

Retail Studies and Initiatives for the East Village

Pratt Institute Graduate Center for Planning and the Environment
 Joint Historic Preservation and Planning Studio
 Prepared for the East Village Community Coalition
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Purpose of Study & Methodology

To recommend strategies to preserve the *identity* of the East Village.

- Local Retail
- Built Fabric
- Community Diversity
- Cultural Heritage

Variety of methods applied:

- Surveys
- Data Analysis
- Land Use Field Studies



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Presentation Contents



- Historical Analysis
- Existing Context Analysis
- Trend Identification
- Recommendations for the Future

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Historical Analysis



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Immigration



- 1830s: Irish
- 1840s and 1865-1879: Germans
- 1880 - 1920: Italians, Russian, Polish, other Eastern Europeans
- 1960s, 1970s: Puerto Ricans, other Latinos, more Ukrainians

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Built Fabric

- Early History
- St. Mark's Historic District



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Built Fabric



- Mid-19th Century
- Tenements dominant building type

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Built Fabric



- Small lot sizes
- Invite small business

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Retail

- Pushcarts & Small Businesses
- Mixed-Use
- Catered to locals
- Fostered community gathering



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Retail



- Tradition continues today
- Lively streetlife

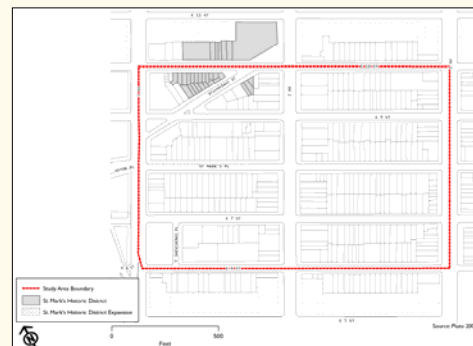
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Existing Context Analysis



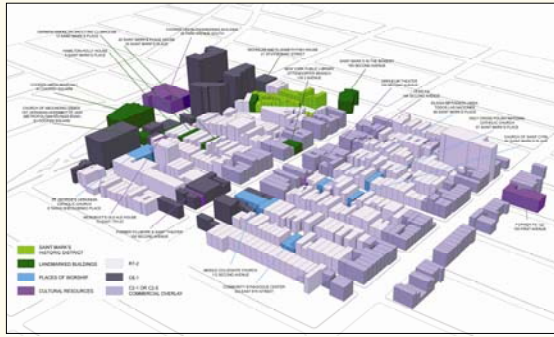
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Study Area



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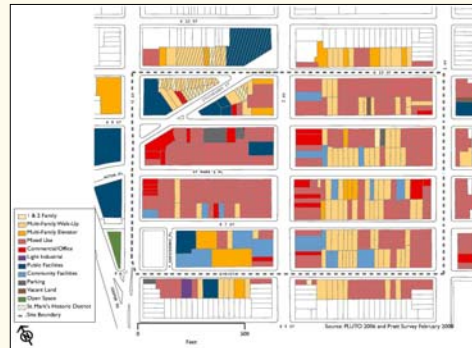
Built Context, 2008



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Source: Plano, 2006

Land Use, 2008



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Retail Typology, 2008



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Local Businesses vs. Chains, 2008



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Business Owner Survey

Methodology:

- Random sample
- Determined key concerns
- Group interview with 9th Street Merchants Association



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Business Owner Survey

Obstacles

- High rent / Rising rent
- Disadvantageous or no leases
- New landlords add real estate tax to rent
- Rising wholesale prices
- Decreasing number of new customers
- Lack of parking

Opportunities

- **Loyal customer base**
- Close proximity to complementary businesses
- High volume of foot traffic
- Good access to public transport
- Reputation of the East Village as a shopping destination



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Shoppers & Residents Survey



Methodology:

- Random sample
- Determined key concerns and interests

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Shoppers & Residents Survey



- Distinct, unique destination
- Unprotected places of importance
- Loss of character would be damaging
- Want to support local stores, but chains cheaper

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Retail Market Analysis

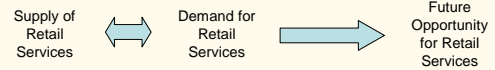
Methodology

- Identified Trade Area
- Calculated Total Purchasing Power
- Identified Unmet Demand



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Retail Market Analysis: Conclusions



IF Demand > Supply = Unmet Demand (Opportunity for New Retail Growth)

Results...

- Unmet spending potential (demand) of \$12,400 per household
- Translates into potential retail opportunity of 40,000 s.f. of new retail space within our study area
- **Unmet Demand + Rising Rents = Growth in Formula Retail**

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Trend Identification



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Trends: Demographics

| Increasing | Decreasing |
|------------------------|--------------------|
| Young adult population | Racial diversity |
| Median income | Unemployment level |
| Education level | |



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Trends: Development



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Trends: Retail

- Increasing rents, utilities, cost of merchandise
- Increasing lot sizes
- Displacement
- Changing streetscape



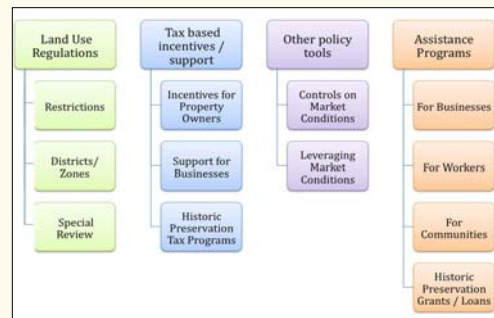
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Policy Research



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Policy Tools for Small Business Retention



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Case Study: Little Italy Special Purpose District



- NYC Dept of City Planning
- "Preservation Area" with bulk & use restrictions
- Precedent already exists in NYC

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Case Study: Madison Avenue Special District

- NYC Landmarks Preservation Commission
- "Preservation Area" with design guidelines for storefronts



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Case Study: San Francisco



- Bans "formula retail" in 2 commercial districts
- Other districts subject to special guidelines
- Administered by City Planning Commission

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Case Study: Seattle International Special District

- Seattle International Special District
- Special review board
- Combined tools:
 - Design guidelines
 - Special review/permit process
 - Formula retail "gives back"
 - Funding assistance programs



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Recommendations



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Recommendations

Objective:
To retain and promote local businesses and a socio-economically diverse community



- Strategies:**
- Regulations
 - Community Benefits
 - Incentives
 - Support
 - Implementation

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Local Retail Retention Zone



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Regulation: St. Mark's Formula Retail Ban



- Modeled after San Francisco
- St. Mark's Place, from Third Avenue to Avenue A
- Grandfathers-in existing stores



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Regulation: Chain Stores Not “As of Right”



- Required permit for formula business to locate in community
- Issued by NYC Department of City Planning
- Considers community needs & impact of adding a chain store

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Community Benefit: Formula Retail Tax



- Based on proposed Big Box Tax in Minnesota and Maine
- Graduated tax based on gross sales
- Small Business Fund

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Community Benefit: Small Business Fund

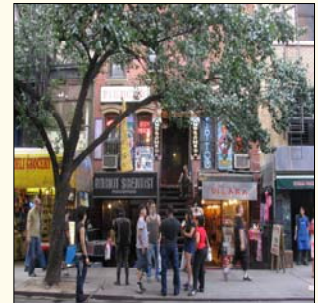
- Increases competitive advantage
- Grants to local businesses
- Provides business assistance:
 - Business plan consultation
 - New employee hiring
 - Marketing
- Funded by Formula Retail Tax



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Incentive: Commercial Landlord Tax Credit

- Voluntary “commercial rent control”
- Benefits for participating landlords
- Landlord tax credit increases over time
- Modeled after Industrial & Commercial Incentive Program (currently in place in NYC)



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Support: Transportation Improvements



- Parking Improvement District
- Residential Parking Permits
- Bike share program
- Widened sidewalks
- Fare-free M8 cross-town route



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Support: Sunday Street Closings



- Summer season
- Change location weekly
- Stores on closed block encouraged to set up a tents
- Vendors / entertainment in theme with neighborhood character
- Expanded Avenue A farmer's market

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