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September 17, 2024

Hon. Daniel Garodnick Chair City Planning Commission 120 Broadway New York, NY 10271

Dear Chair Garodnick:

I write in support of upholding EC-3 of the Special Enhanced Commercial District Upper West Side Neighborhood Retail Street Zoning and request that the City Planning Commission (CPC) deny the Zoning Authorization application at 2360 Broadway/The Belnord to allow a bank tenant to occupy existing ground floor retail with a 46 foot 3 inch street frontage, far exceeding the allowed 25 feet.

On June 12, 2012, with support from then CPC Commissioner Amanda Burden and then Mayor Michael Bloomberg and a vote by the City Council, I succeeded in passing into law the <u>Special Enhanced</u> Commercial District Upper West Side Neighborhood Retail Streets zoning.

This zoning text change took years of study and review before it became law; the Department of City Planning (DCP) assigned staff to compare commercial vacancies in different neighborhoods of the five boroughs in advance of any change in the law.

As stated above, the law along Broadway (EC-3) is: "New and expanding banks and loan offices shall not exceed 25 feet in width at street level. All lobbies for upper floor uses shall not exceed 25 feet in width at street level. There are no restrictions on banks' expansion above or below street level."

I feel strongly that CPC should not vote to grant an exemption and set a precedent for other landlords to break the law. The purpose of the zoning is to make the streetscape interesting with active commercial properties lining the streets. This bank space could be occupied by any other kind of commercial enterprise, just not a bank!

In 2007, Manhattan Community Board 7 (CB7) and I contacted DCP with concerns about potential erosion of the Upper West Side's unique commercial character. Let me share an example of what residents were upset with; it was the store on the other side of the Belnord!

CVS Pharmacy, The Belnord commercial tenant at 540 Amsterdam Avenue, replaced eight stores. Its frontage runs the length of Amsterdam from West 86 to 87 Streets, lacking transparency and any effort at active design. To this day, most of the windows in that store have nothing in them except a red

curtain. It is dead looking space.

In the early 2000's, the proliferation of stores with large frontages along Amsterdam and Columbus Avenues, and particularly of large banks along Broadway, was changing the overall makeup and active pedestrian oriented character of these commercial streets.

The community complained that large banks were occupying a disproportionately high share of street frontage, eroding the active character of the smaller stores. I should note that my staff and I at that time identified 70 banks in the Council District, with the Pratt Institute mapping an additional 29 banks proposed for the neighborhood. For several years and to its credit, DCP carefully studied this area and extensively engaged the BIDs, local property owners, the banking industry, small businesses, and many community stakeholders.

As noted in the September 9, 2024 City Planning Review Session, the Commission may authorize an exception to modify maximum street wall widths providing a *high ground floor vacancy rate* exists within a *reasonable distance* of the proposed uses, and is a consequence of adverse market conditions.

At the same Review Session, DCP staff shared that CB7 had historically recommended 15% vacancy within a half mile along Broadway, and DCP a 'healthy' vacancy rate of 5-10%. As such, the EC-3 vacancy rate of 14.8% (presented by DCP staff) does not appear to meet the high ground floor vacancy metric along Broadway to merit the modification.

The applicant cites a 26% commercial vacancy within 600 feet of the project area. Just over two city blocks is an insufficient study area, especially when The Belnord takes up the entirety of the block bounded by West 86 Street, Broadway, West 87 Street, and Amsterdam. In addition, while the commercial spaces at 2373 Broadway are long vacant (former site of Banana Republic and Gristedes), Crain's New York Business reported that the ongoing vacancy is the result of a legal conflict between the commercial space owner and residential condo board over ventilation system approval (not adverse market conditions).

As I said earlier, the issue of how to rent vacant stores is challenging and the solutions take time. In addition to the proposal not meeting the threshold for modification, this application presents a deeply concerning precedent whereby commercial spaces can be left vacant for long periods of time (while pursuing hefty rent projections by their banks) and for owners to then use that vacant period as proof positive for meriting the return to banks and large frontages that West Siders rejected as misshaping their neighborhood not too long ago.

I know the value of data, which allows us to track and identify issues, and to measure results. I passed a law to gather and maintain the data on ground and second floor commercial vacancy (Local Laws 157 of 2019 and 95 of 2022). This database can help identify vacancy trends throughout the city, spot areas where vacancies are rapidly increasing, and identify specific property owners and managers who demonstrate a pattern of forcing out small business. New York City Small Business Services (SBS) has allocated funding to map the information in real time.

As I noted above, in 2012, Banana Republic – the commercial tenant at 2360 Broadway – vacated the space (moving to 2373 Broadway, across the avenue). It remained empty until early this year, when a

Starbucks moved into a newly renovated segment of the 2360 Broadway site. The 2061 sq. ft. space features large windows, long operating hours between 5:30am/6:30am-7:30pm and customer seating that is often in use. It is an asset to the area.

Following a long period of vacancy, this successful reconfiguration and leasing of the commercial space is a credit to the owner and demonstrates the viability and benefits to encouraging an active retail environment – in line with the goals of the zoning text. It is worth noting that the Starbucks location at 2370 Broadway closed after the opening of the 2360 Broadway location – and is under renovation for a new tenant. The applicant at 2360 Broadway/The Belnord has the same opportunity to reconfigure the vacant space and create multiple more appropriately sized storefronts.

Thank you for your attention to this issue. I urge you and the Commissioners to vote no on allowing a bank tenant to occupy the retail space at 2360 Broadway that exceeds the 25 feet maximum street wall width. Rent to a tenant that has an active streetscape.

I look forward to your response.

Sincerely,

Gale A. Brewer

cc: Beverly Donohue, Chair, Community Board 7