Testimony to New York City Council

Committee on Small Business

jointly with the Subcommittee on Zoning & Franchises

regarding promoting retail diversity and preserving neighborhood character

September 30, 2016

Good morning Councilmembers, and thank you for the opportunity to testify. The Greenwich Village Society for Historic Preservation is the largest membership organization in Greenwich Village, the East Village, and NoHo. GVSHP supports the effort to explore and implement zoning and other incentives for promoting retail diversity and preserving neighborhood character. We believe there are a multitude of strategies put forward by shop owners and advocates which could be considered. Our own Business of the Month program seeks to promote local small independent businesses in Greenwich Village, NoHo and the East Village by nomination from the public.

Formula retail or big box chain stores can in some cases pose a threat to retail diversity and to small independent businesses. These small businesses not only add character and a variety of services and products to neighborhoods, but keep more revenue local.

We believe that measures which would limit, discourage, or outright prohibit chain or formula retail in certain areas merit consideration. For instance, the East Village Community Coalition released an excellent report which GVSHP assisted with analyzing the spread of formula retail or chain stores in the East Village. The report offered several sound suggestions for ways to prevent the overconcentration of chains or formula retail in neighborhoods like the East Village, which benefit so much from and derive so much of their identity from their unique, independent businesses. But these recommendations could be implemented in other parts of the city as well, and include limiting chains to major commercial thoroughfares, requiring special permits for certain kinds of chains, regulating maximum square footage and combining of storefronts,
returning to residential use grandfathered non-conforming uses when they are vacant for a period of time, or a ban on chains in certain areas.

While zoning incentives are important to consider, without consideration of commercial lease renewal protections, it won’t be enough. One approach to the vexing challenge of rent gouging and refusal to renew a lease would be the Small Business Jobs Survival Act. Supported by a majority of council members, a hearing and vote specifically on that bill should occur.

To many the commercial lease renewal process is more of a shakedown than a fair negotiation. The bill could better level the playing field for small businesses dealing with difficult and unyielding landlords.

Our city's neighborhoods are struggling to hold on to their character-defining, job-producing, entrepreneur-driven small businesses. We need legislation and zoning measures as soon as possible to protect them from unfair competition and price gouging landlords. We hope today's hearing will bring us to serious consideration of and a vote on such measures.