



Town of Brookline

Massachusetts

**Department of Planning and
Community Development**

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Kara Brewton
Director

To: Economic Development Advisory Board (EDAB)
From: Aaron Norris, Economic Development & Long-Term Planner
CC: Kara Brewton, Meredith Mooney, Victor Panak, Will Dorfman
Date: July 10, 2023
Re: 2022 Storefront Survey

Overview:

Brookline's 2022 storefront vacancy rate reached 11.5%, down from 12.5% in 2021. For the third year in a row amidst the pandemic, Brookline's town-wide storefront vacancy rate has remained at historic highs. Interventions are being enacted to provide additional support to Brookline's small business community and commercial areas - especially in Coolidge Corner - to stem rising vacancy rates, as well as, safeguard the health and vibrancy of Brookline's main streets.

Storefront Survey Background & Methodology:

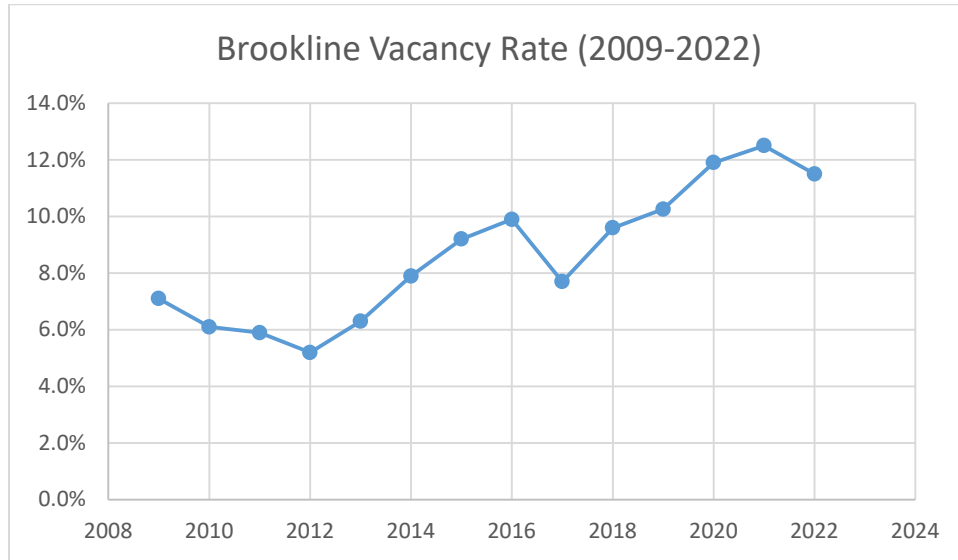
The storefront survey is conducted annually, typically in the fall. This year's survey was conducted in Q4 of 2022 (October – December). Economic Development Division staff take inventory of every storefront in Brookline's eight commercial areas. Local vacancy rates and trends are tracked to assess the 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:

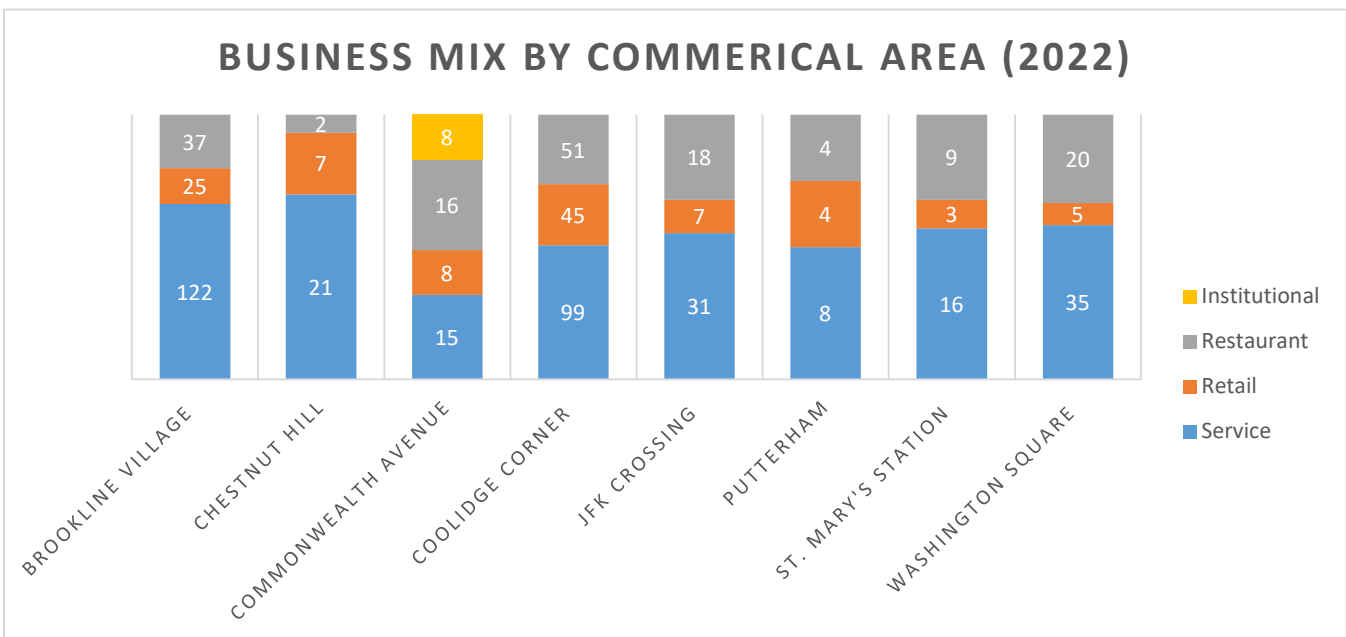
At 11.5%, the town-wide storefront vacancy rate is down from an unprecedented high of 12.5% in 2021. The economic impact of the pandemic exacerbated the gradual increase of Brookline's storefront vacancy rate over the past decade. Interventions were needed to reverse this trend. Recommended interventions are currently

ongoing and included in the following section. Areas of concern, as well as some encouraging recent trends, are identified below.

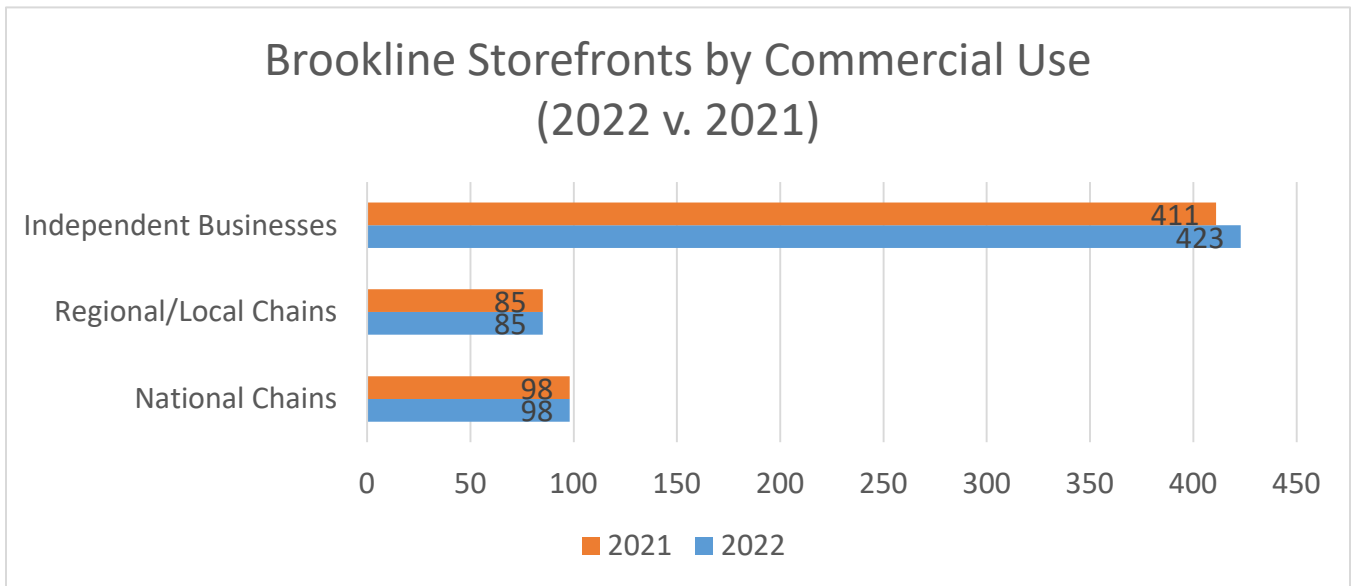


Analysis of the vacancy rates by business type (i.e. restaurant, retail, or service) and by commercial area reveal some encouraging and unexpected trends.

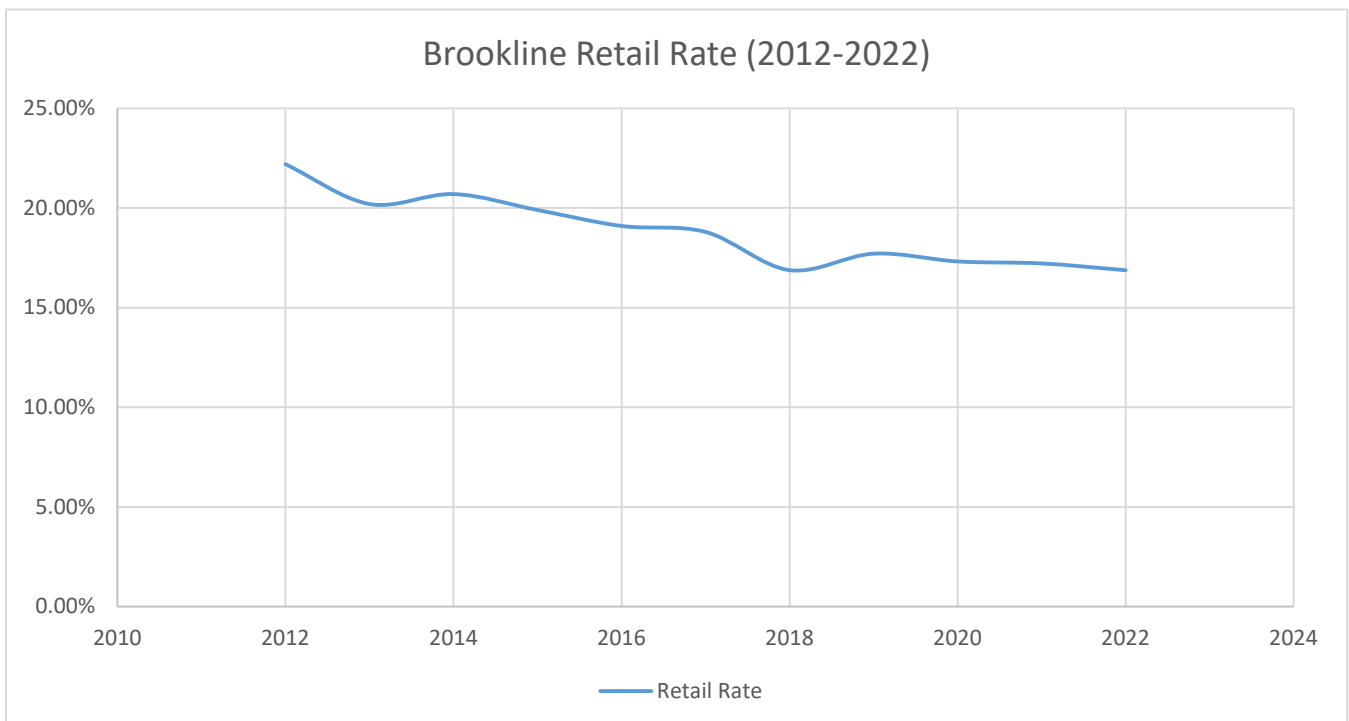
- **Restaurants slightly increased:** Economic Development Division staff had anticipated many more business closures, especially restaurant closures, in the first and second quarters of 2022. However, the number of restaurants town-wide increased by 4% to a total of 158, which accounts for 25% of Brookline’s storefronts.



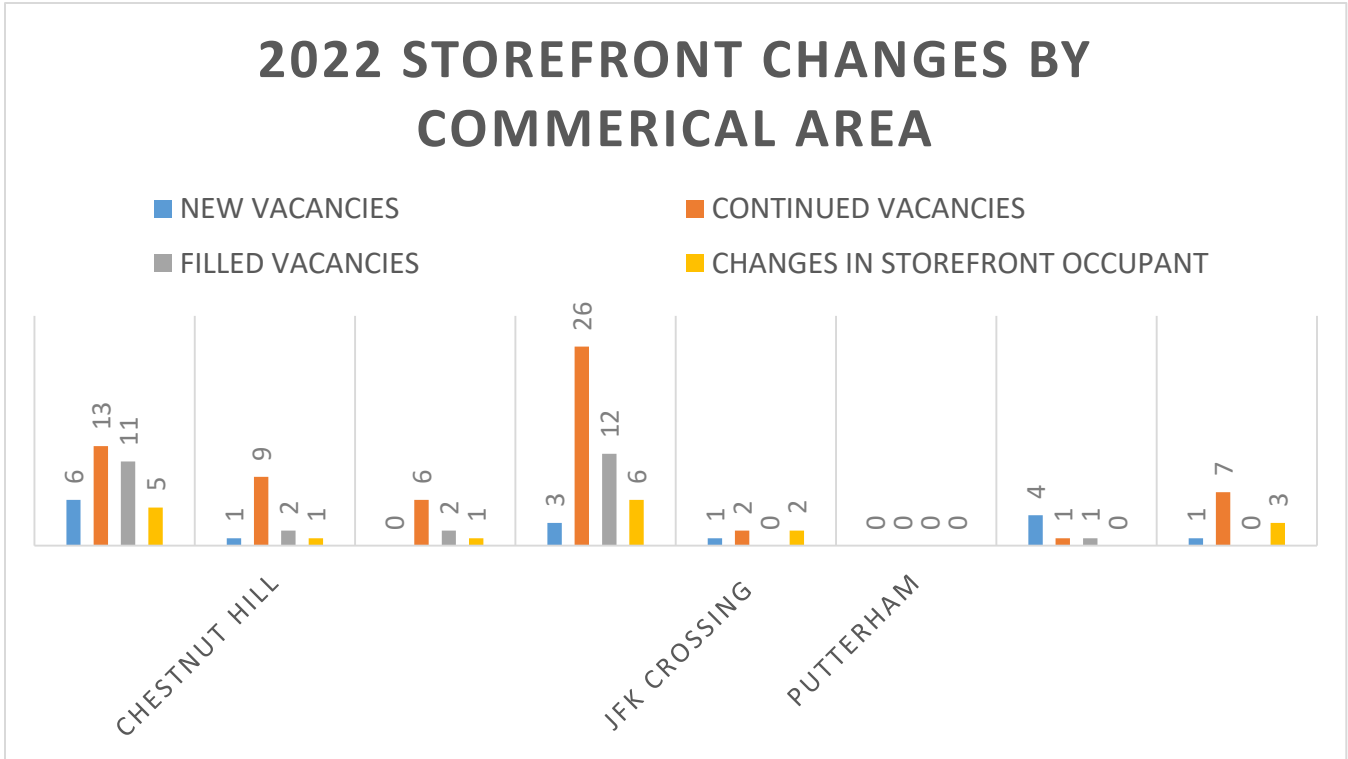
- **Independent businesses increased, while chain businesses held steady:** The number of independently owned storefront businesses also slightly increased from 409 to 411 (accounting for 68% of storefronts), while the number of national, as well as regional or local chains remained the same.



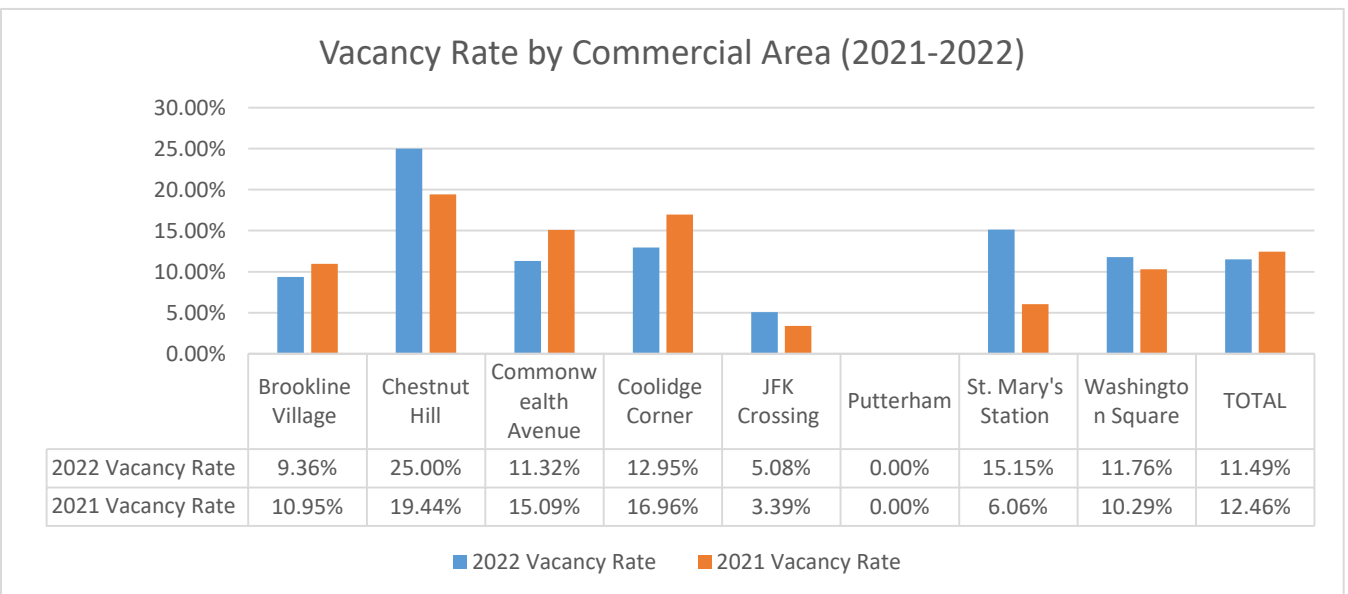
- **Retail rate has stabilized:** Since 2012, the number of retail stores has been in steady decline. However, the retail rate appears to have stabilized at 17% of Brookline storefronts.



- Continued vacancies in Coolidge Corner:** The number of continued vacancies in Coolidge Corner remains high, but with ongoing interventions such as the formation of a Coolidge Corner BID and ARPA-funded projects like the Brookline Art Makes Community (BAMC) public art initiative, Division staff believes this number will start trending downward.



- Vacancy rates in commercial areas:** With the town-wide vacancy rate decrease, vacancy rates in some of Brookline’s main commercial areas decreased as well, including Brookline Village and Coolidge Corner.



Summary data for town-wide and commercial area vacancy trends are included in pages 9-14 of this memo.

Interventions Ongoing:

As Brookline's largest commercial area, the spike in Coolidge Corner's vacancy rate and underlying trends was concerning enough to warrant an intervention. Fortunately, in early 2022, the Economic Development Division received some of the 1st round American Rescue Plan Act (ARPA) funding from the Select Board for recovery projects to support Coolidge Corner and other commercial areas COVID recovery.

What local commercial real estate brokers are saying about Brookline's commercial areas:

This year, the Economic Development & Long-Term Planning Division wanted more qualitative data to go along with the vacancy rate numbers and trends we are seeing on the annual Storefront Survey. The Division was able to interview local commercial real estate brokers to gain a better understanding of the commercial real estate market in Brookline and any patterns that they might be noticing with commercial area activity as well. Here are some of the biggest takeaways from these meetings:

- People don't want to work from home (WFH) forever; as a result, the office market will remain strong where people live, and the suburban office market will continue to strengthen as the inner core market weakens due to surplus
- Brookline needs nightlife (i.e. cocktail lounge, live music, places to go out and hang out) Ex: Microbrewery
- Pet-friendly Brookline: Brookline would be very competitive with any kind of dog or pet-friendly establishments
- Advantages – train access, great schools, proximity to Boston, urban suburb, best of both worlds, natural & walkable
- Many restaurants in town have been good at evolving from the pandemic, and as a result, they have fared very well
- Office population has been concentrated in the suburbs, Brookline has benefited from this
- Opportunity: a real daytime population working in Brookline beyond just the WFH crowd

Next Steps:

The Town of Brookline and the Economic Development & Long-Term Planning Division will continue to support the local business community as we move on from the effects of COVID. The Division has and will continue to also seek every opportunity to implement initiatives that serve both the immediate needs of Brookline's small business community, as well as long-term strategic transformational opportunities for the town's commercial areas.

Priorities for the Economic Development & Long-Term Planning Division over the next few years are:

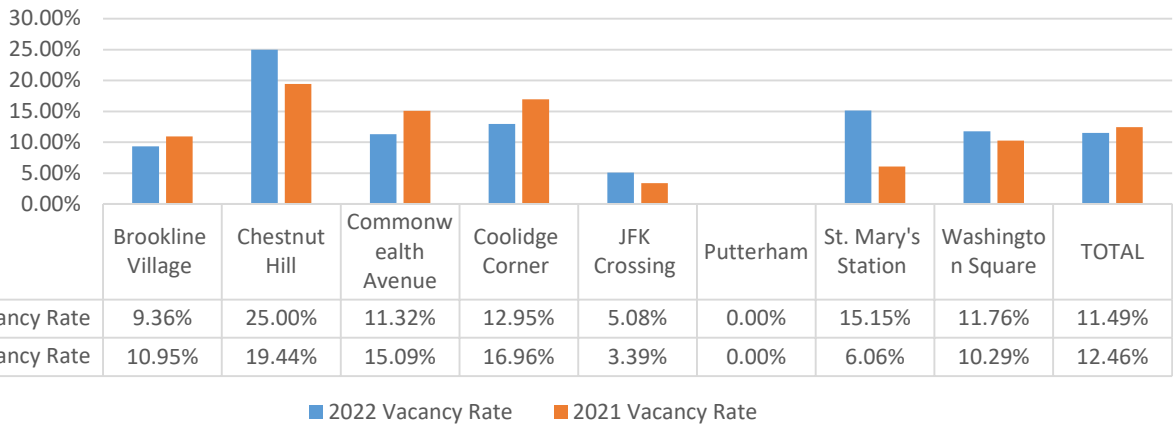
- Executing our ARPA-funded projects:
 - Brookline Art Makes Community (BAMC) Public Art & Placemaking Initiative (partnered with Brookline Commission for the Arts (BCA))
 - Commercial Areas Parklet Program (partnered with Parks & Open Space)
 - Pop-Up Store Program (partnered with UpNext)
 - Centre Street Lot Study (partnered with Transportation)
 - Small Business Relief Grant Program (program still being structured)
- 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.

- Continuing to monitor storefront vacancy rates in Brookline's commercial areas.

Summary Data:					
All Commercial Areas		2022 Survey	% of Total Storefronts	2021 Survey	% Change '21-'22
Vacancy Analysis	Total Storefronts	696	-	690	1%
	Total Active Storefronts	616	88.51%	604	2%
	Total Vacant Storefronts	80	11.49%	86	-7%
	Total Vacancy Rate	11.49%	-	12.46%	-0.97%
Use Analysis	Restaurant Use	157	25.49%	151	4%
	Service Use	347	56.33%	339	2%
	Retail Use	104	16.88%	104	0%
	Institutional Use	8	1.30%	8	n/a
Chain v. Independent Business Analysis	National Chains	98	15.91%	98	0%
	Regional/Local Chains	85	13.80%	85	0%
	Independent Businesses	423	68.67%	411	3%

Commercial Area	Total Storefronts	Total Active	Total Vacant	2022 Vacancy Rate	2021 Vacancy Rate	% Change
Brookline Village	203	184	19	9.36%	10.95%	-1.59%
Chestnut Hill	40	30	10	25.00%	19.44%	5.56%
Commonwealth Avenue	53	47	6	11.32%	15.09%	-3.77%
Coolidge Corner	224	195	29	12.95%	16.96%	-4.01%
JFK Crossing	59	56	3	5.08%	3.39%	1.69%
Putterham	16	16	0	0.00%	0.00%	0.00%
St. Mary's Station	33	28	5	15.15%	6.06%	9.09%
Washington Square	68	60	8	11.76%	10.29%	1.47%
TOTAL	696	616	80	11.49%	12.46%	-0.97%

Vacancy Rate by Commercial Area (2021-2022)



By Commercial Area:

Brookline Village

		2022 Survey	% of Total Storefronts	2021 Survey	% Change '21-'22
Occupancy Analysis	Total Storefronts	203		201	1%
	Total Active Storefronts	184	90.64%	179	3%
	Total Vacant Storefronts	19	9.36%	22	-14%
	Total Vacancy Rate	9.36%		10.95%	-1.59%

Use Analysis	Restaurant Use	37	20.11%	37	0%
	Service Use	122	66.30%	116	5%
	Retail Use	25	13.59%	25	0%

Chain v. Independent Business Analysis	National Chains	21	11.41%	21	0%
	Regional/Local Chains	14	7.61%	15	-7%
	Independent Businesses	149	80.98%	142	5%

Change Analysis	New Vacancies	6
	Continued Vacancies	13
	Filled Vacancies	11
	Changes in Storefront Occupant	5
	Changes in Use	0

Chestnut Hill

		2022 Survey	% of Total Storefronts	2021 Survey	% Change '21-'22
Occupancy Analysis	Total Storefronts	40		36	11%

	Total Active Storefronts	30	75.00%	29	3%
	Total Vacant Storefronts	10	25.00%	7	43%
	Total Vacancy Rate	25.00%		19.44%	5.56%

Use Analysis	Restaurant Use	2	6.67%	1	100%
	Service Use	21	70.00%	19	11%
	Retail Use	7	23.33%	8	-13%

Chain v. Independent Business Analysis	National Chains	8	26.67%	7	14%
	Regional/Local Chains	4	13.33%	4	0%
	Independent Businesses	17	56.67%	17	0%

Change Analysis	New Vacancies	1
	Continued Vacancies	9
	Filled Vacancies	2
	Changes in Storefront Occupant	1
	Changes in Use	0

Commonwealth Avenue

		2022 Survey	% of Total Storefronts	2021 Survey	% Change '21-'22
Occupancy Analysis	Total Storefronts	53		53	0%
	Total Active Storefronts	47	88.68%	45	4%
	Total Vacant Storefronts	6	11.32%	8	-25%
	Total Vacancy Rate	11.32%		15.09%	-3.77%

Use Analysis	Restaurant Use	16	34.04%	14	14%
	Service Use	15	31.91%	15	0%
	Retail Use	8	17.02%	8	0%
	Institutional Use	8	17.02%	8	

Chain v. Independent Business Analysis	National Chains	12	25.53%	11	9%
	Regional/Local Chains	10	21.28%	10	0%
	Independent Businesses	17	36.17%	16	6%

Change Analysis	New Vacancies	0
	Continued Vacancies	6
	Filled Vacancies	2
	Changes in Storefront	1

Occupant	
Changes in Use	0

Coolidge Corner

		2022 Survey	% of Total Storefronts	2021 Survey	% Change '21-'22
Occupancy Analysis	Total Storefronts	224		224	0%
	Total Active Storefronts	195	87.05%	186	5%
	Total Vacant Storefronts	29	12.95%	38	-24%
	Total Vacancy Rate	12.95%		16.96%	-4.02%

Use Analysis	Restaurant Use	51	26.15%	46	11%
	Service Use	99	50.77%	97	2%
	Retail Use	45	23.08%	43	5%

Chain v. Independent Business Analysis	National Chains	38	19.49%	37	3%
	Regional/Local Chains	37	18.97%	35	6%
	Independent Businesses	119	61.03%	114	4%

Change Analysis	New Vacancies	3
	Continued Vacancies	26
	Filled Vacancies	12
	Changes in Storefront Occupant	6
	Changes in Use	0

JFK Crossing

		2022 Survey	% of Total Storefronts	2021 Survey	% Change '21-'22
Occupancy Analysis	Total Storefronts	59		59	0%
	Total Active Storefronts	56	94.92%	57	-2%
	Total Vacant Storefronts	3	5.08%	2	50%
	Total Vacancy Rate	5.08%		3.39%	1.69%

Use Analysis	Restaurant Use	18	32.14%	18	0%
	Service Use	31	55.36%	32	-3%
	Retail Use	7	12.50%	7	0%

Chain v. Independent Business Analysis	National Chains	8	14.29%	8	0%
	Regional/Local Chains	5	8.93%	5	0%
	Independent Businesses	43	76.79%	44	-2%

Change Analysis	New Vacancies	1
	Continued Vacancies	2
	Filled Vacancies	0
	Changes in Storefront Occupant	2
	Changes in Use	0

Putterham		2022 Survey	% of Total Storefronts	2021 Survey	% Change '21-'22
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	0
	Changes in Use	0

St. Mary's Station		2022 Survey	% of Total Storefronts	2021 Survey	% Change '21-'22
Occupancy Analysis	Total Storefronts	33		33	0%
	Total Active Storefronts	28	84.85%	31	-10%
	Total Vacant Storefronts	5	15.15%	2	150%
	Total Vacancy Rate	15.15%		6.06%	9.09%

Use Analysis	Restaurant Use	9	32.14%	11	-18%
	Service Use	16	57.14%	16	0%
	Retail Use	3	10.71%	4	-25%

Chain v. Independent Business Analysis	National Chains	4	14.29%	6	-33%
	Regional/Local Chains	6	21.43%	7	-14%
	Independent Businesses	18	64.29%	18	0%

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

Washington Square

		2022 Survey	% of Total Storefronts	2021 Survey	% Change '21-'22
Occupancy Analysis	Total Storefronts	68		68	0%
	Total Active Storefronts	60	88.24%	61	-2%
	Total Vacant Storefronts	8	11.76%	7	14%
	Total Vacancy Rate	11.76%		10.29%	1.47%

Use Analysis	Restaurant Use	20	33.33%	20	0%
	Service Use	35	58.33%	36	-3%
	Retail Use	5	8.33%	5	0%

Chain v. Independent Business Analysis	National Chains	6	10.00%	7	-14%
	Regional/Local Chains	7	11.67%	7	0%
	Independent Businesses	47	78.33%	47	0%

Change Analysis	New Vacancies	1
	Continued Vacancies	7
	Filled Vacancies	0
	Changes in Storefront Occupant	3
	Changes in Use	0