CRISIS AND ADAPTATION:

Storefront Trends in the East Village, 2019–2021

Released July 2022
Executive Summary

This survey of East Village storefronts serves as an update to the results from a similar survey conducted pre-pandemic, in 2019. The study covered 1,776 ground-floor commercial spaces in the neighborhood and found 14% of them vacant, a five-percentage-point increase since 2019. Underlying this increase in vacancies was a substantial amount of churn among business establishments, with 261 opening and 336 closing during the course of the study period, as well as 17 relocating within the neighborhood and 13 expanding into adjacent storefronts.

The business composition of the neighborhood also saw a degree of change. Although the mix of business types remained relatively stable, some categories did experience growth and decline in their numbers, often in line with expectations surrounding the impacts of the pandemic and attendant public health measures. A complementary merchant survey we conducted identifies commercial rent, the availability of skilled workers, and marketing costs as the three greatest challenges facing storefront businesses in the area. Overall, the findings underscore the need for additional support, resources, and merchant organizing in order to reinvigorate the neighborhood business community as it continues its recovery from the disruptions of the past two years.

Purpose of Study

The overarching goal of the storefront survey was to update a fall 2019 storefront survey conducted by the Lower East Side Partnership as part of a Commercial District Needs Assessment of the East Village, within the blocks bounded by East 14th Street to the north, Houston Street to the south, Avenue D to the east, and Third Avenue and the Bowery to the west. Having this pre-pandemic snapshot of the district inspired us to re-survey the area in October 2021, to reflect updated storefront locations, occupancies, and vacancies in the East Village.

Data and Methodology

This iteration of the storefront survey builds on work done by BetaNYC and the East Village Community Coalition on the What’s Open East Village map, which was created in April 2020 in response to the pandemic. BetaNYC provided our team with free technical support and with use of the ArcGIS Collector app to facilitate the survey. With their help, we were able to create an accurate map of all known storefronts or ground-floor nonresidential spaces accessible to the public in the district (Fig. 1. Storefront Study Area Map, next page). This groundwork will make ongoing commercial district data collection and analysis more streamlined.
We used the same data-gathering methodology as the 2019 CDNA survey so as to enable comparison between both survey results. We considered as storefronts all ground-floor nonresidential spaces accessible to the public, counting as vacant any that were: empty with no activity; advertised by a sign as available or for lease; or under construction or in a building under construction. We treated as occupied all storefronts that failed to meet the above criteria. Our classification of "business expansion" applied to existing establishments that expanded into a neighboring commercial space. That of "business relocation" applied to establishments once located within the study area that reopened at a new location within the study area, maintaining the same business and offerings.

Before undertaking the survey, we reconciled the points from the 2019 survey with those on the WhatsOpenEV.com map. For the remaining locations, we recorded any changes we found in business name, type and vacancy status. If a storefront space existed but lacked a corresponding point on the Collector map, we added it. We also noted instances of business expansion. For vacant storefronts, we specified the visible evidence for that determination. If the status of a business or location was ambiguous at the time of the survey, we marked it as such until its status could be confirmed.

After the conclusion of the street data gathering, we reviewed all the entries to ensure category consistency, eliminate duplicate entries, correct discrepancies, and clarify the status of any storefronts marked unsure (through follow-up visits, calls, and email). In order to analyze the business composition of the district, we classified establishments according to the North American Industry Classification System (NAICS), the standard used by federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing, and publishing statistical data related to the U.S. business economy. For some analysis, we grouped businesses by two-digit NAICS codes: Retail Trade (44-45), Accommodation and Food Services (72), and all other categories. To compare our categorizations with citywide quantities of businesses in
each category, we summed annual data obtained from the NYS Department of Labor statistics for the five counties within New York City (Bronx, Kings, New York, Richmond, and Queens) in 2019 and 2021. Finally, we identified all formula retail establishments by using online sources to determine conformity to the following definition: "[a] retail sales establishment that, along with ten or more other retail sales establishments located in the United States, maintains two or more of the following features: a standardized array of merchandise, a standardized facade, a standardized decor and color scheme, a uniform apparel, standardized signage, a trademark or a service mark."¹

To analyze relationships between the storefront geospatial data we collected and landlord size, we used JustFix.nyc's Who Owns What tool, which links together properties through common ownership found in public Housing Preservation and Development (HPD) registration data.² This tool gathers the business address (or addresses) of entities registered with the property on HPD and finds other properties in the city with a matching address. It further gathers the "Head Officer," "Individual Owner," and "Corporate Owner" contact names registered with the property on HPD and finds other properties in the city that have a matching contact name, using "fuzzy matching" to account for misspellings. Under this algorithm, Who Owns What estimates a building owner's portfolio, as well as HPD-registered properties that fit the above criteria. All statistics and summarizations in this report were calculated using the complete set of portfolios determined by Who Owns What for all HPD-registered properties in May 2022.

For the purpose of this report, the terms “buildings” and “properties” refer to city tax lots as defined by the Department of City Planning. Some of the buildings in the study area are not required to be registered with HPD and are therefore missing landlord data; throughout the report, this is noted and these properties are labeled as such or excluded from the analysis. We used the landlord size categories used in a 2020 report on citywide building ownership by JustFix.nyc, so as to enable comparison with its findings.³

In addition to the storefront survey completed in fall of 2021, we also collected information about merchants’ experiences in the neighborhood through a merchant survey. Conducted in fall/winter of 2021, the survey was dispersed digitally through a Google form and in print through door-to-door outreach to merchants. It was translated into Spanish for the door-to-door outreach. Fifty-five merchants completed the survey, sharing information about their current business, commercial leases, future business plans, helpful small business resources, and opinions on culture and characteristics of the neighborhood.

¹ This definition was used to align with the definition Manhattan CB3 used in the formulation of a plan for an Enhanced Commercial Special District https://www1.nyc.gov/html/mancb3/downloads/zoning/ECD_05082019.pdf
² whoownswhat.justfix.nyc
Main Findings

I. Vacant Storefronts
The number of vacant storefronts increased from October 2019 to October 2021.

In October 2019, 14% of storefronts in the study area were vacant (246 out of 1,776) (Fig. 2: 2019 Storefront Vacancies by Parcel Map). By October 2021, this rate had increased to 19%, with 331 out of 1,776 storefronts vacant (Fig. 3: 2021 Storefront Vacancies by Parcel Map). Although this five-percentage-point increase was smaller than the seven-percentage-point increase seen across the borough of Manhattan during this period, the vacancy rate within the study area exceeded the boroughwide level in both years: 10% in 2019⁴ and 17% in 2021⁵.
While overall the number of vacant storefronts increased by 35% in the study area from 2019 to 2021, this increase was not evenly distributed among study area corridors (Fig. 4: Vacancy Overall and by Corridor Table). On First Avenue, Second Avenue, and Avenue C, the percentage change was greater than 35%; and on Houston Street it was dramatically greater. [For further detail on storefront vacancy changes along that corridor, see the photo sidebar of 250 East Houston Street (page 9).] Along Avenue A and Avenue B, the percent change fell short of the study-area–wide rate of 35%, even though these corridors still experienced increases in the number of vacancies. On 14th Street, on the other hand, the number remained the same; and on Avenue D and Bowery/Third Avenue, vacancies actually decreased.

In considering rates of vacancies along the corridors within the study area, we should note the uneven distribution of the vacancies within them. A higher-than-average rate may reflect a concentration of vacancies along a small segment of an otherwise mostly occupied corridor. Conversely, a lower-than-average rate may obscure such concentrations. For this reason, we conducted a supplementary geographic distribution analysis, the mean center.

The geographic distribution of vacant storefronts appears to be similar to the overall distribution of storefronts and does not seem to have changed dramatically during the two-year study period.

In order to examine the distribution of vacancies within the study area and changes to that distribution we calculated the mean center (i.e., the average x and y coordinate) for vacant storefronts and all storefront locations. This calculation supports two conclusions. First, the coincidence between the storefront and the vacancy mean centers suggests a correspondence between overall

<table>
<thead>
<tr>
<th>Corridor</th>
<th>Storefront Spaces Total</th>
<th>2019 Vacancies</th>
<th>2021 Vacancies</th>
<th>2019 Vacancy Percentage</th>
<th>2021 Vacancy Percentage</th>
<th>% Change</th>
<th># Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bowery/3rd Ave</td>
<td>52</td>
<td>11</td>
<td>8</td>
<td>21%</td>
<td>15%</td>
<td>-27%</td>
<td>-3</td>
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<tr>
<td>2nd Ave</td>
<td>164</td>
<td>24</td>
<td>34</td>
<td>15%</td>
<td>21%</td>
<td>42%</td>
<td>10</td>
</tr>
<tr>
<td>1st Ave</td>
<td>189</td>
<td>22</td>
<td>31</td>
<td>12%</td>
<td>16%</td>
<td>41%</td>
<td>9</td>
</tr>
<tr>
<td>Avenue A</td>
<td>150</td>
<td>27</td>
<td>29</td>
<td>18%</td>
<td>19%</td>
<td>7%</td>
<td>2</td>
</tr>
<tr>
<td>Avenue B</td>
<td>114</td>
<td>25</td>
<td>31</td>
<td>22%</td>
<td>27%</td>
<td>24%</td>
<td>6</td>
</tr>
<tr>
<td>Avenue C</td>
<td>91</td>
<td>13</td>
<td>25</td>
<td>14%</td>
<td>27%</td>
<td>92%</td>
<td>12</td>
</tr>
<tr>
<td>Avenue D</td>
<td>30</td>
<td>5</td>
<td>3</td>
<td>17%</td>
<td>10%</td>
<td>-40%</td>
<td>-2</td>
</tr>
<tr>
<td>14th Street</td>
<td>78</td>
<td>19</td>
<td>19</td>
<td>24%</td>
<td>24%</td>
<td>0%</td>
<td>0</td>
</tr>
<tr>
<td>Houston Street</td>
<td>17</td>
<td>3</td>
<td>10</td>
<td>18%</td>
<td>59%</td>
<td>233%</td>
<td>7</td>
</tr>
<tr>
<td>Study Area Overall</td>
<td>1776</td>
<td>246</td>
<td>333</td>
<td>14%</td>
<td>19%</td>
<td>35%</td>
<td>87</td>
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</tbody>
</table>

Fig. 4: Vacancy Overall and by Corridor

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storefront density and vacancies. Second, the coincidence between the 2019 and 2021 vacancy mean centers suggests little change in the distribution of vacancies during the study period (Fig. 5: Spatial Distribution of Storefront Locations and Vacancies 2019 & 2021 Map).

Of the 333 vacant storefronts observed in 2021, 171 are new vacancies (Fig. 6: New Storefront Vacancies 2021 Map), 149 were also vacant in 2019 (Fig. 7: Persistent Vacancies Map, next page), and 13 are new buildings or were otherwise not surveyed in 2019.

Medium and large landlords (6–60 buildings) own buildings with a majority of storefront spaces overall, and own properties with greater-than-proportional rates of new vacancies, business closures since 2019, and persistent vacancies (Fig. 8: Landlord Size Summary Table, next page).⁷

As with New York City as a whole,⁶ property ownership in

⁶The breakdown of categories was selected to track those used in the below referenced JustFix.nyc citywide landlord analysis and allow us to compare our results to its findings.

the study area skews toward landlords with large portfolios of properties. Of the 1,776 storefronts surveyed, 1,172 (or 66%) are located in buildings owned by landlords who own at least six buildings.

Large landlords (i.e., those with portfolios of 21–60 buildings) owned buildings with a combined 417 storefronts, or 27% of the storefronts with landlord data available. However, these buildings had a greater-than-expected proportion of all persistent vacancies (29%), business closures since 2019 (32%), and new vacancies (36%) within the study area. Similar trends were observed for medium landlords (i.e., those with portfolios of 6–20 buildings).⁸

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⁸ We encourage cautious interpretation of these comparisons between landlord size and storefront trends, given the small number of observations determining the apparent disproportions.
Vacancy Hotspots

**Avenue A between 2nd and 3rd Streets:** Many of the storefronts in the NYCHA-owned First Houses have not been leased.

**438 East 12th Street:** When construction was completed on 82-unit luxury condominium the Steiner East Village in 2017, the developer prioritized selling the residential units, with a longer-term vision for filling the commercial space with businesses that would serve as amenities for the residents.

**250 East Houston Street:** Planned demolition and redevelopment of the eastern portion of the one-story “strip mall” section of this block-long property resulted in seven new vacant storefronts.
The number of establishments operating within the study area declined by 4%. While this suggests an adverse economic climate for existing businesses across the board, that impression would be misleading and would obscure a far more dynamic picture. There was a great deal of churn among storefronts during the study period, with hundreds closing and hundreds opening, and with numerous expansions and relocations within the neighborhood.

In all, 257 new businesses opened (Fig. 9: 2021 New Businesses Map), and 336 businesses closed (Fig. 10: Businesses Closed Since 2019 Map).

The decline in the number of businesses within the study area did not unfold uniformly across all types of businesses. Accommodation and Food Services (NAICS 72) declined over twice as much as Retail Trade (NAICS 44-45) and all Other Categories (all other NAICS codes), both of which remained relatively stable. Accommodation and Food Service establishments declined by 6%; Retail Trade businesses, by only 2%. This diverges from the pattern seen during this period in Manhattan and in New York City. In Manhattan, the
corresponding declines were by 7% and 9%; citywide, they were by 4% and 6%⁹ (Fig. 11: Summary Table of Business Categories).

Thirteen businesses expanded into neighboring storefronts as of October 2021.

Of the 13 establishments that expanded into neighboring storefronts between October 2019 and October 2021, three were full-service restaurants, three were bars or clubs, two were wine or liquor stores, two were supermarkets or specialty food stores, and the remaining three were a café/bakery, architecture firm, and art gallery. Only one of these establishments, the H-Mart on Third Avenue, is a chain (defined as an establishment with 10 or more locations in the U.S. and standardized branding).

None of these businesses expanded across a tax lot; all expanded into adjacent storefronts at the same address or also-known-as address within one lot.

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<table>
<thead>
<tr>
<th>2-Digit NAICS Business Category</th>
<th># Closed Since 2019</th>
<th># Businesses Opened Since 2019*</th>
<th>Absolute Change (#)</th>
<th>Percent Change</th>
<th>Percent Change</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail Trade (44-45)</td>
<td>87</td>
<td>72</td>
<td>-15</td>
<td>-2%</td>
<td>-9%</td>
<td>-6%</td>
</tr>
<tr>
<td>All Other Categories</td>
<td>89</td>
<td>66</td>
<td>-23</td>
<td>-3%</td>
<td>-2%</td>
<td>0%</td>
</tr>
<tr>
<td>Accommodation and Food Services (72)</td>
<td>160</td>
<td>119</td>
<td>-41</td>
<td>-6%</td>
<td>-7%</td>
<td>-4%</td>
</tr>
<tr>
<td>All Businesses</td>
<td>336</td>
<td>257</td>
<td>-79</td>
<td>-4%</td>
<td>-3%</td>
<td>-1%</td>
</tr>
</tbody>
</table>

* Includes relocations and expansions  
** Includes all establishments, not only storefront businesses

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*(NYS Department of Labor. (2021). *Quarterly Census of Employment and Wages (QCEW)*)*
Crisis and Adaptation: Storefront Trends in the East Village, 2019–2021

C&B Cafe’s narrow frontage did not afford much room for outdoor dining. The cafe pivoted operations during the pandemic, installing an oven in their cramped space to offer fresh-baked bread to a neighborhood eager for it. When the pandemic took its toll on the dry cleaners next door, C&B took the opportunity to gain more room for the bakery, cafe, and outdoor dining setup. They still haven’t removed the dry cleaners’ awning. C&B’s owner Ali Sahin reflected on the café’s decision to expand, sharing: “I expanded because our next-door neighbor left, and the space became available. Also, at the time, we had great community support that encouraged me to take the financial burden of expansion. ... Overall I have great expectations that are supported by current growing demand from the neighborhood. Bigger space allows us to do more and serve better products to our customers. So I believe my business will continue its slow and steady growth that is allowed by this expansion.”

The merchants of East 9th Street are a tight-knit group. Dinosaur Hill’s owner had some years earlier moved her magical neighborhood toy shop further east, in order to accommodate her neighbor Veselka’s dining-room expansion. When she saw the pandemic shutdown as her retirement exit cue, she invited Veselka to once again expand, to gain additional sidewalk and curbside space. Tom Birchard, one of Veselka’s owners, explains the restaurant’s decision to expand: “We are starting to do catering. We also send out food nationwide through Gold Belly ... We signed up for that since the pandemic started; and it has been tremendously successful. We badly need to expand to keep up with shipping food on Gold Belly and also to do our catering business; so we are looking toward the future.” The March Hare, operated by former Dinosaur Hill employee Karen McDermott and her partner Jason McGroarty, keeps the hands-on, 3-D toy spirit alive on East 9th Street. The couple lives on the block and started the new business during the pandemic.

Davies Toews Architecture’s East 13th Street storefront is a refreshing use of commercial space in an area well-served by bars and salons. Neighbors observe hard-working designers and architects through the storefront’s fourth wall, and are occasionally treated to a display of their latest models. When the adjacent Vietnamese sandwich shop on the corner closed, Davies Toews expanded their studio east on 13th Street, creating a sliver of a storefront shop on Avenue A. The shop operates...
like a gallery, with a rotating selection of curated goods, and is staffed by the designers.

Overthrow Hospitality is a local restaurant group known for nurturing talented vegan chefs, and creating venues for them to work their magic. The group is always on the move: expanding a concept that’s working, or finding a novel offering to replace one that’s not. When the pandemic interrupted indoor dining, Overthrow replaced Mother of Pearl Tiki Bar with a ground-floor bitters shop that sold the tools for customers to make their favorite Amor & Amargo cocktails at home, and posted recipes on social media. Three of the 13 expansions in the study can be attributed to these restaurants rebranding, which is not quite the same as a business expanding into a space previously leased by an entirely different business.

Additional plans to relocate or expand in the near future are underway for some East Village merchants; however, the majority plan to remain in their current locations. In the coming year, 58% of East Village merchants who responded plan to remain in their current storefronts, 16% plan to expand, 4% plan to relocate, 4% are unsure of their business plans, and the remainder of respondents indicated some combination of the prior responses or chose not to answer the question.

Seventeen businesses that had been operating in October 2019 have relocated within the East Village as of October 2021, with three more in the works at the time of the survey.

Business Relocations

Several East Village businesses found opportunities to relocate when other businesses closed in the midst of the pandemic.

Superiority Burger had long ago outgrown their popular hole-in-the-wall location on East 9th Street, resorting to temporary leases of nearby storefronts for storage and operations. When neighborhood staple Odessa was unable to make a comeback after the pandemic, Superiority jumped at the chance to run a full-service restaurant on Avenue A.

Storefront openings on the coveted block of East 9th Street between First and Second Avenues are traditionally few and far between. East 9th Street merchants work together as a team to support each other, and collaborate on promoting the block, which offers a unique variety of shops and services that could only have developed organically. Duo, a boutique featuring a tightly edited selection of gender-neutral vintage clothing and small, independent designer goods, didn’t
hesitate to make the leap down the block from their outpost home of 13 years, when a wider midblock storefront adjacent to other similar businesses became available.

**Sushi by M** debuted in December 2018 as a tiny, affordable omakase counter on East 4th Street that the talented chef soon outgrew, despite the constraints of the pandemic. Spiritea, a Vancouver business with one branch in California, undertook a major renovation of a long-vacant space on Second Avenue that had been a Mexican restaurant since the 1980s. Spiritea made their New York City debut in May 2019 and had closed by September 2020. Sushi by M moved into the spacious corner location in July 2021.

**Redge Annex** made it work in a garage-like space on Avenue A, sandwiched between two restaurants. They transformed it into a proscenium-like space, with a full glass front. Their attentive stylists precision-cut and expertly colored clients’ hair, oblivious to passersby heading to the nearby 7-Eleven. Imagine the owners’ delight when a vacancy appeared on quiet East 7th Street, across the street from their main location.

The leases of most of the tenants of the “strip mall” portion of 250 East Houston Street were not renewed, in anticipation of planned demolition and new development. **Kapri Cleaners**, however, was relocated into a newly renovated storefront much closer to the residential entrance. At a time when over 10 East Village dry cleaners had to close their businesses, Kapri won the location lottery.

Some relocations were triggered by problems dealing with existing landlords during the pandemic. One East Village business owner (kept anonymous because of the sensitivity of the case and ongoing legal action) shared their experience with an unresponsive landlord who refused to address a rat infestation in their storefront’s basement. Cooper Square Committee helped this merchant access free legal help through the Commercial Lease Assistance Program, and the nonprofit lawyers from Brooklyn Legal Services Corporation A successfully helped to renegotiate the merchant’s previous lease, allowing them to terminate it early and find a new space. However, despite having managed to resume their operation at a new location, the merchant is still facing a drawn-out legal proceeding with their previous landlord.
III. Retail Mix and Trends

Smaller business categories followed divergent patterns, in what conforms to a pandemic narrative. The types of businesses that grew and contracted conform to expectations, given social distancing and related public health mandates.

Certain categories showed an overall net decrease. The following are the kinds of businesses that declined the most during the study period, in order of severity: tailors, tattoo shops, dry cleaners, professional services, banks, ice cream shops, and hardware stores. Bars and full-service restaurants also experienced a net decrease in numbers, even if not as steep as that of the most impacted categories. The relatively moderate decline of full-service restaurants suggests that they generally managed to adapt enough to weather the effects of the pandemic crisis and the extreme downturn in in-person dining [Fig. 12: Business category percent change (2019 to 2021)].

Other business categories were stable. The following types of business did not show significant gains or losses in numbers: medical and dental services/ offices, smoke shops, pharmacies/health stores, theaters, and supermarkets and specialty food stores. Limited-service restaurants also remained steady in numbers, perhaps because their business does not depend on in-person dining and therefore did not experience as sharp a contraction as their full-service counterparts during the pandemic (Fig. 12).

Yet other business categories grew. The following types of business experienced an increase in numbers during the study period: bookstores, bike stores, record shops, art galleries, wine and liquor stores, pet-related businesses, and bodegas. The

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**Fig. 12: Business Category Percent Change (2019 to 2021)**
growth in establishments geared toward at-home or “spatially distanced” recreation and exercise — in addition to businesses which could open with relatively simple build out — reinforces the pandemic narrative as an explanation for these patterns (Fig. 12).

The number of chain establishments decreased slightly, from 103 establishments in 2019 (or 6% overall) to 96 establishments (or 5%) in 2021. This represents a 7% decrease, three points lower than the 10% decrease seen in Manhattan during the same timeframe, according to Center for an Urban Future.¹⁰

Businesses reported varied experiences during 2021: 35% percent of respondents to the Merchant Survey indicated that in the past year business has decreased, 31% indicated that business has improved, 13% indicated business has stayed the same, with the remainder choosing not to disclose.

The mix of business types within the study area changed slightly from 2019 to 2021 [Fig. 13: Business Categories Comparison (2019 to 2021)]. With few exceptions, the distributional hierarchy among business categories remained fairly stable. Despite a contraction, for instance, among full-service restaurants, hair/nail salons, and bars and clubs, these three categories still had the three highest numbers of businesses within the study area.

Note that the Center for an Urban Future uses a different definition for chain retail in their reports. It tallies only establishments with two or more branches in New York City and at least one outside of the city boundaries.
Larger landlords (six or more buildings) are more likely to have accommodation and food-service businesses in their buildings. Tiny landlords (one building) are more likely to have retail or other businesses in their buildings [Fig. 14: Business or Use Category by Landlord Size (2021)]. This conforms with anecdotal evidence that tiny landlords, many of whom live above the storefronts they lease, have a greater aversion than larger ones to having bars or restaurants as tenants. Accommodation and food-service establishments, especially those with liquor licenses, can generate enough income to sustain higher rents. However, they can also generate noise and activity that may not be worth the trade-off in owner-occupied buildings.
Crisis and Adaptation: Storefront Trends in the East Village, 2019–2021

Set against the backdrop of the COVID-19 pandemic, the years from 2019 to 2021 saw a variety of changes to the East Village commercial district. The number of vacant storefronts in the neighborhood grew as many merchants struggled to keep their businesses afloat and some were forced to shutter their doors. While some business categories grew, others faced decline or remained stable. Growing businesses and difficult landlords prompted some merchants to expand or relocate their businesses within the East Village, and many merchants found ways to pivot and adapt in order to remain in business through pandemic lockdowns and changing COVID regulations.

These changes within the commercial district reflect the many challenges that merchants face during ordinary times as well as new challenges posed by the COVID-19 pandemic. Respondents to the Merchant Survey reported that the top three challenges they face relate to their commercial rent/lease, finding skilled workers, and marketing/advertising costs. Other notable challenges that merchants face are gaining access to loans/credit/financing and labor costs.

To overcome these challenges, it is essential that merchants in the East Village continue to receive small-business support and resources in order to ensure their businesses can prosper and grow. When asked what kinds of resources would help their businesses to grow, respondents to the Merchant Survey indicated that the top three needed resources are marketing support, access to financing, and lease support. Moreover, when asked what changes they believed needed to occur within the neighborhood in order to bring in more visitors and shoppers, the top three responses from merchants were sanitation/street cleaning, landscaping/public space beautification, and more community events and merchant collaboration.

While growing vacancies and challenges for small-business owners remain critical issues in the neighborhood, overall the East Village continues to be a vibrant commercial district supported by a strong merchant community and diverse retail mix.

As Mikey Cole, the owner of Mikey Likes It Ice Cream on Avenue A, shares, “[The East Village] is a melting pot of different types of backgrounds, that’s what’s cool about it. You have different nationalities of people who are all doing their best to keep everyone happy; we all learn to be a part of each other.”

Throughout the challenging period of the last two years, merchant collaboration in the neighborhood has grown as business owners came together to support each other during difficult times. The East Village Independent Merchants Association (EVIMA), a merchant-led network of small-business owners in the East Village, played a critical role in this push, bringing merchants together through monthly virtual merchant meetups, community-wide events, and marketing initiatives.

Charles Branstool, owner of Exit9 Gift Emporium on Avenue A and co-chair of
EVIMA, reflected that merchant collaboration was impactful not only in terms of his business growth but also his growth more broadly. He said, “My participation in a leadership role in EVIMA has been a big part of my personal development these past few years.”

Another merchant leader in EVIMA reported similar experiences: “The pandemic has been hard but a bright spot has been being part of EVIMA. Sharing information and experiences has made me want to work harder with other businesses.”

Looking ahead, building additional support and resources for small-business owners from community organizations, agencies, and other actors is critical, as is continuing to strengthen the East Village small-business community from within through merchant-led collaboration and community events and initiatives.

Our Next Steps

1. Advocate for enhanced support for business services, displacement prevention, relocation assistance, marketing, and merchant organizing, as well as for the community-based organizations providing these types of support.

2. Address vacant storefronts through the following approaches:
   a. Engage HDFCs and tiny landlords (one building) with available storefront space and connect them with entrepreneurs looking to open a brick-and-mortar location, with a particular emphasis on business categories with low barriers to entry, such as retail and other non-food uses.
   b. Urge NYCHA to make their vacant spaces on Avenue A between 2nd and 3rd Streets available for vendor markets, micro-entrepreneurs living in NYCHA developments, and local businesses more generally.
   c. Create a “What’s Available EV?” map of commercial spaces available for pop-ups, long-term leases, or other activations and installations.

3. Questions for further research:
   a. What is the relationship between formula retail presence and other property attributes?
   b. What are the underlying causes of persistent vacancies?
   c. What are the main reasons why establishments have closed?
We are three community organizations that are committed to storefront vitality and support independent businesses through district marketing, public space activation, merchant organizing, and small-business services.

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EV Grieve
East Village Independent Merchant Association
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