

FOUNDATION PERMIT REPORT: MULTI-FAMILY DEVELOPMENT

AN UPTICK IN OCTOBER STILL FAILS TO KEEP PACE WITH CITY'S HOUSING NEEDS

As part of its efforts to better understand the state of housing production in New York City, REBNY issues a Multi-Family Foundation Plan Application Report. This report reviews monthly foundation applications submitted to the NYC Department of Buildings (DOB) during October of 2023.

Tracking foundation filings supplements REBNY's quarterly Construction Pipeline Report, which examines new building job application filings submitted to DOB. Since this report tracks multi-family foundation filings rather than new building filings, it provides an additional perspective on the overall state of housing development activity. New building filings generally precede foundation filings by a period of at least several months, or possibly longer if the project is not able to proceed to the construction phase.

New Multi-Family Foundation Filings Inch Higher

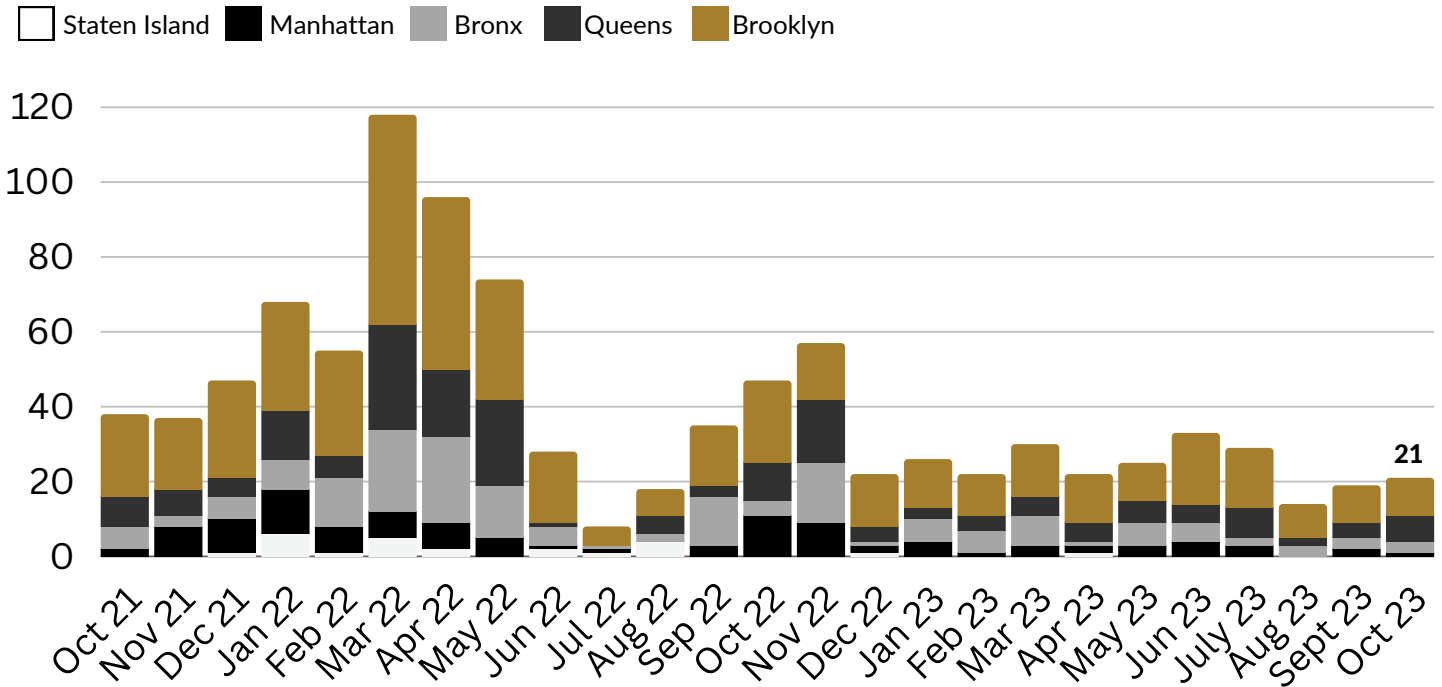
There were 21 foundation filings in New York City in October. That was a slight increase compared to the 19 filings seen in September.

The 21 filings in October represented a total of 1,902 proposed dwelling units. That was an increase compared to the 500 units proposed in September. It was also the largest monthly total since November 2022, when there were 5,269 units proposed.

As of the end of October, there have been 242 foundation filings in New York City in 2023, representing 9,069 proposed dwelling units. With two months remaining in the year, this puts the City on pace for approximately 11,000 proposed dwelling units in 2023. This remains well below the 50,000 unit-per-year goal previously set by Mayor Eric Adams and housing experts as part of efforts to address the City's worsening housing supply crisis.

Foundation filings have remained low since the expiration of the 421-a program in June 2022. There was an average of 24 filings per month in the first 10 months of 2023, far below the 51 filings per month seen in the first 10 months of 2022. The 9,069 proposed units seen in the first 10 months of 2023 is 78% lower than the 39,843 proposed units seen in the first 10 months of 2022.

Initial Filings - All Buildings 4 Units or More



Filings rose to 21 in October



39,843 proposed units in the first 10 months of 2022, and only 9,069 proposed units in the first 10 months of 2023, a 78% decline

Increase in Proposed Units Driven by Increase in Large Projects

There were five foundation filings in October for large buildings (defined as buildings with more than 100 dwelling units). Those five filings accounted for 1,409 proposed dwelling units. That was an increase compared to September, when there was only one filing for a large building, which accounted for 132 proposed units.

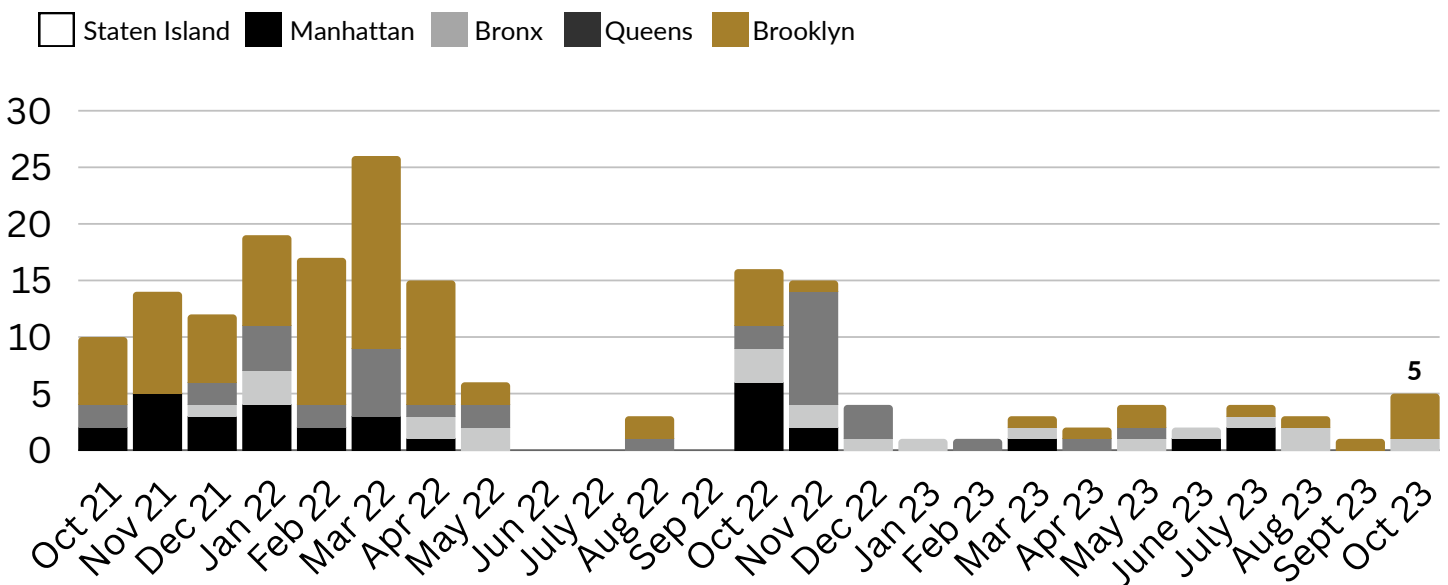
The four additional large projects in October were largely responsible for the overall increase in proposed dwelling units that month. (As explained in the previous section, there were approximately 1,400 more units proposed in October than in September.)


However, the October increase does not change the fact that large building filings have been very limited over the past year. This was the first month since November 2022 with at least five large building filings. (In November 2022 there were 15 large building filings.) This is an important metric when tracking housing production because large building filings accounted for 66% of all proposed dwelling units in 2022.


Four of the five large building filings in October were in Brooklyn. The largest project was 1709 Surf Avenue on Coney Island. The 430-unit building is the last in a three-phase development. The project calls for 464 rental units that will have a mix of free market and affordable units – including some units for formerly homeless people. The first building in the project was completed in late 2021 and includes the long-term location of the New York Human Resources Administration. The other three projects in Brooklyn included 425 units at 895 Erskine Street, 209 units at 888 Fountain Avenue, and 132 units in Greenpoint on Quay Street. The buildings at 895 Erskine and 888 Fountain are part of the second-phase of a planned six-phase affordable housing project called Alafia. Located on the former grounds of the Brooklyn Developmental Center the project is backed by state funding.

The remaining project, 521 East Tremont Avenue in Crotona, Bronx, has 213 proposed units and 12,000 square feet of retail. Based on a ULURP application approved in 2022, approximately 30% of the units will be supportive housing, and a health care facility is planned on the second floor.

Initial Filings - All Buildings 100 Units or More



 Filings rose to 5 in September, the most since November of 2022

 112 filings in the first 10 months of 2022, only 26 in the first 10 months of 2023 – a 77% decline

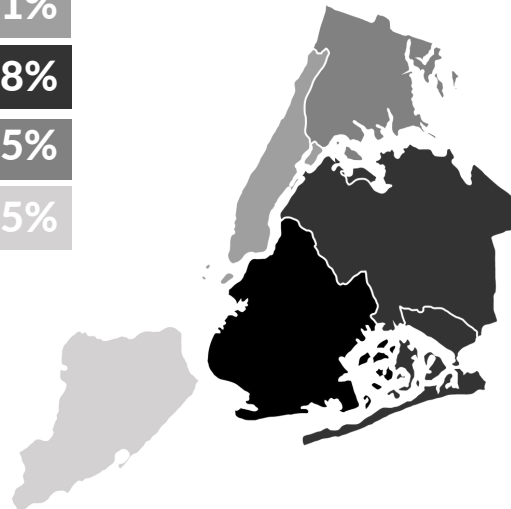
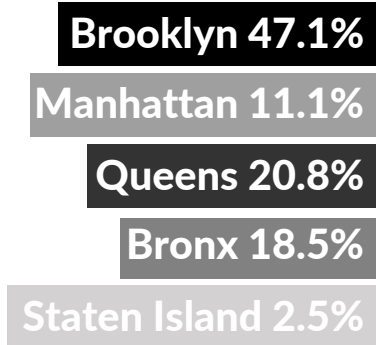


Geography of Multi-Family Filings since April 2021

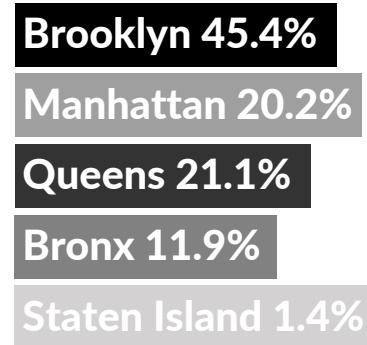
Brooklyn accounts for 45% (12 buildings) of the 26 large multi-family filings in the last 10 months and 47% of the 218 filings since April 2021. In comparison, Manhattan accounts for 20% (with 44 buildings) filings since April of 2021 but only 12% (with three buildings) in the last 10 months.

Percentage of Filings by Borough*

Percentage All Multi-family Buildings



Percentage of Buildings 100 Units or More



*Based on filings since April 2021.

This report is part of an ongoing effort to illustrate the state of housing production in New York City. For more reports and analysis on these topics, go to the REBNY website [here](#).

All numbers based on the first foundation permit filings in DOB NOW. Foundation Filings started to appear consistently in DOB NOW in March of 2021. Filings must be for permits with job type (new building); work type (foundation) and proposed dwelling units of at least 4 units. Filings have been de-duped to ensure that comparison includes only the very first filing (based on pre-filing date) meeting parameters above. Totals do not include subsequent amendments to the initial foundation filing. As of October 2023, analysis includes filings for more than 1,100 buildings and 80,824 proposed units.

REBNY uses open-source permit data from NYC Open Data to analyze foundation permit filings in a given time period. Changes to how work types are coded or changes to filing dates, while infrequent, can cause minor differences to permit totals reported in prior months. As such, REBNY's Foundation Permit Reports may exhibit minor data discrepancies between each report.