

Worst piece of proposed real estate legislation? That's easy ...



with Bob Knakal

Q. With all of the political red tape that is part of the New York City Real Estate landscape, what is the worst piece of proposed legislation that you have seen recently?

A. While there are several pieces of proposed legislation that I would like to see squashed, one that rises to the top of that list is the proposed restriction on retail zoning on the upper west side.

This zoning proposal is made ostensibly to preserve the "streetscape" by limiting the size of banks and limiting the ability for large

retail space users to create new stores.

The proposed regulations seek to dictate that there must be at least two retail establishments per fifty feet of zoning lot frontage on all buildings with no single establishment greater than forty feet and no store with a depth of less than thirty feet.

Exceptions to this rule are supermarkets, schools and houses of worship.

Banks are specifically singled out, limiting their frontage to twenty five feet in all buildings. This new proposal also would limit the frontage

of non-retail building lobbies to fifteen feet in all new buildings.

The areas impacted by this proposal are Amsterdam Avenue from 75th Street to 110th Street, 73rd on the west side of the avenue and from 87th Street to 109th Street on the east side of the avenue; Columbus Avenue between 72nd to 87th Street and Broadway from 72nd Street to 110th Street on the west side of the avenue and from 74th to 110th Street on the east side of the avenue.

While city planning claims that this is about streetscape,

community board members, and others in the neighborhood, have publicly expressed that they prefer small, independently-owned stores and dislike larger stores that are part of national chains.

Whatever the cause of their perceptions, the reality is that banks, large stores and smaller boutiques are all thriving on the west side, providing jobs, tax revenue and a diverse shopping experience.

These proposed restrictions are unlikely to hit the mark that the proposers have intended.

These proposals conflict with city's efforts to be business-friendly and to encourage new stores and restaurants along with new retailing concepts to open quickly or expand and create more jobs.

The restrictions also make it more difficult for a successful small business to expand on the block. Independently-owned shops can sometimes compete better with large chains if they have a chance

to provide varied offerings in a larger space.

In a dense and diverse neighborhood, it takes all kinds and sizes of stores and services to meet the needs of residents, workers and visitors.

For some, convenience is the most important factor and, for others, lower prices are paramount. Some residents search out the unique product mix and services of independent shops.

The reality is that all of them, large stores and smaller boutiques are co-existing and thriving.

Zoning can't respond quickly to market changes, whether positive or negative. Use restrictions in the zoning resolution tend to outlive any relevance they may have once had, since the market and consumer preferences change frequently and the zoning laws are hard to change once they are enacted.

The city has gone down this road once before. A similar plan was enacted in 1975 when Yorkville residents

wanted to preserve the commercial character of East 86th Street and the adjoining avenues.

The zoning district enacted there included rules that established a twenty five foot limit on the street frontage of retail establishments.

Instead of preserving the neighborhood shops, these small spaces attracted fast food chains, discount jewelers and electronic stores.

Fifteen years later, this zoning was overturned and the twenty five foot restriction was eliminated.

Moreover, the fact is that there are several large national chains that happily thrive in smaller spaces with less than twenty-five feet of frontage such as Subway, Supercuts, Starbucks, Verizon Wireless, Pinkberry, Aerosoles, Dunkin Donuts and Papa Johns.

Just as was evidenced in Yorkville decades ago, looking around the Upper West side today, you can already see the same dynamic.

There are stores and restaurants much wider than forty feet that have been around for a while, are very popular and are some cases independently-owned small businesses.

There is no reason to enact zoning restrictions when they are simply not needed, particularly when similar regulations have proven to be unsuccessful in the past.

In fact, the Yorkville zoning restrictions were mentioned in former New York City Planning Commissioner Alex Garvin's book, "The American Way, What Works, What Doesn't", as a zoning restriction that didn't work.

While there are a few difference between the Yorkville and Upper West Side Zoning proposals, there are enough similarities to suggest that it is a bad idea.