

Reported NYC Storefront Information for Calendar Year 2021, with Updates as of June 30, 2022

The Department of Finance is pleased to present summary information for the third consecutive year on the status of storefronts across New York City, as reported by required filers pursuant to New York City Local Law 157 of 2019.

New York City Local Law 157 of 2019 requires owners of properties containing ground floor or second floor commercial premises that are used, or could be used, to offer or sell goods at retail (“storefront” business locations) to submit registration statements annually by June 1 to the Department of Finance and provide occupancy information for the preceding calendar year.

Owners of class 2 and 4 properties are also required to file a supplemental registration to report any property ownership changes between January 1 and June 30 or any new storefront vacancies as of June 30, or the date the property was sold, if earlier.

This year the Department of Finance is reporting storefront information submitted by owners in the summer of 2022 for calendar year 2021, as well as supplemental statements (if required) submitted by owners with information as of June 30, 2022.

DOF produces three datasets to meet the requirements of the local law:

- **Storefronts Reported Vacant or Not:** a snapshot of each storefront in classes 1, 2, and 4 that was reported vacant or not on December 31, 2021 (and as of June 30, 2022, if an owner filed the supplemental registration). This dataset also contains information on whether construction or alteration was reported for the space, as well as property identification and location information such as address, community board, council district, and census tract. The dataset uses both the primary registration and, if submitted, the supplemental registration.
- **Class 2 and Class 4 Property Statistics:** values disaggregated by geographical area for the numbers of storefronts reported leased, owner-occupied, or not leased or owner-occupied on December 31, 2021, plus several median and average values for occupancy type duration (leased, owner-occupied, or not leased or owner occupied), rentable floor space, rent values under lease, and counts of those reported under construction or alteration and respective median and average years of reported projects. This dataset uses only the primary registration for information reported for 2021.
- **Class 1 Property Statistics:** values disaggregated by geographical area for the numbers of storefronts reported leased, owner-occupied, or not leased or owner-occupied on December 31. This includes counts for spaces reported under construction or alteration, along with the age of the reported projects. The dataset uses only the primary registration for information reported for 2021. Statistics for class 1 properties are

separate from classes 2 and 4, as this population has a very different and much more limited set of information that must be reported by owners.

Web links for the above datasets are available at the Department of Finance's [Storefront Page](#) and include all years reported since 2020.

Tables in the following pages highlight storefront information for 2021 that was reported in 2022 by borough and select council districts for tax class 2 and 4 properties. When compared to last year, citywide totals show a difference of under one percentage point in the vacancy rate, which moved from 11% to 10.1%.

However, there was also a decline of nearly 12,000 storefronts reported by owners in 2022 as compared to 2021. The main reason for this decline is that Real Property Income and Expense (RPIE) statements and storefront registration statements were not integrated applications in 2022. This occurred because the department moved RPIE, which is critical to the valuation of commercial properties, to a more robust online system, but did not have the resources and time to include storefront registrations in the migration. To enhance compliance, an email blast was sent to 35,400 RPIE filers in mid-May 2022 restating the filing requirements and instructions. An additional email blast was sent in June 2022 to 9,200 recipients who filed storefront registrations in prior years but not this year, giving them a chance to file by an extended deadline of July 8. These outreach attempts did not boost the reporting numbers enough to cover the drop in reporting. The agency is reviewing all reported data for this and the prior year to evaluate the drop in reporting.

For 2023, we are adding targeted online messaging for filers who are submitting RPIE statements who also may need to file the storefront registration. By 2024, we hope to move storefront registrations to the same updated system that RPIE is using (Smartfile) which will allow us to create a more seamless transition between the RPIE and storefront registrations.

The following changes are planned to comply with the amended law:

Local Law 157 was amended in September of 2022 to modify the registration requirements for owners of class 2 and 4 properties with storefront space. These changes will be implemented by January 2024.

All owners of class 2 and 4 properties with retail space will be required to file a supplemental storefront registration by February 15 each year to report whether the storefront was vacant or not on December 31 of the prior year. They will also be required to file a supplemental storefront registration due by August 15 each year to report whether the storefront was vacant or not on June 30 of the same year. The requirement to file full registry information for the prior calendar year will not change and the deadline remains June 1 each year.

The Department of Finance will release information on the vacancy status of parcels with storefront spaces for December 31 and June 30 within 60 days of each Supplemental

Registration submission deadline. Reporting will begin in April of 2024. Full registration data and statistical information will be released separately, six months after the deadline to file the main registration.

Storefront Reports by Borough

Class 2 and 4 Storefront Counts by Borough and Reported Owner Occupied, Vacant, and Leased as of 12/31/21						
Borough	Total Reported	Percent of Citywide	# Not Vacant		# Vacant	Vacancy Rate
			# Leased	# Owner-Occupied		
Manhattan	24,002	38.1%	19,942	767	3,293	13.7%
Brooklyn	14,775	23.5%	12,242	1,192	1,341	9.1%
Queens	13,371	21.2%	11,251	1,102	1,018	7.6%
Bronx	8,448	13.4%	7,576	354	518	6.1%
Staten Island	2,394	3.8%	1,830	359	205	8.6%
Grand Total	62,990	100.0%	52,841	3,774	6,375	10.1%

Note: Tables provide information self-reported by storefront filers. While certain class 1 storefront information was reported to the Department of Finance, most class 1 properties (leased storefronts) were not required to register their storefronts. Thus, reported information on class 1 storefronts, which is provided in the detailed DOF files released to NYC Open Data, is not available to compute metrics such as vacancy rates.

Class 2 and 4 Storefront Leased by Borough and Operating Status as of 12/31/21				
Borough	Total Reported	Open & Operating	Not Operating	Status Unknown
Manhattan	19,942	18,281	1,148	513
Brooklyn	12,242	11,239	605	398
Queens	11,251	10,162	619	470
Bronx	7,576	6,935	449	192
Staten Island	1,830	1,494	247	89
Grand Total	52,841	48,111	3,068	1,662

Select Council Districts Vacancy Counts and Rates

Council Districts with the Highest Number of Class 2 and 4 Vacant Storefronts Reported and the Highest Vacancy Rates Citywide as of 12/31/21						
Council District	Borough	Total Reported	# Not Vacant		# Vacant	Vacancy Rate
			# Leased	# Owner-Occupied		
4	Manhattan	4,773	3,750	210	813	17.0%
1	Manhattan	4,728	3,785	198	745	15.8%
3	Manhattan	4,478	3,665	120	693	15.5%
2	Manhattan	2,579	2,131	104	344	13.3%
33	Brooklyn	1,943	1,558	119	266	13.7%
Total		18,501	14,889	751	2,861	15.5%

Citywide Comparison for Storefronts Reported for Calendar Years 2019 through 2021

Citywide Comparison Reported 2019 to 2021	Dec-2019	Dec-2020	Dec-2021	2019 to 2020		2020 to 2021	
				Diff in Reported	% Change	Diff in # Reported	% Change
Total Reported	74,737	74,978	62,990	241	0.3%	-11,988	-16.0%
Total Vacant	6,620	8,243	6,375	1,623	24.5%	-1,868	-22.7%
Vacancy Rate (%)	8.9%	11.0%	10.1%	2.1%	24.1%	-0.9%	-7.9%

Council Districts Average Monthly Rent per Square Foot (Highest and Lowest)

Council Districts with the <u>Highest Average Monthly Rents per Square Foot</u> as of 12/31/21				
Council District	Borough	Total Reported	Leased to Tenants	Avg Rent per Square Foot
4	Manhattan	4738	3732	\$34.39
3	Manhattan	4444	3648	\$27.10
2	Manhattan	2547	2114	\$16.81
5	Manhattan	1464	1263	\$16.65
33	Brooklyn	1921	1544	\$15.07
Total		15,114	12,301	\$22.01
Citywide		62,022	52,288	\$384.43
Percent Share of Citywide		24.4%	23.5%	5.7%

Council Districts with the <u>Lowest Average Monthly Rents per Square Foot</u> as of 12/31/21				
Council District	Borough	Total Reported	Leased to Tenants	Avg Rent per Square Foot
12	Bronx	836	743	\$3.05
32	Queens	732	617	\$3.22
31	Queens	456	391	\$3.32
41	Brooklyn	681	580	\$3.48
28	Queens	468	380	\$3.48
Total		3,173	2,711	\$3.31
Citywide		62,022	52,288	\$384.43
Percent Share of Citywide		5.1%	5.2%	0.9%

Notes: The average rent tables are derived from original filings where there was occupant information reported for year-end, 12/31/21 (62K). All other data tables (62.9K) use additional supplemental filings where owners provided some limited information about storefronts for which there was no occupant information on the original filing.

Areas covered by all council districts reported above:

Council District	Borough	Neighborhood Areas
1	Manhattan	Battery Park City, Civic Center, Chinatown, Financial District, Little Italy, the Lower East Side, NoHo, SoHo, South Street Seaport, South Village, TriBeCa & Washington Square
2	Manhattan	East Village, Gramercy Park, Kips Bay, Lower East Side, Murray Hill, Rose Hill
3	Manhattan	Chelsea, Hell's Kitchen, Greenwich Village, West SoHo, Hudson Square, Times Square, Garment District, Flatiron, Upper West Side
4	Manhattan	Upper East Side, Carnegie Hill, Yorkville, Central Park South, Midtown East, Times Square, Koreatown, Stuyvesant Town and Peter Cooper Village, Waterside Plaza, Tudor City, Turtle Bay, Murray Hill, Sutton Place
5	Manhattan	Upper East Side's Yorkville, Lenox Hill, Carnegie Hill, Roosevelt Island, Midtown East, Sutton Place, El Barrio in East Harlem
12	Bronx	Wakefield, Olinville, Edenwald, Eastchester, Williamsbridge, Baychester, Co-op City
28	Queens	Jamaica, Richmond Hill, Rochdale Village, South Ozone Park
31	Queens	Arverne, Brookville, Edgemere, Far Rockaway, Laurelton, Rosedale, Springfield Gardens
32	Queens	Belle Harbor, Breezy Point, Broad Channel, Howard Beach, Lindenwood, Neponsit, Ozone Park, Richmond Hill, Rockaway Park, Roxbury, South Ozone Park, West Hamilton Beach, Woodhaven
33	Brooklyn	Boerum Hill, Brooklyn Heights, Brooklyn Navy Yard, Downtown Brooklyn, Dumbo, Fulton Ferry, Greenpoint, Vinegar Hill, Williamsburg
41	Brooklyn	Bedford-Stuyvesant, Ocean Hill-Brownsville, East Flatbush, Crown Heights