

2009 Housing Supply Report

June 4, 2009

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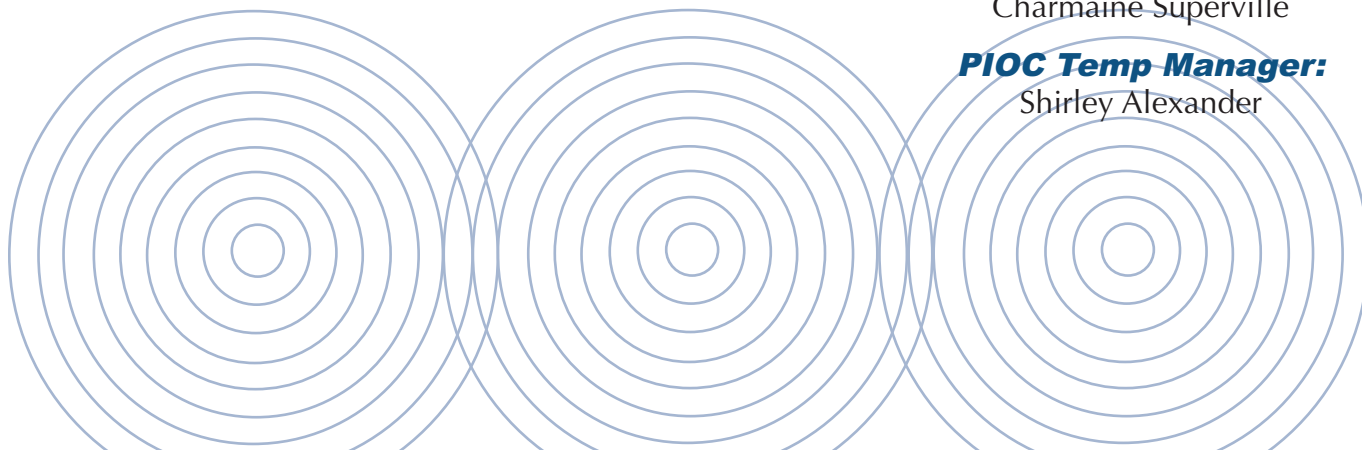
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2009 Housing Supply Report

What's New

- ✓ Permits for 33,911 new dwelling units were issued in New York City in 2008, the most since 1972, and a 6.3% increase over the prior year.
- ✓ The number of new housing units completed in 2008 decreased 7.7% over the prior year, to 24,381.
- ✓ The citywide vacancy rate was 2.88% in 2008.
- ✓ City-sponsored residential construction spurred 16,779 new housing starts, more than 60% of which were rehabilitations.
- ✓ The city-owned *in rem* housing stock continued to decline, with a 15.6% decline in housing units during FY 2008.
- ✓ The number of housing units newly receiving 421-a exemptions increased 7.3% in 2008, to 4,521.
- ✓ The number of housing units newly receiving J-51 abatements and exemptions increased 15.8% in 2008, to 64,478.
- ✓ The Attorney General's office reported a 32.9% decrease in the number of co-op or condo units accepted in 2008, to 526 plans containing 16,951 units.
- ✓ Demolitions, as reported by the New York City Dept. of Buildings, were down in 2008, decreasing by 18.4% to 2,680 buildings.

Introduction

Over the past year there was a 6.3% increase in the number of permits issued for new dwelling units, rising to 33,911, the most since 1972. However the number of completed housing units fell, declining 7.7% from 2007 levels. This growth in development has been prompted by the tight housing market, with a citywide rental vacancy rate of 2.88% and 10.2% of all rental housing considered overcrowded. There was also a 32.9% decrease in the number of units in cooperative and condominium plans accepted for conversion or new construction (the second consecutive year of decline), while the number of city-owned vacant and occupied buildings continued to fall through various disposition programs, declining more than 15% during the 2008 fiscal year. During 2008, housing starts under the 421-a Affordable Housing Program decreased 12.5%, and completions decreased by 31.3%. The City also saw a decrease in demolitions during 2008, falling 18.4%. And rehabilitation of residential units under the J-51 tax abatement and exemption program during 2008 increased for the first time since 2004, rising 15.8%, while the number of market-rate 421-a units rose 7.3% over 2007 levels.

New York City's Housing Inventory

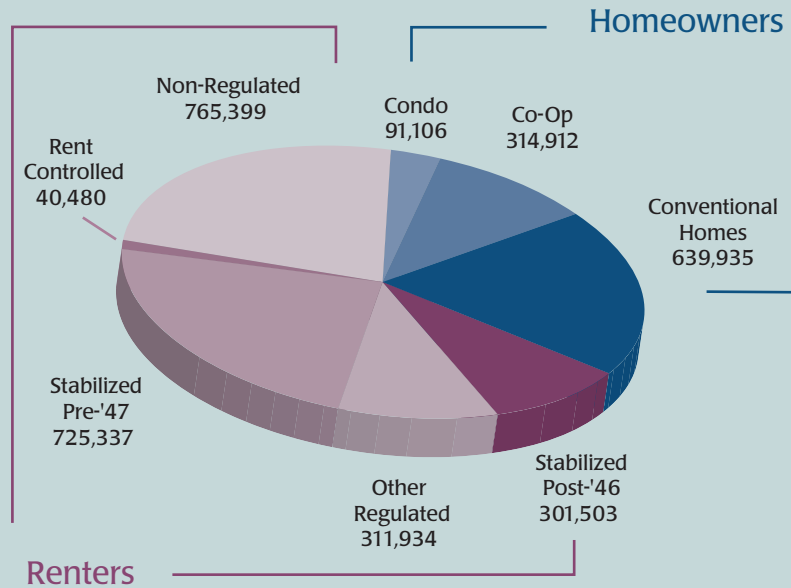
In contrast to the rest of the country, most New Yorkers do not own the homes in which they live. According to the *2008 Housing and Vacancy Survey (HVS)*,¹ rental units comprised 67.2% of New York City's available housing stock in 2008, twice as many rental units as the nation as a whole.² New York City in 2008 had a total of 3,328,648 housing units, the largest housing stock since the first HVS was conducted in 1965. New York City's housing is dominated by the size of its rental housing stock and unlike most cities, the bulk of rental units are rent regulated. Of the 2,144,652 occupied and vacant rental units reported in the most recent HVS, more than a third (35.7%) were unregulated, or "free market." The majority are either pre-war (pre-47) rent stabilized (33.8%) or post-war (post-46) rent stabilized (14.1%), and the rest are rent controlled (1.9%) or part of various other³ types of regulated apartment programs (14.5%). (See pie chart on following page)

The HVS also indicated that New York City's housing market remains tight, finding a citywide vacancy rate of 2.88% in 2008, below the 5% threshold required for rent regulation to continue under state law. Brooklyn had the lowest vacancy rate in the city, at 2.34%, while Queens had the highest, 3.32%. Of the other boroughs, Manhattan was 2.70%, the Bronx was 3.07%, and the small sample size of vacant apartments in Staten Island made calculation of a vacancy rate in that borough too inaccurate to report.⁴

Vacancy rates also vary by rent regulation status. The tightest market was found among post-war stabilized units, with a vacancy rate of 1.64% in 2008.

Number of Renter and Owner Units

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



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

Pre-war stabilized units also maintained a low vacancy rate, at 2.35%, while private, non-regulated units were vacant at a 4.70% rate.

The frequency of crowding also varies by rent regulation status. Overall, 10.2% of all rental housing in New York City is overcrowded (defined as more than one person per room, on average) and 4.0% is severely overcrowded (defined as an average of more than 1.5 persons per room). Pre-war stabilized housing is most crowded, with 12.3% of units overcrowded and 4.9% severely overcrowded, while 10.0% of post-war units are overcrowded, and 4.6% of units are severely overcrowded. Overall, 11.6% of rent stabilized housing is overcrowded and 4.8% is severely overcrowded. In non-regulated housing, 10.1% is overcrowded and 3.8% severely overcrowded.

Changes in the Housing Inventory

New Additions

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

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

For the second consecutive year, the City in 2008 issued more housing permits for single- and multi-family buildings than the year prior. In 2008, permits were issued for 33,911 units of new housing, an increase of 6.3% over the 31,902 units in 2007 (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.⁵

Permits issued Citywide in 2008 increased, despite decreases in permits issued in the Bronx and nearly flat growth in Manhattan and Queens. Proportionally, Staten Island increased the most, up 69.8% to 1,255. Brooklyn also increased significantly, rising by 16.6% to reach 12,744. Manhattan and Queens rose by 1.9% and 1.4% respectively, to 9,700 in Manhattan and 7,730 in Queens. The Bronx was the only borough where permits dropped on an annual basis, falling

19.6% to 2.482. (See Appendix 1 and the map on next page) While permits went up annually, atypically the vast majority of permits were issued during the second quarter of 2008, which saw an increase of 149.1% as compared to the second quarter of 2007, while levels dropped in every other quarter, by as much as 71.2%. More than two-thirds of all permits issued during 2008 were in the second quarter.

While permits issued increased between 2007 and 2008, the number of permits issued in early 2009 has decreased significantly. The number of permits issued in New York City decreased from 3,893 in the first quarter of 2008 to 1,077 during the same period of 2009, a 72.3% decrease. Permits issued declined in every borough, by the greatest proportion in Brooklyn, falling 91.5%, followed by declines in the Bronx of 81.0%, 68.9% in Manhattan, 50.8% in Staten Island, and 27.9% in Queens.

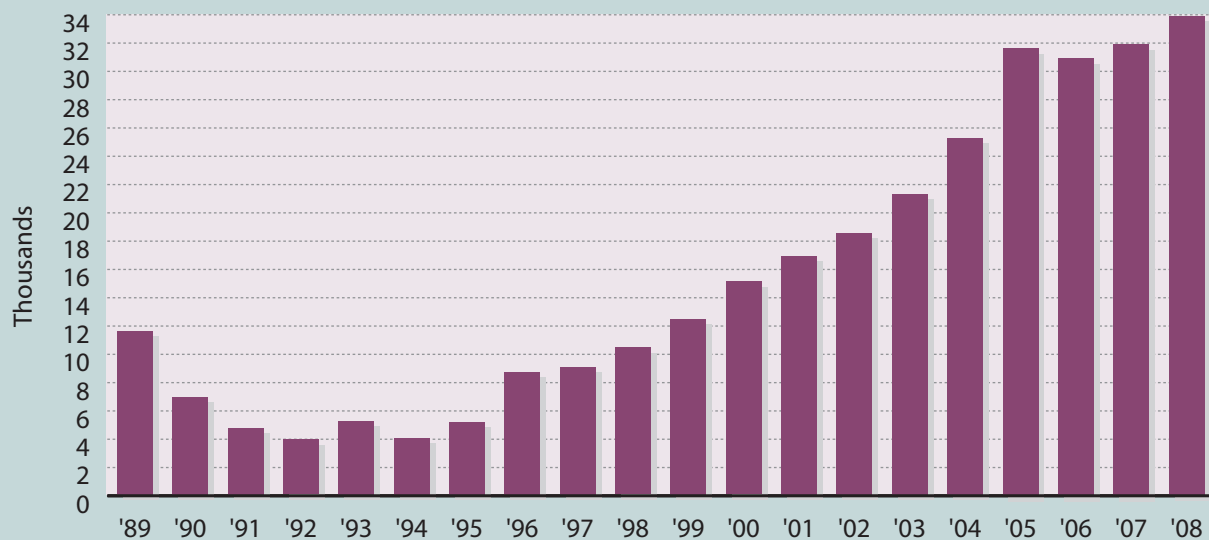
Permit data can also be analyzed by the reported size of the buildings applying for permits. In 2008, a total of 2,434 buildings received permits (containing a total of 33,911 housing units). Citywide, 20.1% of these buildings were single-family, 30.0% were two-family, 14.3% were three- or four-family structures,

and 35.7% were five-family or greater buildings. While the number of buildings receiving permits in 2008 was 37.8% lower than in 2007, the number of five-family or greater buildings increased by more than 40%, resulting in the increase in permits described in this report. More than 90% of all permits Citywide were for units in five-family or greater buildings, with the average five-family or greater building containing 36 units for the City as a whole, and 65 units in Manhattan. 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 2008, approximately 24,381 new housing units were completed, a 7.7% decrease over 2007.⁷ Completions were down in all boroughs but Brooklyn, which rose by 3.3%, to 7,306. Proportionally, completions were down by the greatest amount in

Units Issued New Housing Permits, 1989-2008, in Thousands

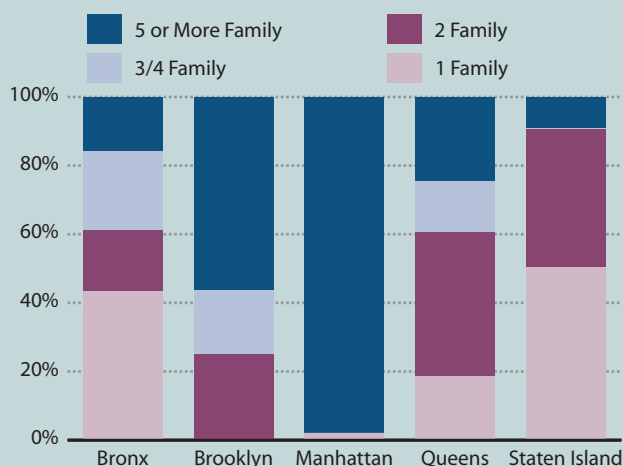
Continued Increase in Growth of Number of Permits Issued for New Construction of Residential Units



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

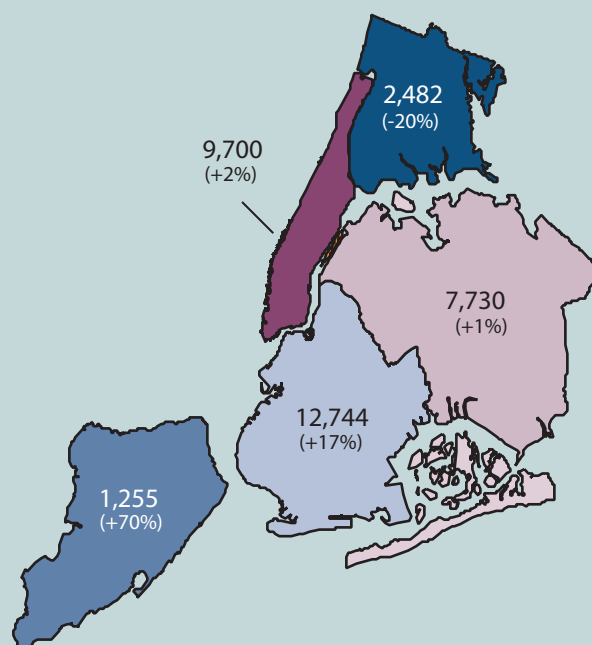
Residential Building Permits, 2008

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 2008 and Percentage Change From 2007 by Borough



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

Staten Island, which fell 29.6%, to 1,021, followed by Manhattan which fell 18.3% to 6,141. Smaller decreases were seen in the Bronx, which fell 4.6% to 4,241 and Queens, which fell by 4.5%, to 5,672. (See Appendix 3 for historical breakdown)

Housing is also created through publicly funded sources, including programs sponsored by the NYC Department of Housing Preservation and Development (HPD) and the New York City Housing Development Corporation (HDC). HPD's Office of Development operates a number of programs that develop affordable housing for low- and moderate-income New Yorkers. Programs include the Cornerstone program, which is HPD's multi-family new construction housing initiative, financed principally through private sources; the Neighborhood Redevelopment Program, which gives City-owned buildings to non-profits to rehabilitate and operate as affordable housing; and the Mixed Income Rental Program, which helps finance affordable housing, 30% of which is set aside for homeless families. HDC operates such programs as 80/20, which requires developers to set aside 20% of units for moderate-income families, and the New Housing Opportunities Program, which helps finance housing for middle-income New Yorkers.

HPD- and HDC-sponsored programs spurred a total of 16,779 reported housing starts⁸ in FY 2008, a decrease of 7.8% over the prior year. Of the 16,779 total starts this year, 10,097 were rehabilitation starts, and 6,682 were new construction starts. HPD and HDC collectively expect to start an additional 12,697 units of new construction and rehabilitation in FY 2009, and 13,725 in FY 2010. During the first four months of FY 2009 there were 1,186 starts by HPD and HDC, a 52.0% decline over the corresponding period of the previous year. Slightly less than 60% of these units were rehabilitations.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 an 11-year commitment to build and preserve 165,000 units of affordable housing by 2014. This \$7.5 billion plan will ultimately provide affordable homes for 500,000 New Yorkers. As of March 2009, HPD and HDC have

created or preserved 85,089 units of housing under the New Housing Marketplace Plan, more than half of the total planned. These units are fairly evenly dispersed throughout the Bronx, Brooklyn, and Manhattan, with only 9% of units in Queens and Staten Island. As part of this program the City is focusing on preservation of existing affordable homes, 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

A new initiative was announced in February of this year for a plan for the City to buy vacant, unsold units in new developments for use as middle-income housing. Details have not been announced yet, but it is expected that those qualifying for the program would need to make between 80 and 150% of the area median income to qualify for these subsidized apartments.¹¹ Another City initiative will partner HPD with NYU's Furman Center to track affordable housing that is at risk for conversion to market-rate rents, and implement preservation strategies.¹² HPD is also working with the New York City Housing Authority (NYCHA) to build affordable housing on NYCHA grounds. More than 1,000 units will be built on various sites in the Bronx and will generate \$29 million in revenue for NYCHA.¹³ The City also received \$24 million from the federal government to rehabilitate and resell 115 foreclosed homes.¹⁴

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

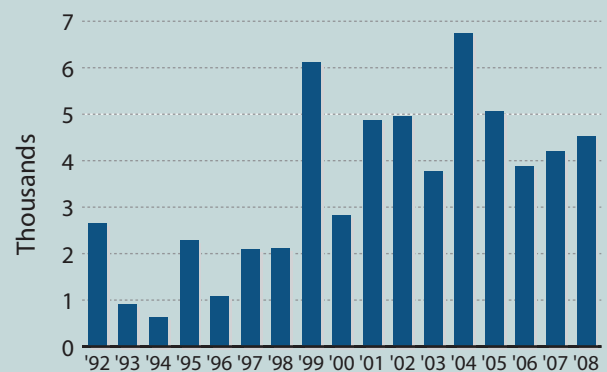
the Rent Stabilization Laws during the exemption period. Thus, 421-a tenants share the same tenancy protection as stabilized tenants, and initial rents approved by HPD are then confined to increases established by the Rent Guidelines Board.

A variety of factors are used to establish the level and period of 421-a benefits, and properties are also subject to construction guidelines. Properties receive an exemption for 10 to 25 years depending on location, the number of units reserved for low- and moderate-income tenants, and whether they are located in a neighborhood preservation area. Longer exemption periods apply in northern Manhattan and boroughs outside Manhattan, and to projects that receive governmental assistance or contain 20% low-income units.¹⁵

Last year's Housing Supply Report outlined major changes in the 421-a program which had been set to begin on December 28, 2007. However, in early 2008 the Governor extended the start date of many of these changes to July 1, 2008, including a major expansion of the Geographic Exclusion area (the area which requires 20% of units to be set aside for affordable housing), new limits on the amount of assessed value that is exempt from taxes, and on-site affordability requirements extended to a length of 35 years.

Units Newly Receiving 421-a Certificates, 1992-2008, in Thousands

7% Increase in Number of Units Newly Issued 421-a Certificates in 2008



Source: NYC Department of Housing Preservation and Development

Through the market-rate 421-a program, the number of housing units newly receiving 421-a exemptions increased for the second consecutive year, up 7.3%, to 4,521 (see graph on previous page), including increases in every borough but Manhattan. While the number of units decreased 36.2% in Manhattan, it increased 50.4% in Brooklyn, 49.1% in the Bronx, 20.6% in Queens, and rose from zero to six units in Staten Island. In a departure from the norm, the largest proportion of units receiving benefits in 2008 were in buildings located in Bronx, which contained 33.6% of the total units in the City. Brooklyn and Manhattan each had virtually the same number of units newly receiving 421-a benefits, each with 27.4% of the total number of units Citywide (although the average size of buildings in Manhattan were much larger, as there were 26 buildings receiving benefits in Manhattan, and 80 in Brooklyn). Building in Queens had 11.4% of the share of units Citywide, and Staten Island, with only six units, had 0.1%.¹⁶ (See Appendices 6 and 7)

Historically, tax-incentive housing has also been developed through the 421-a Affordable Housing Program, which allowed developers to build within Manhattan’s “Exclusion Zone” as long as they provided either 20% of housing on-site to be affordable, or they financed affordable housing elsewhere in the City (at the rate of one affordable unit for every five units built in Manhattan). With changes to the 421-a program that now require all developers in the newly expanded Exclusion Zone to building affordable housing on-site, the 421-a Affordable Housing Program is being phased out and will most likely not record any new units after 2008.

Housing starts under the 421-a Affordable Housing Program declined during 2008, falling 12.5% from 2007 levels, for a total of 600 units. When all the units begun in 2008 are completed, these 600 new affordable units will create approximately 3,065 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, housing units completed under the Affordable Housing program in 2008 fell at an even faster rate. In 2008, 784 new affordable units, producing approximately 3,979 certificates for market-rate housing, were completed, a 31.3% decline from last year.¹⁷

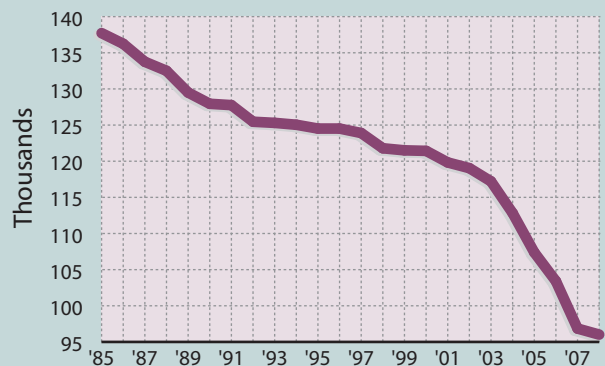
Another program that has offered affordable housing, the New York State Mitchell-Lama program, is losing residential units as market rents rise and landlords choose to opt out of the program. The program, which was created in 1955 as a means of providing affordable rental and cooperative housing to moderate- and middle-income families, granted low-cost mortgages and tax breaks to landlords who developed low- and middle-income housing. There are approximately 96,000 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 42,000 units in Mitchell-Lama buildings have been lost due to buyouts since 1985 (see graph on this page). After averaging more than 5,000 buyouts annually between 2004 and 2007, the pace slowed significantly in 2008 with only three buildings, containing 834 units, leaving the program.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

Units in the Mitchell-Lama Program, 1985-2008, in Thousands

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



Source: NYC Dept. of Housing Preservation & Development

“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 or Section 8 to become rent stabilized, and would apply retroactively to buildings that have already left the system.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 a larger 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, in the past few years, with a tight housing market and high demand for luxury apartments, there were an increasing number of conversions in neighborhoods citywide, including facilities as diverse as hospitals, recording studios, power plants, office buildings, and churches.

One indicator of conversions is the number of non-residential buildings newly receiving J-51 benefits for conversion to residential use. In 2008, 15 formerly non-residential buildings containing 765 units received J-51 benefits for conversion. Almost all were condo and co-op units. This is a sharp increase from 2007, when a total of nine buildings and 263 units received the same J-51 benefits (evenly split among rental and co-op/condo units). But it is still less than 2006, when 15 buildings containing 830 units converted with J-51 benefits, again almost all cop-ops/condos. But while the number of non-residential units converting with J-51 benefits tripled in 2008, the number of non-residential units in Lower Manhattan which converted with the aid of 421-g benefits declined in 2008, down 36% to 1,143 units.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. Certificates are down for the fourth consecutive year, falling to 127 in 2008, down from 182 in 2007 and more than 200 in each year from 2004-2006.²³

Cooperative and Condominium Activity

Developers planning to build new co-op or condo buildings, and owners wishing to convert their rental buildings to co-ops or condos, must file plans with, and receive acceptance from, the New York State Attorney General’s Office. In 2008, the Attorney General accepted 526 co-op and condo plans, a 20.7% decrease over the number accepted in 2007. These 526 plans encompassed 16,951 housing units, 32.9% less than in 2007. The majority of plans, 273, were accepted for buildings located in Brooklyn; 150 were located in Manhattan; 74 plans were accepted for Queens; the Bronx had 20 plans; and there were nine in Staten Island. However, while there were almost twice as many buildings in Brooklyn, the average building in Manhattan is larger, so almost as many units were located in Manhattan (6,409) than in Brooklyn (6,605).²⁴ (See Appendices 4 and 5)

Almost all of the plans accepted citywide in 2008 were for new construction, comprising 454 of 526 plans, and a total of 13,998 of 16,951 units. This is similar to the prior year, when new construction accounted for 573 of the 663 accepted plans. In 2008, 50 plans and 2,582 units were non-eviction conversions. An additional 18 plans, containing 241 units, were eviction plan conversions, all sponsored by the New York City Dept. of Housing Preservation and Development. In addition, four plans and 130 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 16.7% of the total number of units in 2008 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 2008),

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

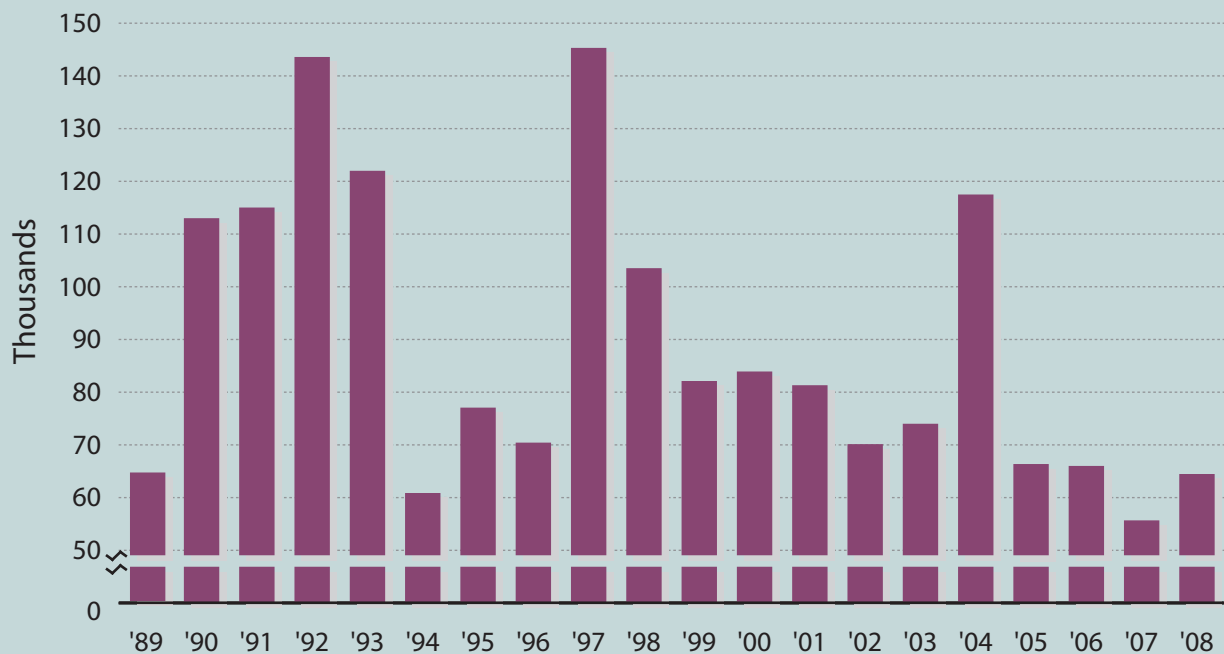
Another method for adding residential units to the City's housing stock is through rehabilitation of old buildings. As buildings age, they must undergo renovation and rehabilitation to remain in habitable condition. This is particularly relevant to NYC's rental housing stock, of which almost 62% of units are in buildings constructed prior to 1946.²⁵ Through tax abatement and exemption subsidy programs offered by the City for rehabilitation, units are able to remain in, or be readmitted to, the City's housing stock. The J-51 tax abatement and exemption program 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 under 100,000 units since then.

In 2008, 64,478 units newly received J-51 benefits, an increase of 15.8% from the previous year (see graph on this page). These units were contained in 1,451 buildings, an increase of 51.6% from 2007 levels. The location of the units newly receiving benefits ranged from 40.5% located in Manhattan; to 23.8% in Queens; 23.0% in Brooklyn; 12.0% in the Bronx; and 0.6% in Staten Island. Buildings were distributed through the boroughs in roughly the same way units were distributed.²⁶

Units Receiving Initial J-51 Benefits, 1989-2008, in Thousands

2008 Saw Increase in Number of Units Receiving J-51 Certificates



Source: NYC Department of Housing Preservation and Development

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.²⁷

In Fiscal Year 2009, the J-51 tax program will cost the City \$243.4 million for all housing types, including more than 440,000 rental units.²⁸ 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 442 through October 2008, a 98.5% decline since FY 1994.²⁹ HPD transfers buildings into alternative management programs before returning them to private ownership. During FY 2008, 66 buildings with 869 units were sold through these programs.

The number of units in vacant city-owned buildings also fell significantly over the same period, to 325 units by the end of October 2008, a 97.6% decline since FY 1994. During FY 2008, the total number of buildings operated by HPD, including both occupied and vacant, fell 15.6%, and the number of units in these buildings also fell by 15.6%, as compared to FY 2007. (See Appendix 8) While the number of vacant units and buildings continued to fall during the early months of FY 2009, occupied buildings and units rose, increasing by 12.2% and 6.5% respectively.

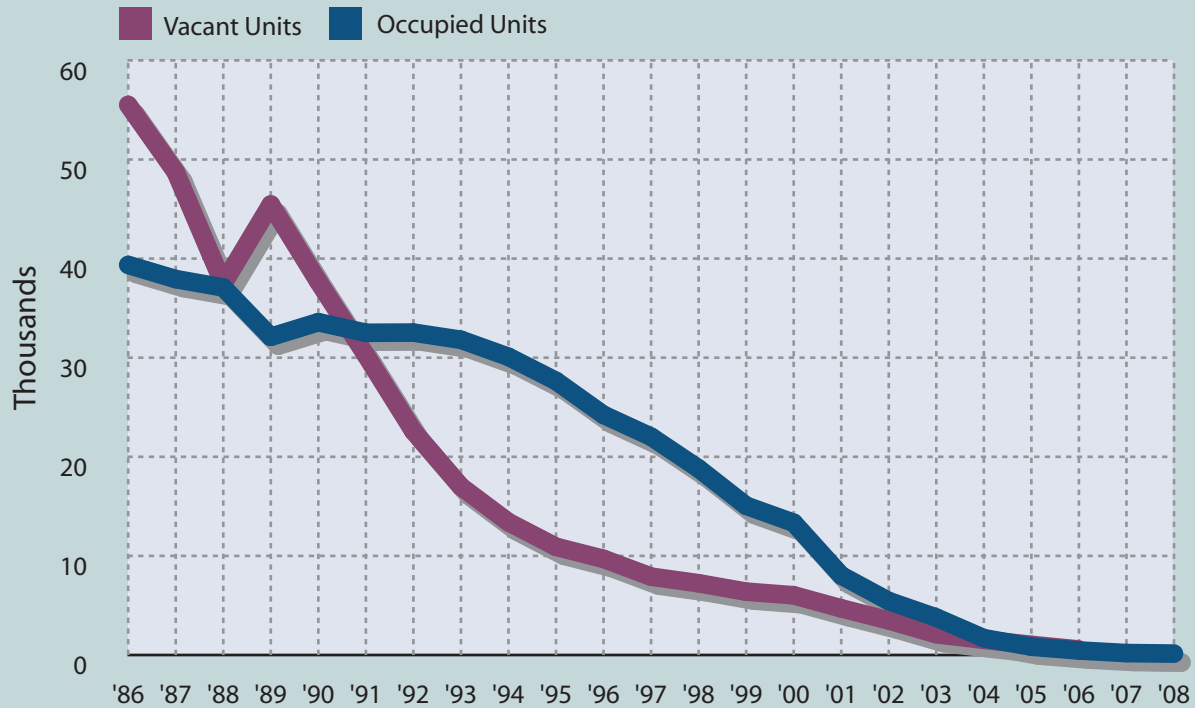
Anti-Abandonment Strategies

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.³⁰

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

Units in HPD Central Management Stock, FY 1986-FY 2008, in Thousands

Continued Decline in City In Rem Housing Stock in FY 2008



Source: NYC Dept. of Housing Preservation and Development

lien or entered into a payment plan, the lien holder can file for foreclosure on the property.³¹

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.³² Since beginning in 1996, the program has collected \$350 million in back taxes, and 438 buildings have been transferred to responsible for-profit and non-profit owners.³³

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. But for the second consecutive year, demolitions in New York City fell as compared to the prior year. A total of 2,680 buildings were demolished in 2008, an 18.4% decrease over the prior year, following an 8.0% decline in 2007. This was still the fifth highest total since 1985, when the RGB began collecting this data. Queens accounted for

40.4% of all the buildings demolished in 2008, Brooklyn had 34.5%, Manhattan had 9.4%, Staten Island had 8.0%, and the Bronx had the lowest proportion, 7.7%. Demolitions fell in every borough, declining by 31.8% in the Bronx, 30.2% in Staten Island, 23.1% in Queens, 10.6% in Manhattan, and 6.0% in Brooklyn.³⁴ (See Appendix 9)

Conclusion

Housing permits remained at high levels, with the highest number of permits issued in 2008 than in any year since 1972, while the number of completed housing units decreased by 7.7%. The City also continued to reduce its share of city-owned vacant and occupied housing units, seeing a 15.6% decline during the most recent fiscal year. The number of new units receiving 421-a tax benefits increased 7.3% in 2008, while J-51 tax abatements and exemptions increased 15.8%. Rental housing availability remains tight, with a citywide vacancy rate of just 2.88% in 2008, and overcrowding remains a problem. Mayor Bloomberg's ten-year housing initiative has begun development/construction on more than 85,000 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 2007 American Community Survey, conducted by the U.S. Census Bureau. To calculate the ratio of renter-occupied units in New York City, staff did not include vacant units that are not for sale or for rent in the total number of housing units.
3. Other units include public housing, Mitchell-Lama, In Rem, HUD-regulated, Article 4 and Loft Board units.
4. Since the number of vacant units available for rent in Staten Island is small, and the HVS is a sample survey, the sampling error of the vacancy rate is likely to be large, and thus, the Census Bureau could not calculate an accurate vacancy rate.
5. U.S. Census Bureau web site. World Wide Web page <<http://www.census.gov/const/www/permitsindex.html>>.
6. NYC Dept. of City Planning data. Note that the data is continually updated and is subject to change, including data from prior years.
7. Beginning with the *2006 Housing Supply Report*, the RGB defines a housing completion as any unit receiving either a permanent or a temporary Certificate of Occupancy in the stated year. The Department of City Planning provided this information for the 2004 calendar year and beyond, and believes it is a more accurate representation of new housing in New York City than previous methodologies which only counted final Certificates of Occupancy.
8. Starts refer to the number of units beginning construction or rehabilitation in a given period.
9. Mayor's Management Reports, Fiscal Year 2008 and Preliminary Fiscal Year 2009.
10. "Mayor Bloomberg's Affordable Housing Plan," May 2009. <http://nyc.gov/html/hpd/downloads/pdf/New-Housing-Market-Place-Plan.pdf>
11. "Condo buyout plan building up support with builders," Heather Murray. *Chelsea Now*, Volume 3, Number 17 (March 13-26, 2009).
12. "NYU's Furman Center and the NYC Department of Housing Preservation and Development Launch Initiative to Track Affordable Housing in Danger of Converting to Market Rate Rentals," NYC Dept. of Housing Preservation and Development Press Release. April 7, 2009.
13. "Developers Tabbed for South Bronx MF," Paul Bubny. *GlobeSt.com*, February 2, 2009.
14. "City has Plan to Resell Foreclosed Homes," Manny Fernandez. *The New York Times*, January 14, 2009.
15. Program information available at: <http://nyc.gov/html/hpd/html/developers/421a.shtml>
16. NYC Department of Housing Preservation and Development, Tax Incentives Program data.
17. 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.
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, *The New York Times*, November 26, 2007.
21. NYS Senate Bill S3326.
22. NYC Department of Housing Preservation and Development, Tax Incentives Program data.
23. Historic data obtained from the West Side SRO Law Project, reporting NYC Department of Housing Preservation and Development (HPD) data and 2008 data obtained directly from HPD.
24. NYS Attorney General's Office, Real Estate Financing Bureau data. and the NYC Dept. of Housing Preservation and Development, Sales Unit.
25. *2008 NYC Housing and Vacancy Survey*, U.S. Census Bureau.

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26. 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.
 27. 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>.
 28. "Annual Report on Tax Expenditures," NYC Dept. of Finance publication, February, 2009.
 29. Fiscal Year 2008 Mayor's Management Report and the NYC Dept. of Housing Preservation and Development..
 30. NYC Department of Housing Preservation and Development website. http://www.nyc.gov/html/hpd/html/buyers/small_prop.shtml.
 31. 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.
 32. "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/>.
 33. Most recent figures obtained from NYC Dept. of Housing Preservation and Development, May, 2009.
 34. 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, 1960-2009

Year	Bronx	Brooklyn	Manhattan	Queens	Staten Island	Total
1960	--	--	--	--	--	46,792
1961	--	--	--	--	--	70,606
1962	--	--	--	--	--	70,686
1963	--	--	--	--	--	49,898
1964	--	--	--	--	--	20,594
1965	--	--	--	--	--	25,715
1966	--	--	--	--	--	23,142
1967	--	--	--	--	--	22,174
1968	--	--	--	--	--	22,062
1969	--	--	--	--	--	17,031
1970	--	--	--	--	--	22,365
1971	--	--	--	--	--	32,254
1972	--	--	--	--	--	36,061
1973	--	--	--	--	--	22,417
1974	--	--	--	--	--	15,743
1975	--	--	--	--	--	3,810
1976	--	--	--	--	--	5,435
1977	--	--	--	--	--	7,639
1978	--	--	--	--	--	11,096
1979	--	--	--	--	--	14,524
1980	--	--	--	--	--	7,800
1981	--	--	--	--	--	11,060
1982	--	--	--	--	--	7,649
1983	--	--	--	--	--	11,795
1984	--	--	--	--	--	11,566
1985	1,263	1,068	12,079	2,211	3,711	20,332
1986	920	1,278	1,622	2,180	3,782	9,782
1987	931	1,650	3,811	3,182	4,190	13,764
1988	967	1,629	2,460	2,506	2,335	9,897
1989	1,643	1,775	2,986	2,339	2,803	11,546
1990	1,182	1,634	2,398	704	940	6,858
1991	1,093	1,024	756	602	1,224	4,699
1992	1,257	646	373	351	1,255	3,882
1993	1,293	1,015	1,150	530	1,185	5,173
1994	846	911	428	560	1,265	4,010
1995	853	943	1,129	738	1,472	5,135
1996	885	942	3,369	1,301	2,155	8,652
1997	1,161	1,063	3,762	1,144	1,857	8,987
1998	1,309	1,787	3,823	1,446	2,022	10,387
1999	1,153	2,894	3,791	2,169	2,414	12,421
2000	1,646	2,904	5,110	2,723	2,667	15,050
2001	2,216	2,973	6,109	3,264	2,294	16,856
2002	2,626	5,247	5,407	3,464	1,756	18,500
2003	2,935	6,054	5,232	4,399	2,598	21,218
2004	4,924	6,825	4,555	6,853	2,051	25,208
2005	4,937	9,028	8,493	7,269	1,872	31,599
2006	4,658	9,191	8,790	7,252	1,036	30,927
2007	3,088	10,930	9,520	7,625	739	31,902
2008	2,482	12,744	9,700	7,730	1,255	33,911
2009 (1st Qtr) ^Ω	164 (862)	137 (1,603)	151 (485)	508 (705)	117 (238)	1,077 (3,893)

Ω First three months of 2009. The number of permits issued in the first three months of 2008 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), 2000-2008

Year/Borough	1-Family	2-Family	3/4 Family	5 or More-Family	Total Buildings
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
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
Citywide	20.1%	30.0%	14.3%	35.7%	2,434

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

3. New Dwelling Units Completed in New York City, 1960-2008

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

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

π Data from 2004-2008 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, 2003-2008

	2003	2004	2005	2006	2007	2008
	Plans (Units)	Plans (Units)	Plans (Units)	Plans (Units)	Plans (Units)	Plans (Units)
Private Plans						
New Construction	190 (4,870)	268 (6,018)	361 (12,210)	644 (19,780)	573 (19,511)	454 (13,998)
Rehabilitation	18 (418)	18 (334)	6 (223)	0	8 (71)	4 (130)
Conversion (Non-Eviction)	10 (639)	16 (1,550)	24 (2,356)	53 (6,331)	66 (5,441)	50 (2,582)
Conversion (Eviction)	0	0	0	0	0	0
Private Total	218 (5,927)	302 (7,902)	391 (14,789)	697 (26,201)	647 (25,023)	508 (16,710)
	Plans (Units)	Plans (Units)	Plans (Units)	Plans (Units)	Plans (Units)	Plans (Units)
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)	0	15 (274)	18 (269)	13 (273)	16 (248)	18 (241)
HPD Total	0	15 (274)	18 (269)	13 (273)	16 (248)	18 (241)
Grand Total	218 (5,927)	317 (8,176)	409 (15,058)	710 (26,474)	663 (25,271)	526 (16,951)

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, 1982-2008

Year	New Construction	Conversion Eviction	Conversion Non-Eviction	Rehabilitation	Total New Construction Conversion & Rehab	Units in HPD Sponsored Plans
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
2008	13,998	241	2,582	130	16,951	241

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, 2006-2008

Buildings Receiving Certificates for 421-a Exemptions, 2006-2008

	2006		2007		2008	
	Certificates	Units	Certificates	Units	Certificates	Units
Bronx	10	114	24	1,020	34	1,521
Brooklyn	57	736	50	825	55	1,241
Manhattan	32	2,375	24	1,939	26	1,237
Queens	52	650	44	428	49	516
Staten Island	0	0	0	0	1	6
TOTAL	151	3,875	142	4,212	165	4,521

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

	2006			2007			2008		
	Buildings	Units	Certified Cost (\$1,000s)	Buildings	Units	Certified Cost (\$1,000s)	Buildings	Units	Certified Cost (\$1,000s)
Bronx	279	13,766	35,979	153	7,381	16,757	248	7,767	18,203
Brooklyn	249	13,167	28,300	283	12,470	24,575	312	14,858	29,858
Manhattan	271	21,884	27,969	208	12,348	24,302	369	26,110	26,720
Queens	287	17,106	12,600	309	23,148	15,487	431	15,340	10,193
Staten Island	4	87	43	4	334	158	91	403	805
TOTAL	1,090	66,010	104,891	957	55,681	81,278	1,451	64,478	85,779

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

7. Tax Incentive Programs – Units Receiving Initial Benefits, 1981-2008

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
2008	4,521	64,478

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

8. City-Owned Properties, Fiscal Years 1988-2008

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

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

Source: NYC Department of Housing Preservation and Development.

9. Building Demolitions in New York City, 1988-2008

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
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

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.