



Town of Brookline

Massachusetts

**Department of Planning and
Community Development**

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Alison Steinfeld
Director

To: Select Board and Mel Kleckner
From: Meredith L. Mooney, Economic Development and Long-Term Planner
CC: Alison Steinfeld, Kara Brewton, Brookline Chamber of Commerce, Brookline Village Business Association, Coolidge Corner Merchants' Association, Economic Development Advisory Board, Small Business Development Committee
Date: December 17, 2020
Re: 2020 Storefront Survey and Update on Initiatives Undertaken to Support Brookline Businesses during the Pandemic

Overview:

Brookline's 2020 storefront vacancy rate stands at 11.9%, up from 10% in 2019. This nearly 12% vacancy rate is the highest in over a decade, and far exceeds the Town's 7.1% vacancy rate during the height of the Recession. Nevertheless, it is surprising that, many months into a public health and economic crisis that has pushed small businesses to the limit, the vacancy rate is not higher. The Economic Development Division anticipates that the actual toll of the pandemic on Brookline's small business community will not be fully evident until the first and second quarters of 2021. We plan to conduct another storefront survey in late spring or early summer 2021 to reassess the extent of COVID's impact on our commercial areas.

Summary data for town-wide and commercial area vacancy trends are included in pages 4-9 of this memo.

Storefront Survey Background & Methodology:

The storefront survey is conducted annually, typically in the fall. This year's survey was conducted October 22-24, 2020. Economic Development Division staff take inventory of every storefront in Brookline's eight commercial areas. Local vacancy rates and trends are tracked to assess the health of our commercial areas and determine whether any special actions or interventions are needed to preserve the health and vibrancy of Brookline's commercial areas and small business community.

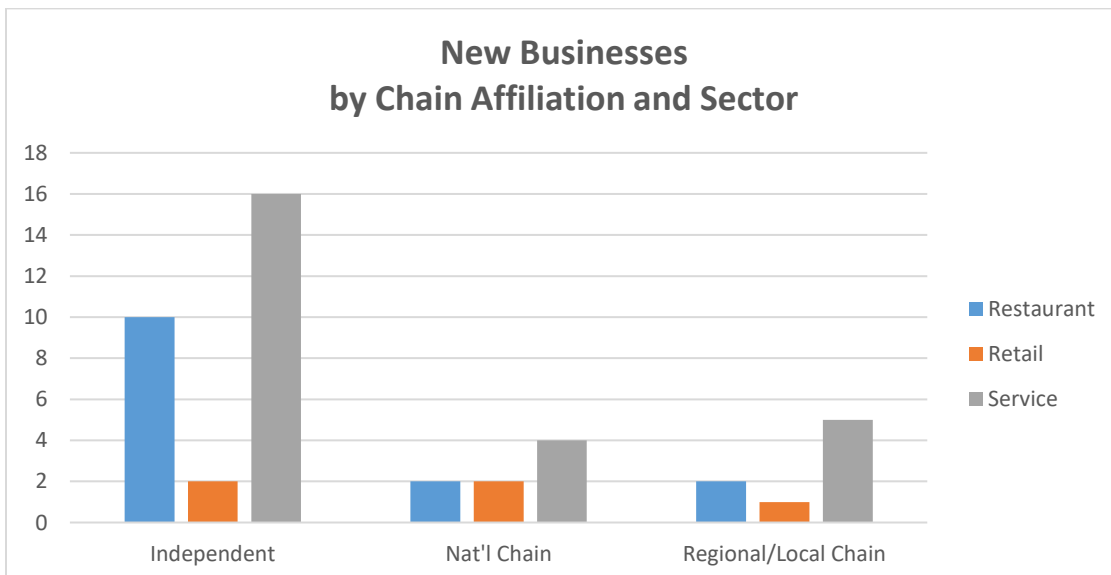
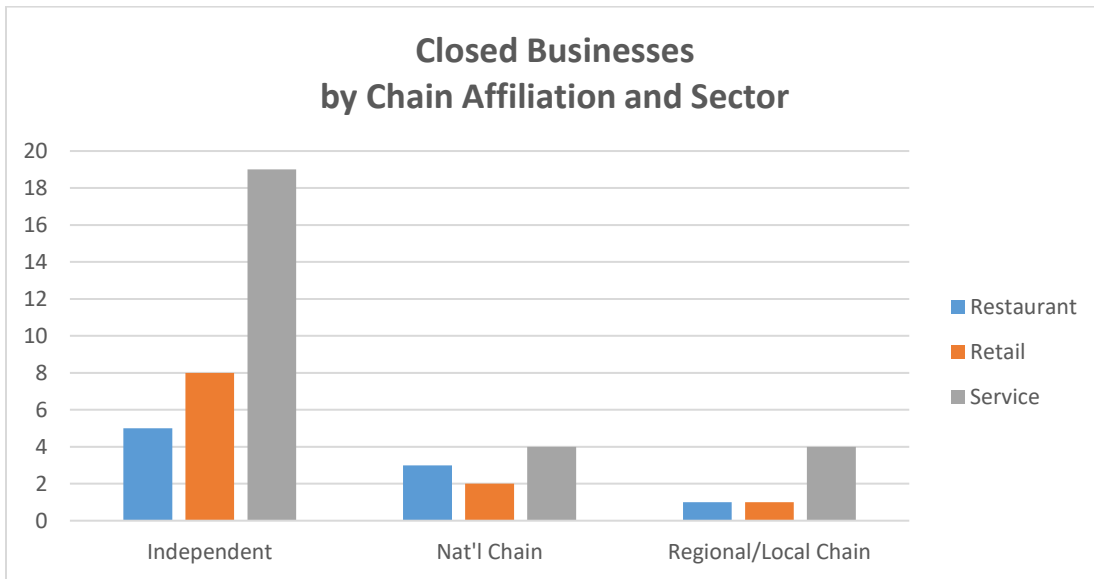
Our storefront survey methodology is conservative, meaning that storefronts that appear vacant are recorded as such, even if a storefront is leased and engaged in the permitting process when the survey is conducted. In the case of temporarily closed businesses, only businesses with For Lease signs clearly posted are counted as vacant. Storefronts included in new development projects are tracked as "under construction" and are factored into the vacancy rate only after construction is completed. With this methodology, the vacancy rate more accurately reflects the community's perception of commercial area vacancies.

Analysis of Businesses Closed and Opened:

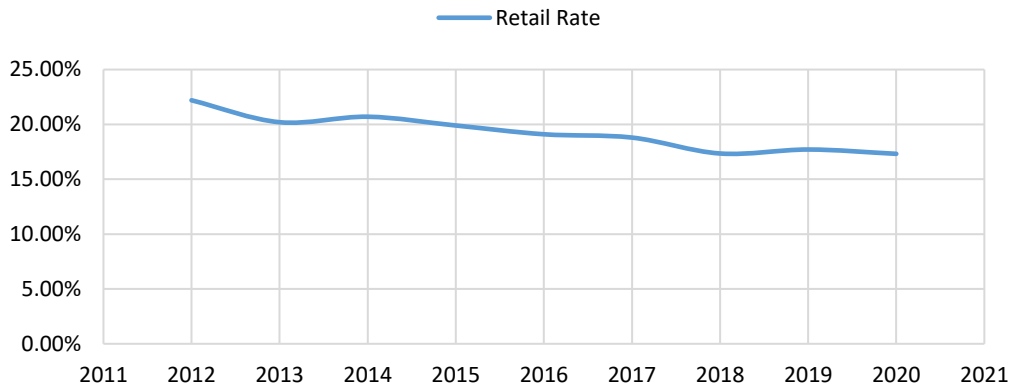
We analyzed the types of businesses that opened and closed in terms of sector (i.e. retail, restaurant, or service) and chain affiliation (i.e. independent, regional or local chains, or national chains). Two categories saw significant shifts: independent retail businesses and independent restaurants.

Independent retail businesses appear to have suffered disproportionately over the past year. Brookline’s net loss of six independent retail businesses indicates that the pandemic might have accelerated the gradual decline of retail businesses in Brookline evident over the past several years (see Brookline Retail Rate graph below). Several new restaurants that had already committed to lease agreements and were far along in the restaurant build-out and permitting processes prior to the start of the pandemic likely contributed to the net increase of five independent restaurants. The impact of openings and closings on the other sectors and chain affiliations appears to have been more balanced.

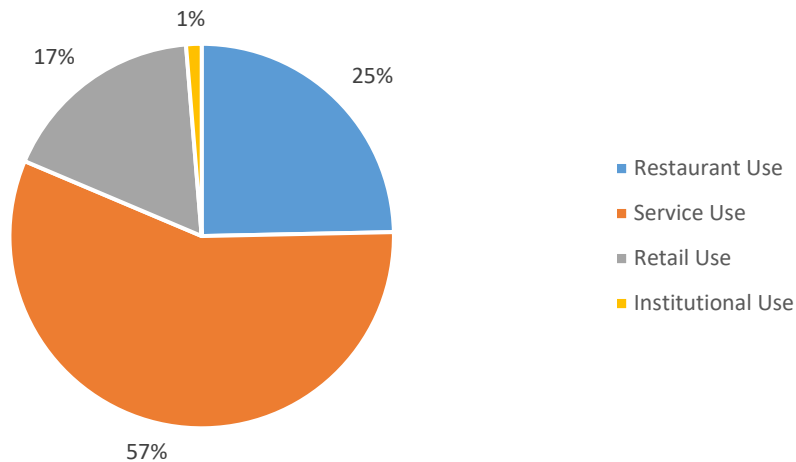
The prominence of service businesses in the graphs below corresponds to the fact that service businesses account for the majority of Brookline storefronts (see Storefronts by Commercial Use graph below).



Brookline Retail Rate (2012-2020)



Storefronts by Commercial Use (2020)



Brookline Commercial Area Strengths:

Brookline's commercial areas possess several characteristics that might help to insulate them against the full force of the COVID-19 economic crisis. Brookline businesses are largely patronized by residents from Brookline and neighboring communities. Brookline's commercial areas are not primarily reliant upon daytime office workers (as is the case in Boston's Downtown Crossing or Cambridge's Kendall Square, for example), tourists, or business travelers. Tatte's pandemic operations provide evidence of this strength; Tatte's two Brookline locations have remained open throughout the pandemic, while its Boston and Cambridge locations in areas that pre-pandemic had high levels of daytime office workers have remained temporarily closed.

Conclusion:

It is highly unlikely that the 11.9% 2020 vacancy rate is an accurate reflection of the toll that COVID-19 has taken on Brookline's small business community and commercial areas. Additional business closures, especially restaurant closures, are likely to occur in the first and second quarters of 2021.

Next Steps:

The Town of Brookline and the Economic Development Division will continue to seek every opportunity to support the local business community through the COVID-19 public health and economic crises. In partnership with many Town departments and business community groups, the Town has implemented many initiatives to support local businesses through the pandemic. A comprehensive account of those initiatives and the many stakeholders involved in the development and execution of those projects is attached to this memo. In addition to those initiatives, the Economic Development Division will pursue the following next steps:

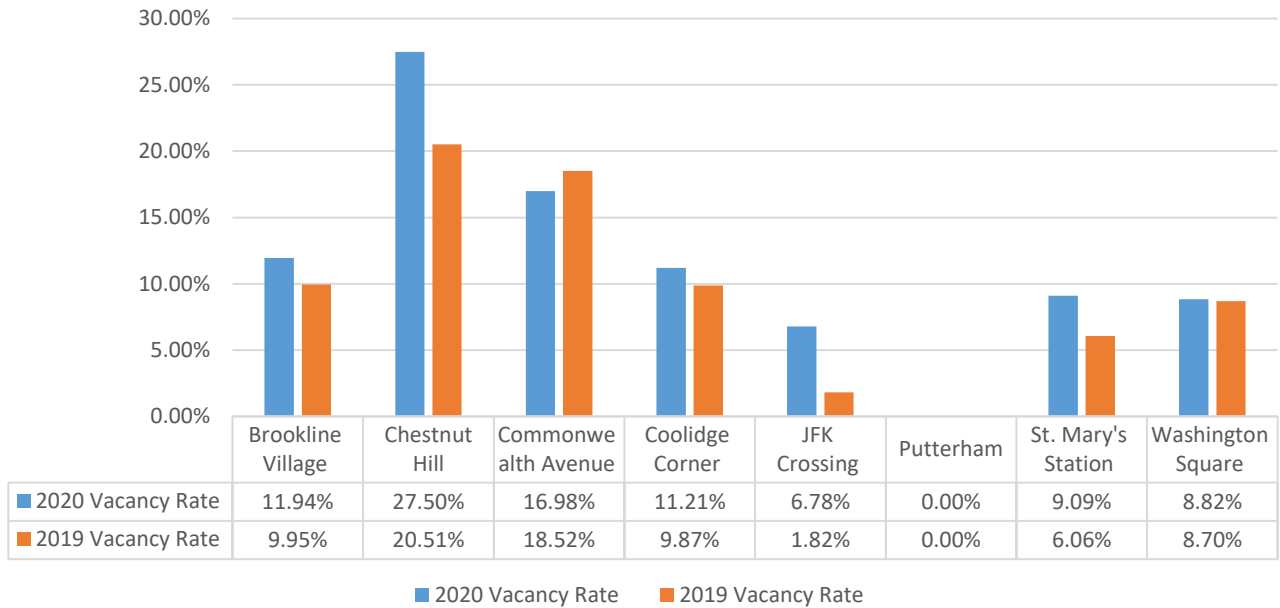
- Conduct another storefront survey in late spring or early summer 2021 and return to the Select Board with an update.
- Develop a local economic recovery plan, hopefully with the resources and assistance of the state's [Local Rapid Recovery Planning Program](#) grant, which the Town applied for on December 17, 2020.
- Continue to work with Coolidge Corner merchants and property owners to establish a Business Improvement District (BID), a district management entity that the pandemic has underscored as a critical strategic tool to help expedite commercial area recovery and ensure greater resiliency for Brookline's largest commercial area.

Summary Data:

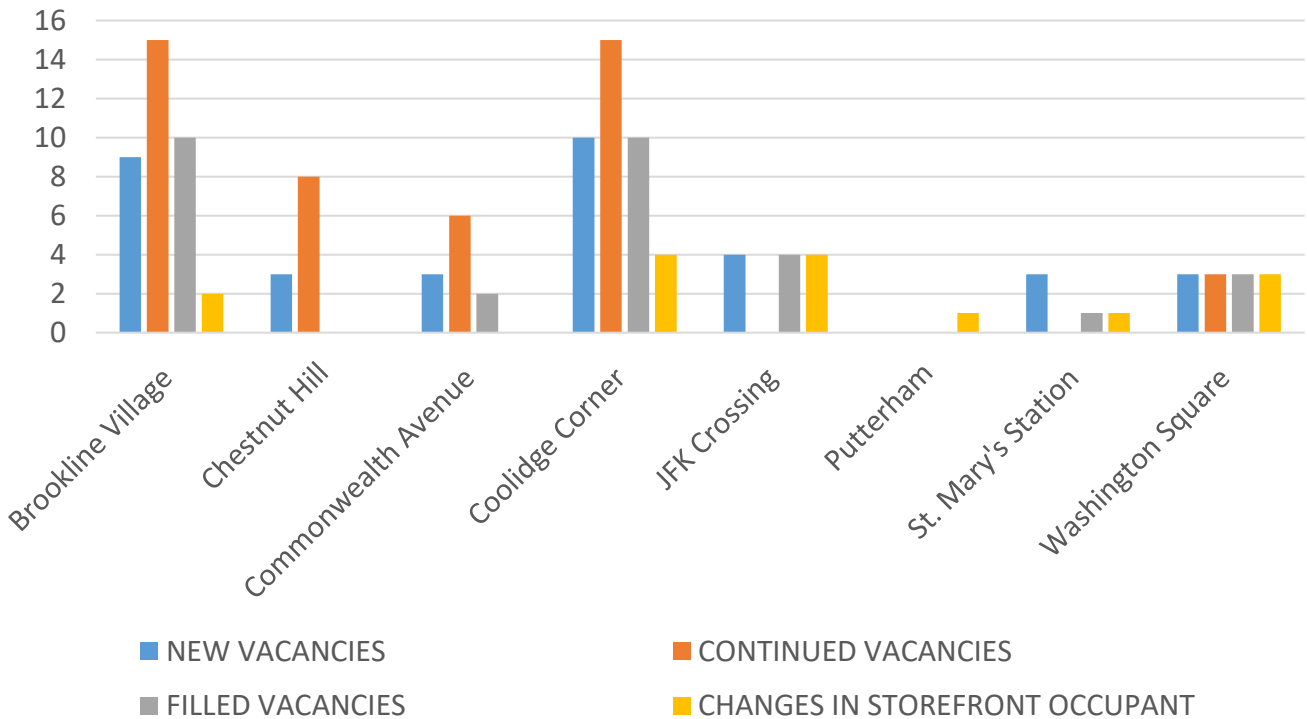
| All Commercial Areas | | 2020 Survey | % of Total Storefronts | 2019 Survey | % Change '19-'20 |
|--|--------------------------|---------------|------------------------|-------------|------------------|
| Vacancy Analysis | Total Storefronts | 699 | - | 692 | 1% |
| | Total Active Storefronts | 616 | 88.13% | 623 | -1% |
| | Total Vacant Storefronts | 83 | 11.87% | 69 | 20% |
| | Total Vacancy Rate | 11.87% | - | 9.97% | 1.90% |
| Use Analysis | Restaurant Use | 151 | 24.51% | 146 | 3% |
| | Service Use | 347 | 56.33% | 360 | -4% |
| | Retail Use | 106 | 17.21% | 110 | -4% |
| | Institutional Use | 8 | 1.30% | 6 | 33% |
| Chain v. Independent Business Analysis | National Chains | 107 | 17.37% | 111 | -4% |
| | Regional/Local Chains | 88 | 14.29% | 86 | 2% |
| | Independent Businesses | 409 | 66.40% | 417 | -2% |

| Commercial Area | Total Storefronts | Total Active | Total Vacant | 2020 Vacancy Rate | 2019 Vacancy Rate | % Change |
|---------------------|-------------------|--------------|--------------|-------------------|-------------------|--------------|
| Brookline Village | 201 | 176 | 25 | 12.44% | 9.95% | 2.49% |
| Chestnut Hill | 40 | 29 | 11 | 27.50% | 20.51% | 6.99% |
| Commonwealth Avenue | 53 | 44 | 9 | 16.98% | 18.52% | -1.54% |
| Coolidge Corner | 223 | 199 | 24 | 10.76% | 9.87% | 0.89% |
| JFK Crossing | 59 | 55 | 4 | 6.78% | 1.82% | 4.96% |
| Putterham | 16 | 16 | 0 | 0.00% | 0.00% | 0.00% |
| St. Mary's Station | 33 | 30 | 3 | 9.09% | 6.06% | 3.03% |
| Washington Square | 68 | 62 | 6 | 8.82% | 8.70% | 0.12% |
| TOTAL | 693 | 611 | 82 | 11.83% | 10.00% | 1.83% |

Comparison of Vacancy Rate by Commercial Area (2019-2020)



2020 Storefront Changes by Commercial Area



By Commercial Area:

| Brookline Village | | 2020 Survey | % of Total Storefronts | 2019 Survey | % Change '19-'20 |
|---------------------------|--------------------------|--------------------|-------------------------------|--------------------|-------------------------|
| Occupancy Analysis | Total Storefronts | 201 | | 201 | 0% |
| | Total Active Storefronts | 176 | 87.56% | 181 | -3% |
| | Total Vacant Storefronts | 25 | 12.44% | 20 | 25% |
| | Total Vacancy Rate | 12.44% | | 9.95% | 2.49% |

| | | | | | |
|---------------------|----------------|-----|--------|-----|------|
| Use Analysis | Restaurant Use | 37 | 21.02% | 35 | 6% |
| | Service Use | 114 | 64.77% | 118 | -3% |
| | Retail Use | 24 | 13.64% | 27 | -11% |

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|---|------------------------|-----|--------|-----|-----|
| Chain v. Independent Business Analysis | National Chains | 20 | 11.36% | 20 | 0% |
| | Regional/Local Chains | 16 | 9.09% | 16 | 0% |
| | Independent Businesses | 139 | 78.98% | 144 | -3% |

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|------------------------|--------------------------------|----|
| Change Analysis | New Vacancies | 10 |
| | Continued Vacancies | 15 |
| | Filled Vacancies | 10 |
| | Changes in Storefront Occupant | 2 |
| | Changes in Use | 0 |

| Chestnut Hill | | 2020 Survey | % of Total Storefronts | 2019 Survey | % Change '19-'20 |
|---------------------------|--------------------------|--------------------|-------------------------------|--------------------|-------------------------|
| Occupancy Analysis | Total Storefronts | 40 | | 39 | 3% |
| | Total Active Storefronts | 29 | 72.50% | 31 | -6% |
| | Total Vacant Storefronts | 11 | 27.50% | 8 | 38% |
| | Total Vacancy Rate | 27.50% | | 20.51% | 6.99% |

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|---------------------|----------------|----|--------|----|------|
| Use Analysis | Restaurant Use | 1 | 3.45% | 1 | 0% |
| | Service Use | 19 | 65.52% | 22 | -14% |
| | Retail Use | 8 | 27.59% | 8 | 0% |

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|---|------------------------|----|--------|----|------|
| Chain v. Independent Business Analysis | National Chains | 7 | 24.14% | 8 | -13% |
| | Regional/Local Chains | 6 | 20.69% | 6 | 0% |
| | Independent Businesses | 15 | 51.72% | 17 | -12% |

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|------------------------|--------------------------------|---|
| Change Analysis | New Vacancies | 3 |
| | Continued Vacancies | 8 |
| | Filled Vacancies | 0 |
| | Changes in Storefront Occupant | 0 |
| | Changes in Use | 0 |

Commonwealth Avenue

| | | 2020 Survey | % of Total Storefronts | 2019 Survey | % Change '19-'20 |
|--------------------|--------------------------|---------------|------------------------|-------------|------------------|
| Occupancy Analysis | Total Storefronts | 53 | | 54 | -2% |
| | Total Active Storefronts | 44 | 83.02% | 44 | 0% |
| | Total Vacant Storefronts | 9 | 16.98% | 10 | -10% |
| | Total Vacancy Rate | 16.98% | | 18.52% | -1.54% |

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|--------------|-------------------|----|--------|----|-----|
| Use Analysis | Restaurant Use | 13 | 29.55% | 14 | -7% |
| | Service Use | 15 | 34.09% | 16 | -6% |
| | Retail Use | 8 | 18.18% | 8 | 0% |
| | Institutional Use | 8 | 18.18% | 6 | 33% |

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|--|------------------------|----|--------|----|------|
| Chain v. Independent Business Analysis | National Chains | 13 | 29.55% | 12 | 8% |
| | Regional/Local Chains | 10 | 22.73% | 12 | -17% |
| | Independent Businesses | 13 | 29.55% | 14 | -7% |

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|-----------------|--------------------------------|---|
| Change Analysis | New Vacancies | 3 |
| | Continued Vacancies | 6 |
| | Filled Vacancies | 2 |
| | Changes in Storefront Occupant | 0 |
| | Changes in Use | 0 |

Coolidge Corner

| | | 2020 Survey | % of Total Storefronts | 2019 Survey | % Change '19-'20 |
|--------------------|--------------------------|---------------|------------------------|-------------|------------------|
| Occupancy Analysis | Total Storefronts | 223 | | 223 | 0% |
| | Total Active Storefronts | 199 | 89.24% | 201 | -1% |
| | Total Vacant Storefronts | 24 | 10.76% | 22 | 9% |
| | Total Vacancy Rate | 10.76% | | 9.87% | 0.90% |

| | | | | | |
|--------------|----------------|-----|--------|-----|-----|
| Use Analysis | Restaurant Use | 49 | 24.62% | 46 | 7% |
| | Service Use | 101 | 50.75% | 108 | -6% |
| | Retail Use | 47 | 23.62% | 47 | 0% |

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|--|------------------------|-----|--------|-----|-----|
| Chain v. Independent Business Analysis | National Chains | 44 | 22.11% | 46 | -4% |
| | Regional/Local Chains | 35 | 17.59% | 34 | 3% |
| | Independent Businesses | 118 | 59.30% | 121 | -2% |

| | | |
|-----------------|--------------------------------|----|
| Change Analysis | New Vacancies | 9 |
| | Continued Vacancies | 15 |
| | Filled Vacancies | 11 |
| | Changes in Storefront Occupant | 4 |
| | Changes in Use | 0 |

| JFK Crossing | | 2020 Survey | % of Total Storefronts | 2019 Survey | % Change '19-'20 |
|---------------------------|--------------------------|------------------------|-----------------------------------|------------------------|-----------------------------|
| Occupancy Analysis | Total Storefronts | 59 | | 55 | 7% |
| | Total Active Storefronts | 55 | 93.22% | 54 | 2% |
| | Total Vacant Storefronts | 4 | 6.78% | 1 | 300% |
| | Total Vacancy Rate | 6.78% | | 1.82% | 4.96% |

| | | | | | |
|---------------------|----------------|----|--------|----|-----|
| Use Analysis | Restaurant Use | 18 | 32.73% | 16 | 13% |
| | Service Use | 30 | 54.55% | 31 | -3% |
| | Retail Use | 7 | 12.73% | 7 | 0% |

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|---|------------------------|----|--------|----|-----|
| Chain v. Independent Business Analysis | National Chains | 8 | 14.55% | 8 | 0% |
| | Regional/Local Chains | 5 | 9.09% | 3 | 67% |
| | Independent Businesses | 42 | 76.36% | 41 | 2% |

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

Note: The total number of storefronts in JFK Crossing increased this year as several new or redeveloped properties with commercial storefronts came online.

| Putterham | | 2020 Survey | % of Total Storefronts | 2019 Survey | % Change '19-'20 |
|---------------------------|--------------------------|------------------------|-----------------------------------|------------------------|-----------------------------|
| 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% |

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|---------------------|----------------|---|--------|---|----|
| Use Analysis | Restaurant Use | 4 | 25.00% | 4 | 0% |
| | Service Use | 8 | 50.00% | 8 | 0% |
| | Retail Use | 4 | 25.00% | 4 | 0% |

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|---|------------------------|----|--------|----|----|
| 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 | 0 |
| | Changes in Use | 0 |

| St. Mary's Station | | 2020 Survey | % of Total Storefronts | 2019 Survey | % Change '19-'20 |
|---------------------------|--------------------------|--------------------|-------------------------------|--------------------|-------------------------|
| Occupancy Analysis | Total Storefronts | 33 | | 33 | 0% |
| | Total Active Storefronts | 30 | 90.91% | 31 | -3% |
| | Total Vacant Storefronts | 3 | 9.09% | 2 | 50% |
| | Total Vacancy Rate | 9.09% | | 6.06% | 3.03% |

| | | | | | |
|---------------------|----------------|----|--------|----|-----|
| Use Analysis | Restaurant Use | 11 | 36.67% | 11 | 0% |
| | Service Use | 16 | 53.33% | 17 | -6% |
| | Retail Use | 3 | 10.00% | 3 | 0% |

| | | | | | |
|---|------------------------|----|--------|----|------|
| Chain v. Independent Business Analysis | National Chains | 6 | 20.00% | 6 | 0% |
| | Regional/Local Chains | 7 | 23.33% | 6 | 17% |
| | Independent Businesses | 17 | 56.67% | 19 | -11% |

| | | |
|------------------------|--------------------------------|---|
| Change Analysis | New Vacancies | 3 |
| | Continued Vacancies | 0 |
| | Filled Vacancies | 1 |
| | Changes in Storefront Occupant | 1 |
| | Changes in Use | 0 |

| Washington Square | | 2020 Survey | % of Total Storefronts | 2019 Survey | % Change '19-'20 |
|---------------------------|--------------------------|--------------------|-------------------------------|--------------------|-------------------------|
| Occupancy Analysis | Total Storefronts | 68 | | 69 | -1% |
| | Total Active Storefronts | 62 | 91.18% | 63 | -2% |
| | Total Vacant Storefronts | 6 | 8.82% | 6 | 0% |
| | Total Vacancy Rate | 8.82% | | 8.70% | 0.13% |

| | | | | | |
|---------------------|----------------|----|--------|----|------|
| Use Analysis | Restaurant Use | 18 | 29.03% | 19 | -5% |
| | Service Use | 39 | 62.90% | 38 | 3% |
| | Retail Use | 5 | 8.06% | 6 | -17% |

| | | | | | |
|---|------------------------|----|--------|----|------|
| Chain v. Independent Business Analysis | National Chains | 7 | 11.29% | 10 | -30% |
| | Regional/Local Chains | 6 | 9.68% | 6 | 0% |
| | Independent Businesses | 49 | 79.03% | 47 | 4% |

| | | |
|------------------------|--------------------------------|---|
| Change Analysis | New Vacancies | 3 |
| | Continued Vacancies | 3 |
| | Filled Vacancies | 3 |
| | Changes in Storefront Occupant | 3 |
| | Changes in Use | 0 |