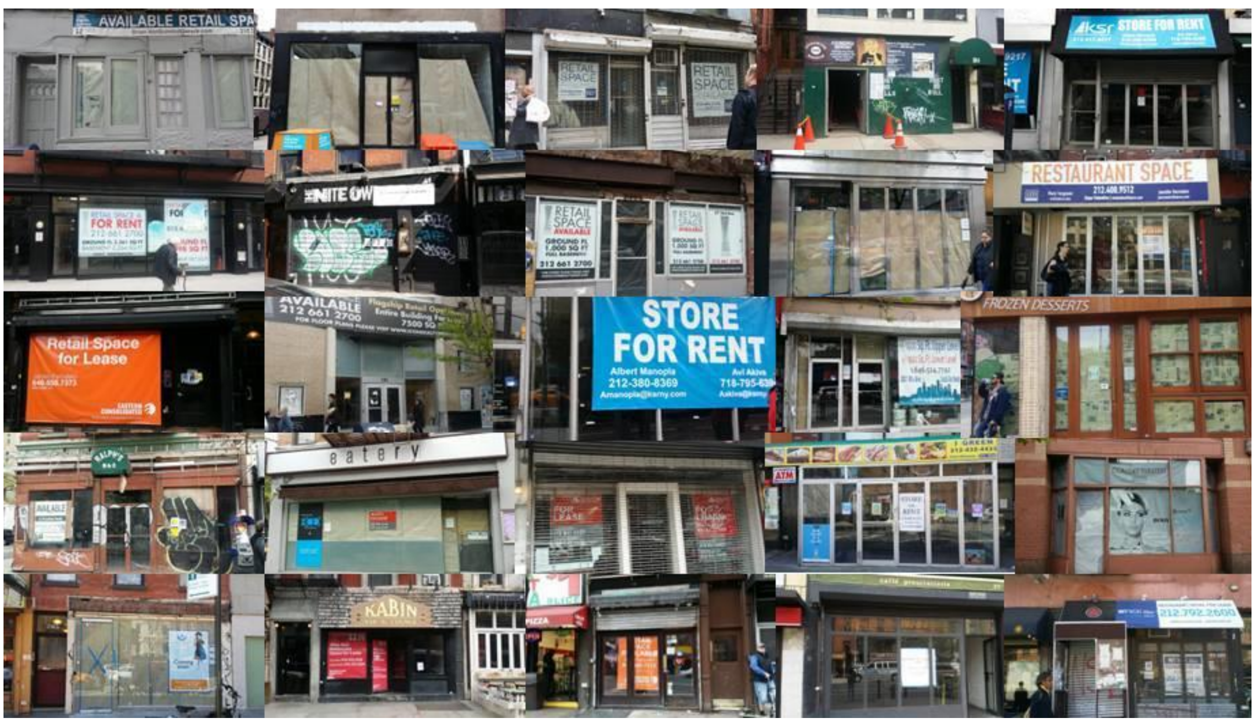
Bleaker on Bleecker

A Snapshot of High-Rent Blight in Greenwich Village and Chelsea



New York State Senator Brad Hoylman
May 2017

Introduction

It's a tale every Manhattanite has heard time and time again: a longtime local small business closes because it can no longer afford the rent. The space stays vacant endlessly until eventually, if at all, the storefront is replaced by a chain, in a phenomenon that has been referred to as "high-rent blight."

I hear this story often from constituents who are concerned about the impact high-rent blight is having on their neighborhoods. The loss of independent businesses, or "mom and pop" stores, and the proliferation of vacant storefronts make our communities less livable and less pleasant places to be, and the loss in goods and services that cater to the neighborhood causes a strain on our local economy, not to mention an inconvenience for residents.

It's also just sad to see businesses that have become fixtures in our neighborhoods get pushed out because a landlord can find a higher-paying tenant elsewhere. Jeremiah's Vanishing New York, a blog (and forthcoming book), chronicles the disappearance of longtime businesses in Manhattan and elsewhere. The blog has paid particular attention to the changes on Bleecker Street, which in the last decade went from a corridor of beloved mom and pop retail businesses like Biography Bookstore (25 years in operation), Treasures and Trifles (44 years in operation) and A Clean, Well-Lighted Place (36 years in operation), to high-end retail stores. As the blog notes:

Since western Bleecker Street's unprecedented luxury boom began in 2001, approximately 44 small businesses have vanished and been replaced with upscale shopping mall chains. Let it sink in: ***44 long-time neighborhood businesses, every single one of them gone, in about a decade****. How did it happen?*[1]

In this report, I set to help answer the question of what is really going on with high-rent blight and small business vacancies on Bleecker Street and two other areas of my Senate District, the East Village and Chelsea. Are small business vacancies really such a big problem? If so, what are the causes, and what can we do to make things more livable once again?

Jane Jacobs, the famed urbanist who hailed from Greenwich Village, would have celebrated her 101st birthday this month. Through her writing and activism, including her seminal work *The Death and Life of Great American Cities*, Jacobs boldly stood up to the planning establishment of the 1950s and 1960s, opposing urban renewal development that failed to account for the human dimension of neighborhood life. Instead, she offered a people-centered alternative that forever altered the accepted dogma in the field of urban planning. Today, her legacy is often invoked in community conversations about neighborhood scale development and vibrant street life. Jacobs taught us that neighborhood vibrancy may not be a tangible, measurable occurrence, but that fact does not diminish its importance.

With this in mind, my office set out to look at the vacancy issue of mom and pop stores. To conduct this report, my office counted and analyzed the number of vacant stores along major commercial corridors in the 27th Senate District, and supplemented this data by speaking to local small business owners and community leaders and researching the issue. It turns out there are many issues contributing to high-rent blight. Many groups and elected officials have proposed ways to address this problem, but the solutions are not clear-cut. This report will present some of the depth and intricacies of the problem of small business vacancies and suggest some ways to improve neighborhood retail climate and help preserve independent businesses.

The Vacancy Rates

Before moving forward with this report, I wanted to confirm whether what I was hearing was true. Is small business vacancy[i] really a problem?

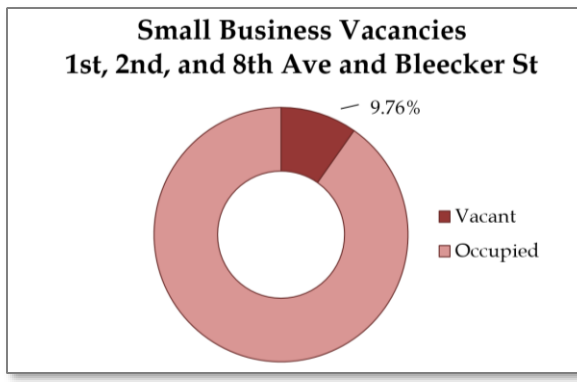
My office took to the streets in April 2017 and counted the number of vacant retail spaces along select corridors in the 27th Senate District. We defined retail space as any kind of store, restaurant, office, or vacant space that is visible from the street and on the ground floor of a building, while specifically exempting large institutions such as schools or hospitals.

We selected streets that we knew to be major commercial corridors in the East Village, Stuyvesant Town/Peter Cooper Village, the West Village, and Chelsea, including: First Avenue from 10th Street to 23rd Street, Second Avenue from 3rd Street to 14th Street, Eighth Avenue from 15th Street to 22th Street, and Bleecker Street from 6th Avenue to 8th Avenue.

We then compared the number of vacant storefronts to the total number of stores along those corridors and established a vacancy rate for each corridor. Here's what we found:

- First Avenue from 10th Street to 23rd Street – 5.76% (8 vacant, 139 surveyed)
- Second Avenue from 3rd Street to 14th Street – 6.67% (8 vacant, 120 surveyed)
- Eighth Avenue from 15th Street to 22th Street – 6.52% (6 vacant, 92 surveyed)
- Bleecker Street from 6th Avenue to 8th Avenue – 18.44% (26 vacant, 141 surveyed)

Total vacancy rate on all four streets: 9.76%



Storefront vacancy is a very visible problem, which makes it uniquely problematic for local quality of life as compared to many other types of vacancies.[ii]

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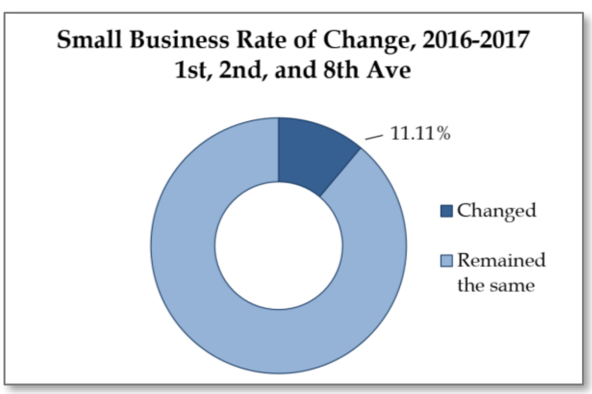
[i] New York State's Small Business Administration defines "small business" as any independent business with fewer than 500 employees. For the purposes of this report, we use the term "small business" to refer more broadly to retail stores with no bearing on the number of employees.

[ii] It is tempting to compare these percentages to overall commercial vacancy rates in the city. This is problematic for a few reasons. First, there is not a single official source for average commercial vacancy rates, which means we must rely on various quarterly market research reports from private firms which are inconsistent. More importantly, these firms do not break down information in a way that is easily comparable for our purposes, including by geography (they generally look at large and vaguely-defined central business districts like Downtown, Midtown, and Downtown Brooklyn) and by type of business (they generally break out by Class A, B, or C office type but not by store function or identification as a storefront).

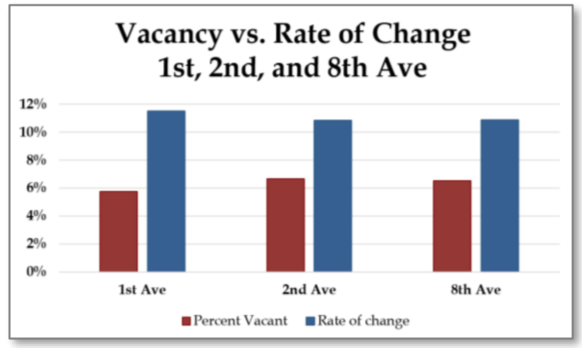
In addition, we found a new layer of data that complicates the simple vacancy figure. In addition to surveying vacancy rates this year, my office conducted an identical survey of First Avenue, Second Avenue, and Eighth Avenue in April 2016. While the vacancy rates did not change dramatically over time, we did find an alarming trend: the rate of change over one year – the number of stores that were vacant and are now occupied, were occupied and are now vacant, and were occupied but are now occupied by a different store, all compared to the total number of stores – was much higher than the simple vacancy rate on those streets. We found the following rates of change:

- First Avenue from 10th Street to 23rd Street – 11.51% (16 stores changed)
- Second Avenue from 3rd Street to 14th Street – 10.83% (13 stores changed)
- Eighth Avenue from 15th Street to 22th Street – 10.87% (10 stores changed)

Total rate of change on all three streets: 11.11%



This rate of change suggests turnover and volatility that impacts neighborhood stability, for example by frequently rotating out potentially historic properties.



A high rate of storefront vacancies is historically considered to be the sign of an economically distressed or even crime-ridden neighborhood. In the heart of Manhattan, however, these vacancies are occurring in relatively prosperous neighborhoods – a phenomenon that has been called "high-rent blight."[2] This suggests some distinctive factors at play, so my office set out to learn more.

The Story Behind the Numbers

These vacancy numbers can only tell us so much. In our conversations with local business owners and community leaders, as well as our review of local press reports, several common themes were echoed on the central issue at play in storefront vacancy: exorbitantly high rent, which is being raised astronomically, suddenly, and at a higher degree than ever before. One study estimates that the average commercial rent in Manhattan increased by 34% from 2004 to 2014[3], and another suggests that rents jumped by 42% in Manhattan from 2012 to 2015.[4] Even if controlling for inflation, these sharp rent increases can be the death knell for small businesses with razor-thin profit margins.

There are numerous examples:

In 2015, Avignone Chemists at 281 Sixth Avenue on Bleecker Street closed its doors after the landlord tripled the rent. The Village staple pharmacy had been in the neighborhood since 1832, and in that location since 1929.[5] The store recently reopened as a Sweetgreen, a chain salad spot.

After 38 years in business, the men's clothing store Camouflage at 139 Eighth Avenue at 17th Street was forced to close after the landlord reportedly more than tripled the rent from $7,000 to $24,000 a month.[6] The store is now a Verizon retailer.

Small independent stores seem hit the hardest. Three Lives & Company bookstore at 154 West 10th Street in the West Village was hanging on by a thread in a month-to-month lease as the landlord looked to sell the building, leaving it in a volatile situation. When a business does not own its building, as is usually the case, this can be a looming threat. Fortunately, Three Lives was able to sign a more stable lease to stay in its space in November 2016.

Across the street at 163 West 10th Street, Bonnie Slotnick Cookbooks, a neighborhood favorite offering used and out-of-print cookbooks, recently found new space in the East Village after Bonnie's landlord reportedly refused to negotiate or renew her lease, even though she had been in the space for over 15 years.[7] Today the small storefront is a tea shop that specializes in oolongs. The West Village has lost many more independent bookstores in recent years, including Oscar Wilde Bookshop, Left Bank Books, Partners & Crime, and Shakespeare & Co. (now a Foot Locker). Bookstores in particular face a high level of competition from online book sales.

Vacancies also affect larger neighborhood retailers like grocery stores. The Associated Supermarket on

14th Street and 8th Avenue – known by locals as the last affordable grocery store in the neighborhood – recently saw its rent jump from $32,000 to $200,000. Despite protests and picket signs by residents and elected officials, the market shut its doors in May 2016.

When mom and pop stores are pushed out, landlords will often leave stores empty for long periods of time in hopes of finding a tenant who can pay much higher rent. Instead of renting to another independent business for a similar rent as the previous tenant, landlords will hold out for a tenant – often a large corporate chain – that is able to pay exponentially more than the previous tenant. This was a concern that small business owners expressed many times, in some cases likening this trend to pure landlord greed. As economist Tim Wu has said of this phenomenon, "That suggests waiting for Marc Jacobs instead of renting to Jane Jacobs."[8]

This looks different in different neighborhoods. In Chelsea it means more chains and pharmacies replacing independent stores. In the West Village and Soho it means more high-end chain retailers that are antithetical to the traditional bohemian character of the Village. And in parts of the East Village, where chains have been slow to invest, it means stores sit vacant for years with no prospects for new commercial tenants.

"Nobody little can afford to open a small business now. I couldn't do this now... The American dream is over."

–Greenwich Village small business owner for 25 years

The presence of "formula retail," which as its name suggests refers to chain stores that follow the same formulaic business model and decor in several stores, is one reason landlords can keep stores vacant for long periods of time. These chains are often large corporations that can and will pay much more than an independent business for rent. Formula retail has seen massive proliferation in New York City in recent years. According to the Center for Urban Future's annual "State of the Chains" report, the raw number of national chains in New York City grew for the seventh consecutive year from 2014-2015, with stores like Dunkin Donuts, Subway, and Duane Reade/Walgreens topping the list.[9]

Unfortunately, studies have shown that formula retail can have a deleterious effect on a local economy, as the store's profits are much less likely to stay in the community. For example, one study found that throughout the U.S. only about 13.6% of revenue from national chains is reinvested back in the local economy, compared to 47.7% returns from locally-owned businesses.[10] And a study in Austin, Texas found that $100 spent at a Borders bookstore generated $13 of local economic activity, compared to $45 for a local bookstore.[11]

Given their ability to pay higher rents, it is somewhat surprising that even chains are not exempt from the phenomenon of high rent leading to vacancy. Starbucks coffee shops first came to New York City in the mid-1990s and quickly became ubiquitous, with over 200 locations currently in Manhattan alone. Now, many Starbucks stores are beginning to see the expiration of their 20-year leases (a lease length that is reportedly difficult to sign in today's market), and those located on busy commercial corridors are facing much higher rents than when originally leased. In 2015, for example, a Starbucks at 33rd Street and 5th Avenue closed when a lease deal could not be reached; while now the space rents for upwards of $1 million.[12] Another Starbucks on 67th Street and Columbus Avenue closed in 2016 after the rent was raised to over $140,000 per month.[13]

A vacant store on the corner of 8th Street and 6th Avenue demonstrates a new phenomenon occurring with storefront banks in New York City, suggesting even these large corporations are not immune from the problem of high-rent blight. This location was previously a Barnes and Noble bookstore until it closed at the end of 2012. In 2014, TD Bank signed a ten-year lease on the space, but for unconfirmed reasons decided not to open in that space. TD Bank has been trying to sub-lease the space since then, but rents of approximately $200,000 per month has kept the store vacant for years. Similarly, a Capital One bank on 8th Street and University Place recently consolidated two branches, leaving that storefront vacant with six years left on its lease. Other local anecdotes suggest banks are moving into smaller spaces – perhaps due to competition from online banking and less of a willingness to pay exorbitantly high rents.

Small business owners listed competition with internet sales as a major factor in maintaining a profit. The retail market has shifted such that consumers purchase many of their goods online instead of in stores, which harms the storefront retail market.

In addition, commercial tenants located in Manhattan south of 96th Street who pay $250,000 or more in annual rent are subject to New York City's Commercial Rent Tax (CRT), which sets a 3.9%

"You know you have a problem when Starbucks can't pay the rent." –Mayor Bill de Blasio on WNYC, March 31, 2017

effective tax rate on the base rent paid to the landlord. This tax was established in 1963 when the city was approaching the state's statutory limit on property tax rates and needed to find a creative way to generate additional revenue. The CRT has not been significantly amended since then, meaning more and more businesses have become subject to the tax over time. In 2003, 5,858 businesses were subject to the tax, and by 2015 this figure jumped to 7,354.[14] News reports suggest there is a widespread problem of small businesses not being aware of the tax, leading to difficulty in paying back taxes.[15] New York City is the only known municipality to charge such a tax on commercial tenants outside of Florida.

Additionally, landlords frequently pass along all or part of the building's property taxes to tenants, adding even more hidden costs to business owners. By paying the CRT on their rent, this amounts to a sort of double-tax for small business owners who must pay taxes on property taxes. Additional issues small businesses reported as challenges include meeting the new minimum wage requirements, dealing with a high degree of regulatory burdens and fines, and rising utility costs.

> ***"Commerce is killing culture."***
> ***–Small Business Owner, East Village***

Several small business owners suggested that landlords receive a tax deduction by leaving stores vacant – a sort of "hardship" benefit for dealing with the loss in rent revenue from a vacant store. In speaking to tax experts and reviewing the state tax code, we were not able to identify any such deduction, leading us to conclude this is likely pervasive misinformation.

While landlords who own just one or two buildings certainly might experience financial hardship from a vacant store, many buildings in Manhattan are owned by large companies and wealthy, diversified landlords and are less impacted by owning one vacant store. Some stores are also reportedly owned by foreign landlords who do not know the local territory.[16] Small business owners repeatedly brought up the power of the real estate industry in New York City, fearful that tax benefits and other policies are in place to strengthen the industry at the expense of community character.

Impact on the Neighborhood

When a mom and pop store is pushed out, local residents often express sadness and frustration over the loss of the business and the loss of community character. These claims are more than simply bemoaning the tides of change. They are rooted in real impacts caused by the individual and collective shuttering of small businesses.

First, losing a store means losing access to those goods or services, and forcing people who rely on the store to shop elsewhere. Depending on the type of store, this can have varying degrees of impact. Yet significantly, as several small business owners pointed out, when consumer behaviors are forced to change there are ripple effects. For example, maybe now that your local pharmacy is closed you no longer visit the coffee shop next door or the nail salon right across the street, opting instead to shop on a different street or in a different neighborhood where you can more conveniently find all of those goods and services. This behavior change can be lasting, such that if a similar store reopens at the vacant location consumers will stick with their new routine instead of returning to old habits.

As stores pay higher and higher rents, the neighborhood pays higher and higher costs. High commercial rents naturally get absorbed into the price of goods and services, causing yet another ripple effect for the entire neighborhood. Residents have expressed fears they will be priced out of their own neighborhoods. For example, the Redwood Kitchenette & Bar at 102 8th Avenue near 16th Street used to serve $5 beers at its daily happy hour.[17] Now the store is a Liquiteria, a juice chain where you can get a smoothie for $9.[18]

Policy Recommendations

There is no silver bullet that will curb the high rate of small business vacancies in our community. However, there are a few solutions worth considering that could help local businesses. First, I plan to introduce legislation in the State Senate on the following two issues:

- **Create the New York City Legacy Business Registry**

New York State should track and maintain a public registry of small businesses that have been in New York City for at least 30 years. This would serve as a starting point to develop future policy solutions to address small business vacancy, such as treating these stores as historic properties, making them eligible for historic preservation tax credits, or other benefits to be determined. The Legacy Business Registry would serve as a way to recognize important and long-standing retailers in New York City as historic community assets.

This program is modeled off the City of San Francisco's Legacy Business Registry, which was adopted through legislation in 2015. Their program is tied to the Legacy Business Historic Preservation Fund, a first-in-the-nation grant program for business owners and property owners who extend ten-year or longer leases to Legacy Businesses.[19]

- **Create formula retail zoning restrictions**

Formula retail stores, or chains, can often pay higher rent, but return much lower economic benefit to a community. I plan to introduce legislation that would enable New York City to place limits on formula retail uses. This legislation would make it clear that the city's local government has the authority under New York State law to enact regulations to address the issue of formula retail uses.

San Francisco, California famously enacted formula zoning regulations, which is a model that New York City could follow if the state passes authorizing legislation. Under the 2004 local law, formula retail stores are considered conditional uses throughout most of the city. Before receiving final approval, these stores must be approved by the Planning Commission on a case-by-case basis.[20]

In addition to these legislative solutions, here are some additional legislative and policy recommendations to address the issue of small business vacancy:

- **Phase out tax deductions for landlords with persistent vacancies.**

While the state level of government is limited in its ability to impact local zoning decisions, one way the Legislature can act is by utilizing its taxing authority. While landlords who leave retail storefronts vacant cannot deduct the lost potential rental income they could have received from their state income tax liability, they, like all owners of commercial real estate, are able to receive deductions for depreciation of the property and operating expenses. To create a disincentive for leaving retail storefronts vacant, the state could explore phasing out those deductions, on a sliding scale, for building owners who leave retail spaces vacant for over one year.

New York could also consider various tax incentives, credits, or penalties to dissuade landlords from keeping a store vacant. As one example of this type of policy, the City of London provides commercial building owners who lose their tenants a short period of relief on their business rates, or taxes. After three months, the tax relief expires and owners must pay full business rates even if the store is vacant. This is meant to encourage landlords to rent out their space.[21]

- **Eliminate the Commercial Rent Tax**

The Commercial Rent Tax (CRT) is an onerous and outdated burden on many small businesses throughout my district. The tax only applies to commercial tenants in buildings below 96th Street in Manhattan, essentially subjecting them to double-taxation and putting them at a distinct disadvantage compared to businesses elsewhere in the city. New York State grants New York City its taxing authority, which means it can also eliminate that authority. The state could explore legislation that would strip the city of its ability to levy the Commercial Rent Tax on small businesses, coupled with much-needed property tax reforms to minimize the impact of the City's budget.

- **Conduct a statewide study on the economic impacts of small business vacancies**

While this report provides a snapshot of the state of small businesses in the 27th Senate District, a broader, state-authorized study of the economic conditions leading to small business vacancy is warranted. The Empire State Development Corporation could conduct such a study.

- **Collect sales tax on all online marketplace sales**

Online marketplace platforms like Amazon, Etsy, and eBay allow outside sellers to sell their products to consumers. Currently, sales tax is only levied on sales to New York residents if the seller also posts a New York address. Sales to New Yorkers by out of state sellers are tax-free, costing the state vital tax revenue and providing an incentive to shop online instead of paying sales tax in retail stores.

The New York State Executive Budget Proposal for the 2017-2018 Fiscal Year included a proposal to require marketplace providers who make over $100 million in sales annually to collect sales and use tax on all sales to New York State residents, whether the seller is located within or outside New York. The proposal was estimated to generate between $136 and $200 million annually when fully implemented, in addition to offering benefits to storefronts that are currently disadvantaged compared to these marketplaces that do not need to charge sales tax. However, this proposal did not end up in the final enacted budget. This idea warrants further consideration.

- **Encourage local merchant and statewide organizing**

In talking with some local small business owners, it became clear that there was no strong, centralized citywide trade association or organization of mom and pop businesses that work to address high rents and vacancies in a systematic way. A coordinated organizing arm would enable small businesses to have a louder voice in policy decisions that affect them at the state or city level. A model is the Retail Council of New York State, a trade association that represents members in matters of statewide legislative concern.

Similarly, local merchants associations have their fingers on the pulse of a community and can alert policy makers to a community's needs more efficiently. For instance, the East Village Independent Merchants Association (EVIMA) recently emerged "to create a strong and diverse business environment that sustains the unique character of our neighborhood" and is working on the issue of high vacancy rates in the East Village.[22]

- **Improve state resources for mom and pop businesses**

The City of New York and many local nonprofit organizations offer resources to support small businesses when they need help. NYC Small Business Services offers free services to help businesses start, operate and expand, such as navigating government agencies, training programs and more.[23] Nonprofit organizations offer additional programs, like free business counseling and pro-bono legal services.

However, few business owners we spoke with were aware of state-level resources to help small businesses in New York. Empire State Development's Division of Small Business Services and Community Economic Development supports the growth and development of small businesses with under 100 employees. However, there does not appear to be support targeted to very small businesses with a handful of employees, like most NYC storefront retail businesses. We should allocate more targeted resources for these businesses at the state level and help connect those resources to local small businesses.

- **Promote shop local campaigns**

Promotional "buy local" campaigns are proven to boost business at local small businesses. This is a relatively easy way the city or local organizations can work to boost up business. For example, Kew Gardens, Queens recently kicked off a 3-week pilot program for its Shop Local campaign. A local organization called Karing For Kew Gardens conceived the program, reached out to local businesses to participate, and printed 2,000 reusuable bags they filled with coupons, menus, and information about those businesses.[24]

- **Keep vacant storefronts active with pop-ups**

One way to reduce the blight and eyesores brought on by vacant stores is to fill those storefronts with temporary shops or displays, which is increasingly happening throughout the country.

Temporary pop-up shops are sometimes used for retailers to experiment with concepts and test new markets. Local towns and cities have also worked to beautify vacant stores by placing artistic or historical displays in vacant storefront windows, sometimes with government support. Some places have also filled vacant storefronts with seating and décor to serve as temporary public spaces.

A storefront operating as a privately-owned public space on Broadway and 62nd Street

Transforming these empty spaces into useful, temporary spaces presents a viable solution that works equally well for artists or emerging business owners, who get the space and exposure; landlords, who can generate some income from the use; and the neighborhood and city as a whole, which can enjoy a vibrant space instead of an empty or ugly storefront. Even as a temporary solution, these ideas can transform a community from blight to vibrancy. These creative solutions could even be tied to a tax incentive for landlords.

For example, for the 2014 holiday shopping season, the City of San Antonio, Texas partnered with the private real estate industry to offer no-cost, short-term leases to 21 local entrepreneurs and small businesses to operate temporarily in vacant storefronts. The initiative served the dual function of allowing the businesses to test the downtown San Antonio market and transforming the streets into more vibrant places for the holiday season.[25]

- **Improve vacancy data collection**

Our survey indicated an extremely high vacancy rate along Bleecker Street and other corridors in the district. However, it shouldn't take a survey by an elected official to determine the scope of the vacancy problem. There is currently no such centralized data on New York City's storefront vacancy rates, and the absence of this data allows problems to continue unabated. This data should be proactively collected and made publicly available by the city. The New York City Department of Small Business Services could serve in this role by maintaining regular data on the number of storefront vacancies throughout the City.

- **Pass Local Zoning and Tax Laws to Protect Mom and Pop Retail**

New York City can enact a variety of local zoning laws and regulations to address the problem of small business vacancies.

The Small Business Jobs Survival Act (SBJSA) was first introduced in the New York City Council by Ruth Messinger over three decades ago, and has been around in some form since then. Currently sponsored by Council Member Annabel Palma, the bill would give tenants a new set of rights when it comes to commercial lease renewals. It would grant commercial tenants the right to a minimum 10-year lease, the right to a lease renewal, and the right to equal negotiation terms when renewing a lease including recourse to binding third party arbitration if needed. It would also restrict landlords from passing the building's property taxes onto business owners. When talking to business owners and community members about small business vacancies, nearly every conversation led to a mention of this legislation.

Several City Council Members have recently introduced legislation to reform the byzantine Commercial Rent Tax (CRT). One bill, led by Council Members Dan Garodnick and Helen Rosenthal, would lift the threshold for applicability for the tax from $250,000 to $500,000. This proposal would cost the city an estimated $52 million while protecting more than 3,400 small businesses from a difficult tax burden. A second bill by Manhattan Borough President Gale Brewer and Council Member Corey Johnson would provide CRT exemptions for billboards that advertise theatrical works and for affordable supermarkets. A third bill by Council Members Margaret Chin and Helen Rosenthal would require the City's Department of Finance to conduct annual reports on which businesses are paying the CRT.

Community leaders frequently point to a local zoning restriction on the Upper West Side that limits the number, types, and size of retail on each block, with specific restrictions on the size of banks and large chains. Local residents feel this plan was successful in maintaining community character.[26] This initiative was the brainchild of then-City Council Member Gale Brewer, who continues to lead exemplary work on the topic of small business vacancy in Manhattan. The City could look at this model and explore ways to expand it in additional neighborhoods.

Acknowledgements

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We also extend our thanks to the small business owners and community leaders who spoke with us for this report. Some of these individuals are actively undergoing tenuous

lease negotiations, so we have chosen to keep their names out of this report. We also thank Justin Levinson and especially Tim Wu for his insights on this issue.

This report's methodology entailed surveying vacant storefronts, talking with small business owners and community leaders, and reviewing press reports. It relies heavily on anecdotal evidence and is not intended to be a scientific study.

All images in this report were collected from our vacancy survey in the 27th Senate District.

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