Town of Brookline
Massachusetts

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To:	Select Board, Economic Development Advisory Board, Small Business Development Committee, and Mel Kleckner
From:	Meredith L. Mooney, Economic Development and Long-Term Planner
CC:	Alison Steinfeld, Kara Brewton, David Leschinsky, Debbie Miller, Melissa Tapper Goldman, Roxie Myhrum, Anne Meyers, and Paul Saner
Date:	January 28, 2020
Re:	2019 Storefront Survey

Overview:

Brookline's current vacancy rate stands at 10%, marking a 0.4 percentage point increase from 2018. Although the town-wide vacancy rate is slightly above Eastern Massachusetts' 9.4% rate, it matches the Inner Suburbs Submarket[1] vacancy rate, which increased significantly from 8.4% in 2018. Although Brookline's vacancy rate may seem unremarkable at first glance in comparison to regional rates, closer analysis of the vacancies included in the 2019 Storefront Survey reveals some encouraging trends across the majority of Brookline's commercial areas.

Analysis:

Vacancy rates in Brookline Village and Coolidge Corner, Brookline's largest commercial areas, which account for over half of the town's storefronts, hovered at or just below the town-wide average.

Brookline Village

Although Brookline Village's vacancy rate did increase from 7.4% in 2018, its current 10% vacancy rate remains below the commercial area's 10-year Average Vacancy Rate of approximately 11%. Additionally, as of November 2019, about a third of Brookline Village's vacant storefronts are either occupied or have incoming tenants. Per the Storefront Survey's conservative methodology, however, storefronts that appear vacant are recorded as such, even if a storefront is leased and engaged in the permitting process when the annual Storefront Survey is conducted.

Coolidge Corner

Coolidge Corner's 9.9% vacancy rate, which decreased 1.6 percentage points from 2018, includes vacant storefronts slated for redevelopment as part of Waldo-Durgin. If those storefronts, located along Pleasant and Waldo Street, are removed from the survey, Coolidge Corner's vacancy rate falls to 6.5%. Additionally, over half of the remaining Coolidge Corner vacancies currently have tenants and are expected to open within the first or second quarters of 2020.

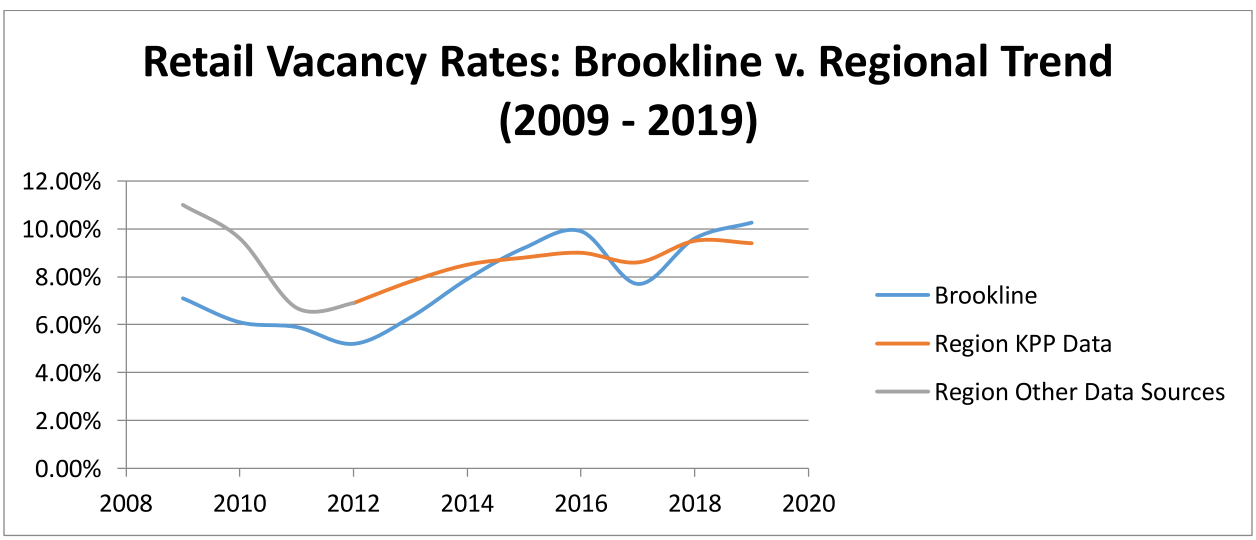
Chestnut Hill
Chestnut Hill, one of Brookline's smaller commercial areas, saw a dramatic vacancy rate increase of 8 percentage points. Chestnut Hill's 20.5% vacancy rate can largely be attributed to four vacant storefronts slated for a redevelopment project on the corner of Boylston and Hammond Street.

Commonwealth Avenue
Commonwealth Avenue's vacancy rate spiked 16.5 percentage points last year due to the on-going renovation of several storefronts owned by Boston University (BU), as well as a residential development project above three existing retail storefronts at 1026-1028 Commonwealth Avenue. Commonwealth Avenue's current vacancy rate has mellowed somewhat, decreasing to 18.5%. However, 1026-1028 Commonwealth Avenue, as well as a few BU-owned storefronts remain under construction, and continue to inflate the Commonwealth Avenue vacancy rate.

Summary data for each commercial area are attached to this memo.

Conclusion:
Even though the town-wide vacancy rate increased slightly, Brookline's alignment with regional and submarket vacancy rates, as well as the redevelopment activity underlying vacancy rates in several commercial areas, indicate that Brookline's commercial areas remain relatively healthy.

Next Steps:
Economic Development and Long-Term Planning (ED-LT) will continue to monitor the town-wide vacancy rate closely to identify any emerging trends that could pose long-term challenges to the vitality of Brookline's commercial areas. ED-LT staff will continue to work with the Economic Development Advisory Board (EDAB) and the Small Business Development Committee (SBDC) to implement initiatives to support Brookline's commercial areas and business community.



Data: Regional data source since 2012 is from Inner Suburbs Retail Analysis, Key Point Partners. Key Point Partners' 2019 report: *Retail Real Estate Trends & Analysis 2019 Eastern MA/Greater Boston*. Prior to 2012, data taken from National Association of Realtors/CBRE – Econometric Advisors. Note: *Retail Real Estate Trends & Analysis 2019 Eastern MA/Greater Boston*'s vacancy rates are based on square footage, whereas Brookline's vacancy rate methodology is based on storefront count.

Summary Data:

All Commercial Areas		2019 Survey	% of Total Storefronts	2018 Survey	% Change '18-'19
Vacancy Analysis	Total Storefronts	692	-	698	-1%
	Total Active Storefronts	623	90.03%	631	-1%
	Total Vacant Storefronts	69	9.97%	67	3%
	Total Vacancy Rate	**9.97%**	-	9.60%	**0.37%**
Use Analysis	Restaurant Use	146	23.43%	148	-1%
	Service Use	360	57.78%	360	0%
	Retail Use	110	17.66%	117	-6%
	Institutional Use	6	0.96%	6	n/a
Chain v. Independent Business Analysis	National Chains	111	17.82%	114	-3%
	Regional/Local Chains	86	13.80%	80	8%
	Independent Businesses	417	66.93%	431	-3%

Commercial Area	Total Storefronts	Total Active	Total Vacant	2019 Vacancy Rate	2018 Vacancy Rate	% Change
Brookline Village	201	181	20	9.95%	7.39%	2.56%
Chestnut Hill	39	31	8	20.51%	12.50%	8.01%
Commonwealth Avenue	54	44	10	18.52%	21.67%	-3.15%
Coolidge Corner	225	203	22	9.78%	11.71%	-1.93%
JFK Crossing	55	54	1	1.82%	3.57%	-1.75%
Putterham	16	16	0	0.00%	0.00%	0.00%
St. Mary's Station	33	31	2	6.06%	3.03%	3.03%
Washington Square	69	63	6	8.70%	7.35%	1.35%
TOTAL	**692**	**623**	**69**	**9.97%**	**9.60%**	**0.37%**

By Commercial Area:

Brookline Village

		2019 Survey	% of Total Storefronts	2018 Survey	% Change '18-'19
Occupancy Analysis	Total Storefronts	201		203	-1%
	Total Active Storefronts	181	90.05%	188	-4%
	Total Vacant Storefronts	20	9.95%	15	33%
	Total Vacancy Rate	**9.95%**		7.39%	**2.56%**

Use Analysis	Restaurant Use	35	19.34%	35	0%
	Service Use	118	65.19%	122	-3%
	Retail Use	27	14.92%	31	-13%
Chain v. Independent Business Analysis	National Chains	20	11.05%	21	-5%
	Regional/Local Chains	16	8.84%	16	0%
	Independent Businesses	144	79.56%	151	-5%

Change Analysis	New Vacancies	9
	Continued Vacancies	11
	Filled Vacancies	6
	Changes in Storefront Occupant	3
	Changes in Use	0

Chestnut Hill

		2019 Survey	% of Total Storefronts	2018 Survey	% Change '18-'19
Occupancy Analysis	Total Storefronts	39		40	-3%
	Total Active Storefronts	31	79.49%	35	-11%
	Total Vacant Storefronts	8	20.51%	5	60%
	Total Vacancy Rate	**20.51%**		12.50%	**8.01%**

Use Analysis	Restaurant Use	1	3.23%	1	0%
	Service Use	22	70.97%	24	-8%
	Retail Use	8	25.81%	10	-20%
Chain v. Independent Business Analysis	National Chains	8	25.81%	8	0%
	Regional/Local Chains	6	19.35%	6	0%
	Independent Businesses	17	54.84%	21	-19%

Change Analysis	New Vacancies	4
	Continued Vacancies	4
	Filled Vacancies	0
	Changes in Storefront Occupant	1
	Changes in Use	0

Chestnut Hill

		2019 Survey	% of Total Storefronts	2018 Survey	% Change '18-'19
Occupancy Analysis	Total Storefronts	39		40	-3%
	Total Active Storefronts	31	79.49%	35	-11%
	Total Vacant Storefronts	8	20.51%	5	60%
	Total Vacancy Rate	**20.51%**		12.50%	**8.01%**
Use Analysis	Restaurant Use	1	3.23%	1	0%
	Service Use	22	70.97%	24	-8%
	Retail Use	8	25.81%	10	-20%
Chain v. Independent Business Analysis	National Chains	8	25.81%	8	0%
	Regional/Local Chains	6	19.35%	6	0%
	Independent Businesses	17	54.84%	21	-19%

Change Analysis	New Vacancies	4
	Continued Vacancies	4
	Filled Vacancies	0
	Changes in Storefront Occupant	1
	Changes in Use	0

Commonwealth Avenue

		2019 Survey	% of Total Storefronts	2018 Survey	% Change '18-'19
Occupancy Analysis	Total Storefronts	54		60	-10%
	Total Active Storefronts	44	81.48%	47	-6%
	Total Vacant Storefronts	10	18.52%	13	-23%
	Total Vacancy Rate	**18.52%**		21.67%	**-3.15%**
Use Analysis	Restaurant Use	14	31.82%	15	-7%
	Service Use	16	36.36%	19	-16%
	Retail Use	8	18.18%	7	14%
	Institutional Use	6	13.64%	6	
Chain v. Independent Business Analysis	National Chains	12	27.27%	14	-14%
	Regional/Local Chains	12	27.27%	10	20%
	Independent Businesses	14	31.82%	17	-18%

Change Analysis	New Vacancies	1
	Continued Vacancies	9
	Filled Vacancies	5
	Changes in Storefront Occupant	3
	Changes in Use	1

Coolidge Corner

		2019 Survey	% of Total Storefronts	2018 Survey	% Change '18-'19
Occupancy Analysis	Total Storefronts	223		222	0%
	Total Active Storefronts	201	90.13%	196	3%
	Total Vacant Storefronts	22	9.87%	26	-15%
	Total Vacancy Rate	**9.87%**		11.71%	**-1.85%**
Use Analysis	Restaurant Use	46	22.89%	45	2%
	Service Use	108	53.73%	102	6%
	Retail Use	47	23.38%	49	-4%
Chain v. Independent Business Analysis	National Chains	46	22.89%	45	2%
	Regional/Local Chains	34	16.92%	32	6%
	Independent Businesses	121	60.20%	119	2%

Change Analysis	New Vacancies	11
	Continued Vacancies	11
	Filled Vacancies	12
	Changes in Storefront Occupant	6
	Changes in Use	1

JFK Crossing

		2019	% of Total Storefronts	2018 Survey	% Change '18-'19
Occupancy Analysis	Total Storefronts	55		56	-2%
	Total Active Storefronts	54	98.18%	54	0%
	Total Vacant Storefronts	1	1.82%	2	-50%
	Total Vacancy Rate	**1.82%**		3.57%	**-1.75%**
Use Analysis	Restaurant Use	16	29.63%	17	-6%
	Service Use	31	57.41%	30	3%
	Retail Use	7	12.96%	7	0%
Chain v. Independent Business Analysis	National Chains	8	14.81%	8	0%
	Regional/Local Chains	3	5.56%	3	0%
	Independent Businesses	41	75.93%	43	-5%

Change Analysis	New Vacancies	1
	Continued Vacancies	0
	Filled Vacancies	1
	Changes in Storefront Occupant	4
	Changes in Use	0

Putterham

		2018 Survey	% of Total Storefronts	2017 Survey	% Change '17-'18
Occupancy Analysis	Total Storefronts	16		16	0%
	Total Active Storefronts	16	100.00%	16	0%
	Total Vacant Storefronts	0	0.00%	0	#DIV/0!
	Total Vacancy Rate	**0.00%**		0.00%	**0.00%**
Use Analysis	Restaurant Use	4	25.00%	4	0%
	Service Use	8	50.00%	8	0%
	Retail Use	4	25.00%	4	0%
Chain v. Independent Business Analysis	National Chains	1	6.25%	1	0%
	Regional/Local Chains	2	12.50%	2	0%
	Independent Businesses	13	81.25%	13	0%

Change Analysis	New Vacancies	0
	Continued Vacancies	0
	Filled Vacancies	0
	Changes in Storefront Occupant	1
	Changes in Use	0

St. Mary's Station

		2019 Survey	% of Total Storefronts	2018 Survey	% Change '18-'19
Occupancy Analysis	Total Storefronts	33		33	0%
	Total Active Storefronts	31	93.94%	32	-3%
	Total Vacant Storefronts	2	6.06%	1	100%
	Total Vacancy Rate	**6.06%**		3.03%	**3.03%**
Use Analysis	Restaurant Use	11	35.48%	11	0%
	Service Use	17	54.84%	18	-6%
	Retail Use	3	9.68%	3	0%
Chain v. Independent Business Analysis	National Chains	6	19.35%	6	0%
	Regional/Local Chains	6	19.35%	3	100%
	Independent Businesses	19	61.29%	21	-10%

Change Analysis	New Vacancies	1
	Continued Vacancies	1
	Filled Vacancies	0
	Changes in Storefront Occupant	0
	Changes in Use	0

Washington Square

		2019 Survey	% of Total Storefronts	2018 Survey	% Change '18-'19
Occupancy Analysis	Total Storefronts	69		68	1%
	Total Active Storefronts	63	91.30%	63	0%
	Total Vacant Storefronts	6	8.70%	5	20%
	Total Vacancy Rate	**8.70%**		7.35%	**1.34%**
Use Analysis	Restaurant Use	19	30.16%	20	-5%
	Service Use	38	60.32%	37	3%
	Retail Use	6	9.52%	6	0%
Chain v. Independent Business Analysis	National Chains	10	15.87%	11	-9%
	Regional/Local Chains	6	9.52%	5	20%
	Independent Businesses	47	74.60%	47	0%

Change Analysis	New Vacancies	2
	Continued Vacancies	4
	Filled Vacancies	2
	Changes in Storefront Occupant	0
	Changes in Use	0

[1] Key Point Partners' 2019 report: *Retail Real Estate Trends & Analysis 2019 Eastern MA/Greater Boston* Inner Suburbs Submarket includes: Arlington, Belmont, Brookline, Cambridge, Chelsea, Everett, Malden, Medford, Milton, Quincy, Revere, Somerville, Watertown, and Winthrop