the NYC Department of Housing Preservation and Development, Sales Unit. Virtually all accepted units reported are from data provided by the NYS Attorney General. For the purposes of this report, "accepted" refers only to those co-op and condo plans that require offering plans. Those that do not, and receive a "no-action" letter from the NYS Attorney General's office, are not included in this data.
30. In February of 2016, the RGB requested 2015 accepted co-op and condo completion data from the NYS Attorney General's Office, Real Estate Financing Bureau data. That data was reported as given to the RGB in the *2016 Housing Supply Report*. In November the RGB was advised that the data might be incorrect, and it was subsequently adjusted downward by the Attorney General's office. The number of accepted co-op and condo plans in 2015 was adjusted downward from 439 plans to 291 plans. The number of accepted units was adjusted downward from 19,742 to 12,622. The data originally included filings of "no-action" letters. A no-action letter is a document issued by the NYS Attorney General confirming that a real estate transaction within a co-op or condominium project does not require a formal offering plan, such as when previously unsold space in a condo (such as a super's apartment or office space) is put on sale after the acceptance of the original offering plan, or when the tenants of a building jointly agree to sponsor a condo project. These filings are not normally included in RGB data, and 2015 data reported in the *2017 Housing Supply Report* reflects this change. In addition, data from 2012-2014 was modified slightly, based on updated data from the Attorney General's office.
31. *2014 NYC Housing and Vacancy Survey*, U.S. Census Bureau.
32. Landlord Information/Tax Incentives: J-51, NYC Department of Housing Preservation and Development web site. <<http://www1.nyc.gov/site/hpd/developers/tax-incentives-j51.page>>.
33. NYC Department of Housing Preservation and Development, Tax Incentives Program data. Note that, similar to the 421-a program, J-51 provides tax abatements and incentives to both renter- and owner-occupied units.
34. "Annual Report on Tax Expenditures," NYC Department of Finance publication, February, 2017.
35. "HPD Announces 250 Distressed Properties in 2017 Alternative Enforcement Program." *HPD Press Release*. February 6, 2017.
36. NYC Department of Housing Preservation and Development.
37. NYC Department of Housing Preservation and Development website. <<http://www1.nyc.gov/site/hpd/owners/compliance-property-tax-delinquency.page>>
38. NYC Department of Housing Preservation and Development website. <<http://www1.nyc.gov/site/hpd/community/outreach-and-education.page>>
39. NYC Department of Finance, General Information on the City's Tax Lien Sale Process. <<http://www1.nyc.gov/site/finance/taxes/property-lien-sales.page>>
40. "New York City Case Study: Third Party Transfer Initiative: A Solution To Property Abandonment," by Lisa Mueller, Local Initiative Support Corporation report, January 14, 2003.
41. Most recent figures obtained from NYC Department of Housing Preservation and Development, April, 2017.
42. NYC Department of Buildings (DOB) data. Note that demolition statistics include both residential as well as commercial buildings, as the DOB does not specify the type of building in its data.

Appendices

1. Permits Issued For Housing Units in New York City, 1961-2017

Year	Bronx	Brooklyn	Manhattan	Queens	Staten Island	Total
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	2,552	3,353	2,328	1,428	673	10,334
2013	2,638	6,140	4,856	3,161	1,200	17,995
2014	1,885	7,551	5,435	4,900	712	20,483
2015	4,682	26,026	12,612	12,667	541	56,528
2016	4,003	4,503	4,024	2,838	901	16,269
2017 (1st Qtr) ^Q	1,124 (866)	2,097 (482)	1,486 (297)	1,434 (368)	202 (145)	6,343 (2,158)

Q First three months of 2017. The number of permits issued in the first three months of 2016 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), 2008-2016

Year/Borough	1-Family	2-Family	3/4 Family	5 or More-Family	Total Buildings
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>
2012					
Bronx	5.9%	39.3%	17.0%	37.8%	135
Brooklyn	0.4%	20.5%	36.9%	42.2%	249
Manhattan	9.5%	4.8%	0.0%	85.7%	42
Queens	26.8%	41.9%	16.9%	14.4%	284
Staten Island	64.1%	34.6%	0.0%	1.3%	298
<i>Citywide</i>	<i>27.8%</i>	<i>32.5%</i>	<i>16.2%</i>	<i>23.5%</i>	<i>1,008</i>
2013					
Bronx	2.4%	41.6%	12.0%	44.0%	125
Brooklyn	0.0%	19.8%	31.6%	48.6%	364
Manhattan	1.6%	7.8%	0.0%	90.6%	64
Queens	39.3%	32.6%	13.3%	14.8%	399
Staten Island	55.9%	42.5%	0.2%	1.4%	431
<i>Citywide</i>	<i>29.1%</i>	<i>32.0%</i>	<i>13.3%</i>	<i>25.7%</i>	<i>1,383</i>
2014					
Bronx	0.0%	33.3%	20.4%	46.3%	108
Brooklyn	0.0%	19.3%	25.8%	55.0%	400
Manhattan	1.3%	9.0%	2.6%	87.2%	78
Queens	47.8%	25.4%	10.5%	16.3%	448
Staten Island	68.1%	31.1%	0.2%	0.6%	479
<i>Citywide</i>	<i>35.8%</i>	<i>25.3%</i>	<i>11.6%</i>	<i>27.4%</i>	<i>1,513</i>
2015					
Bronx	2.9%	26.3%	9.5%	61.3%	137
Brooklyn	5.3%	7.0%	14.7%	73.0%	812
Manhattan	3.8%	1.9%	2.9%	91.4%	105
Queens	31.0%	26.3%	11.6%	31.2%	552
Staten Island	63.0%	36.7%	0.0%	0.3%	392
<i>Citywide</i>	<i>23.5%</i>	<i>19.2%</i>	<i>10.0%</i>	<i>47.3%</i>	<i>1,998</i>
2016					
Bronx	1.8%	25.2%	17.1%	55.9%	111
Brooklyn	30.6%	14.6%	14.0%	40.9%	487
Manhattan	6.3%	3.2%	3.2%	87.3%	63
Queens	39.8%	38.4%	10.3%	11.5%	477
Staten Island	52.2%	46.4%	0.0%	1.4%	414
<i>Citywide</i>	<i>36.1%</i>	<i>30.7%</i>	<i>8.9%</i>	<i>24.3%</i>	<i>1,552</i>

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

3. Permits Issued For Housing Units by Quarter, 2006-2016

Year	Bronx	Brooklyn	Manhattan	Queens	Staten Island	Total
2006						
Q1	1,023	2,265	2,466	1,647	296	7,697
Q2	1,208	2,793	1,802	1,742	292	7,837
Q3	1,134	2,308	2,553	2,318	255	8,568
Q4	1,293	1,825	1,969	1,545	193	6,825
2007						
Q1	1,037	2,621	1,551	1,864	191	7,264
Q2	901	3,478	1,544	3,255	192	9,370
Q3	794	2,071	3,589	1,086	189	7,729
Q4	356	2,760	2,836	1,420	167	7,539
2008						
Q1	862	1,603	485	705	238	3,893
Q2	701	8,970	7,623	5,497	546	23,337
Q3	695	1,520	880	1,016	397	4,508
Q4	224	651	712	512	74	2,173
2009						
Q1	164	137	151	508	117	1,077
Q2	130	511	716	353	233	1,943
Q3	497	243	336	331	144	1,551
Q4	856	112	160	282	76	1,486
2010						
Q1	56	175	326	249	199	1,005
Q2	490	867	166	612	121	2,256
Q3	231	246	176	394	83	1,130
Q4	287	805	36	1,103	105	2,336
2011						
Q1	205	291	146	411	88	1,141
Q2	508	624	1,199	1,416	228	3,975
Q3	248	303	391	459	178	1,579
Q4	155	304	799	896	87	2,241
2012						
Q1	564	600	556	197	193	2,110
Q2	619	310	1,041	643	134	2,747
Q3	409	1,496	421	378	142	2,846
Q4	960	947	310	210	204	2,631
2013						
Q1	214	1,184	568	428	162	2,556
Q2	1,066	1,117	1,162	730	689	4,764
Q3	336	1,918	1,708	1,006	172	5,140
Q4	1,022	1,921	1,418	997	177	5,535
2014						
Q1	379	1,725	1,809	1,067	121	5,101
Q2	583	1,617	1,041	1,471	140	4,852
Q3	736	2,675	1,506	812	207	5,936
Q4	187	1,534	1,079	1,550	244	4,594
2015						
Q1	561	3,574	1,154	782	112	6,183
Q2	1,269	15,453	9,760	9,182	151	35,815
Q3	1,651	1,163	1,057	250	175	4,296
Q4	1,201	5,836	641	2,453	103	10,234
2016						
Q1	866	482	297	368	145	2,158
Q2	1,060	912	506	854	476	3,808
Q3	764	1,666	1,776	931	145	5,282
Q4	1,313	1,443	1,445	685	135	5,021

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

4. New Dwelling Units Completed in New York City, 1961-2016

Year	Bronx	Brooklyn	Manhattan	Queens	Staten Island	Total
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
2012 π	1,413	3,611	1,159	2,632	640	9,455
2013 π	1,272	3,948	3,126	3,854	482	12,682
2014 π	1,660	4,485	2,231	2,961	530	11,867
2015 π	2,396	5,324	2,986	3,110	541	14,357
2016 π	2,532	9,148	6,900	3,444	1,223	23,247

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 years' data may be adjusted and may not match prior reports.

π Data from 2004-2016 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: NYC Department of City Planning, Certificates of Occupancy issued in Newly Constructed Buildings.

5. Number of Residential Co-op and Condo Plans Accepted for Filing By the NYS Attorney General's Office, 2011-2016

	2011	2012*	2013*	2014*	2015*	2016
	Plans (Units)	Plans (Units)	Plans (Units)	Plans (Units)	Plans (Units)	Plans (Units)
Private Plans						
New Construction	185 (3,785)	111 (2,554)	150 (3,658)	211 (5,171)	219 (8,880)	210 (6,653)
Rehabilitation	2 (14)	8 (81)	21 (649)	37 (462)	43 (607)	45 (416)
Conversion (Non-Eviction)	20 (457)	24 (1,293)	16 (819)	20 (3,956)	28 (3,065)	27 (1,602)
Conversion (Eviction)	0	0	0	0	0	0
Private Total	207 (4,256)	143 (3,928)	187 (5,126)	268 (9,589)	290 (12,552)	282 (8,671)
	Plans (Units)	Plans (Units)	Plans (Units)	Plans (Units)	Plans (Units)	Plans (Units)
HPD Sponsored Plans						
New Construction	0	0	1 (95)	0	0	0
Rehabilitation	0	0	0	0	0	0
Conversion (Non-Eviction)	0	0	0	0	0	0
Conversion (Eviction)	9 (209)	3 (97)	0	0	1 (70)	0
HPD Total	9 (209)	3 (97)	1 (95)	0	1 (70)	0
Grand Total	216 (4,465)	146 (4,025)	188 (5,221)	268 (9,589)	291 (12,622)	282 (8,671)

*Figures corrected and differ from those found in previous *Housing Supply Reports*

Note: Figures exclude "Homeowner," "No Action," and "Commercial" plans/units.

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

6. Number of Units in Co-op and Condo Plans Accepted for Filing By the NYS Attorney General's Office, 1988-2016

Year	New Construction	Conversion Eviction	Conversion Non-Eviction	Rehabilitation	Total New Construction Conversion & Rehab	Units in HPD Sponsored Plans
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	83	16	196	284	579	0
1997	1,417	38	131	852	2,438	533
1998	3,225	0	386	826	4,437	190
1999	1,123	343	359	1,029	2,854	295
2000	1,911	203	738	220	3,072	179
2001	3,833	22	1,053	124	5,032	22
2002	2,576	260	1,974	348	5,158	260
2003	4,870	0	639	418	5,927	0
2004	6,018	274	1,550	334	8,176	274
2005	12,210	269	2,356	223	15,058	269
2006	19,870	273	6,331	0	26,474	273
2007	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	4,907	59	812	0	5,778	59
2011	3,785	209	457	14	4,465	209
2012	2,554	97	1,293	81	4,025	97
2013	3,753	0	819	649	5,221	95
2014	5,171	0	3,956	462	9,589	0
2015*	8,880	73	3,065	607	12,622	70
2016	6,653	0	1,602	416	8,671	0

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

* See Endnote 30

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

7. Tax Incentive Programs, 2014-2016

Buildings Newly Receiving Certificates for 421-a Exemptions, 2014-2016

	2014			2015			2016		
	Certificates	Buildings	Units	Certificates	Buildings	Units	Certificates	Buildings	Units
Bronx	37	63	980	11	29	151	8	10	209
Brooklyn	107	148	2,209	80	92	2,107	72	92	2,672
Manhattan	29	27	2,203	22	22	1,804	16	16	839
Queens	62	90	1,553	29	36	1,395	37	38	773
Staten Island	0	0	0	1	1	11	0	0	0
TOTAL	235	328	6,945	143	180	5,468	133	156	4,493

Buildings Newly Receiving J-51 Tax Abatements and Exemptions, 2014-2016

	2014			2015			2016		
	Buildings	Units	Certified Cost (\$1,000s)	Buildings	Units	Certified Cost (\$1,000s)	Buildings	Units	Certified Cost (\$1,000s)
Bronx	170	8,520	\$13,171	173	11,534	\$18,065	346	13,312	\$22,934
Brooklyn	276	14,265	\$26,517	252	11,326	\$22,622	175	7,694	\$18,682
Manhattan	69	3,678	\$10,702	60	2,836	\$9,675	40	1,778	\$9,859
Queens	875	14,043	\$10,885	1,680	17,412	\$16,902	1,630	11,525	\$10,807
Staten Island	16	281	\$1,976	10	1,151	\$4,177	1	2	\$65
TOTAL	1,406	40,787	\$63,249	2,175	44,259	\$71,441	2,192	34,311	\$62,347

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

8. Tax Incentive Programs – Units Receiving Initial Benefits, 1981-2016

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

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

9. Building Demolitions in New York City, 1985-2016

Year	Bronx		Brooklyn		Manhattan		Queens		Staten Island		Total	
	5+ Units	Total	5+ Units	Total	5+ Units	Total	5+ Units	Total	5+ Units	Total	5+ Units	Total
1985	81	157	3	101	59	73	3	133	1	31	147	495
1986	48	96	14	197	19	38	3	273	4	67	88	671
1987	14	55	2	130	22	33	1	273	6	83	45	574
1988	3	34	2	169	25	44	2	269	0	160	32	676
1989	6	48	8	160	20	38	3	219	0	109	37	574
1990	4	29	3	133	20	28	5	119	0	71	32	380
1991	10	33	15	95	9	14	1	68	0	32	35	242
1992	12	51	6	63	2	5	1	41	0	33	21	193
1993	0	17	4	94	0	1	3	51	0	5	7	168
1994	3	14	4	83	5	5	2	42	0	8	14	152
1995	2	18	0	81	0	0	2	37	0	17	4	153
1996	-	30	-	123	-	25	-	118	-	84	-	380
1997	-	29	-	127	-	51	-	168	-	119	-	494
1998	-	71	-	226	-	103	-	275	-	164	-	839
1999	-	67	-	211	-	53	-	227	-	159	-	717
2000	-	64	-	499	-	101	-	529	-	307	-	1,500
2001	-	96	-	421	-	160	-	519	-	291	-	1,487
2002	-	126	-	500	-	89	-	600	-	456	-	1,771
2003	-	161	-	560	-	100	-	865	-	564	-	2,250
2004	-	238	-	691	-	141	-	1,128	-	547	-	2,745
2005	-	245	-	1,080	-	145	-	1,545	-	477	-	3,492
2006	-	334	-	1,109	-	259	-	1,485	-	381	-	3,568
2007	-	302	-	984	-	282	-	1,407	-	308	-	3,283
2008	-	206	-	925	-	252	-	1,082	-	215	-	2,680
2009	-	166	-	467	-	153	-	663	-	177	-	1,626
2010	-	121	-	326	-	76	-	464	-	129	-	1,116
2011	-	93	-	308	-	124	-	463	-	141	-	1,129
2012	-	121	-	284	-	144	-	434	-	139	-	1,122
2013	-	105	-	367	-	145	-	453	-	216	-	1,286
2014	-	125	-	454	-	121	-	555	-	258	-	1,513
2015	-	116	-	668	-	225	-	612	-	266	-	1,887
2016	-	139	-	642	-	178	-	655	-	235	-	1,849

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, but does not specify whether buildings are residential or whether 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.