



Executive of the Month: Falk, executive director of the Union Square Partnership - Has always had an interest in the real estate industry

August 24, 2015 - New York City

With executive director Jennifer Falk at the helm, the Union Square Partnership has seen remarkable growth in the district over the last few years. The New York Real Estate Journal recently sat down with Falk for a question and answer session on her career and the organization's work to enhance the economic life of one of the city's most vibrant neighborhoods.

Q: What drew you to your current position at the Union Square Partnership?

A: I've spent my entire career in public service - first within government and then the non-profit sector. Prior to joining the Union Square Partnership, I served as first deputy press secretary and oversaw the Bloomberg administration's communications strategy for the city's economic development agencies, working closely with mayor Mike and deputy mayor Dan Doctoroff. During my ten-year tenure with the City, I worked in a number of different crisis communications positions, and the 24/7 on-call schedule can be rough. It was time for a change, and being tapped to run Manhattan's first business improvement district and serve as its chief executive was a dream come true. Growing up on Manhattan's Upper West Side, I was always fascinated by Union Square and it has been an incredibly rewarding challenge working with area community partners to effect positive change and continue to improve the district.

Q: Tell me more about the Union Square Partnership. How would you describe its role?

A: The partnership plays a multifaceted role in Union Square but primarily we act as a strategic partner looking for ways to bring entities together to create programs that highlight the area's strengths. While we serve many functions and our role within the community continues to evolve, at the end of the day, our goal is to create the best possible neighborhood that ultimately benefit everyone who lives, works, or visits the district. This means we do everything from helping private entities navigate the public realm, to creating opportunities for local brokers, to promoting the district's many assets. Our constituency is incredibly diverse - from large anchor institutions like Con Edison, The New School and NYU, to major players in the real estate industry like Related, Vornado and Newmark, to the retailers and local businesses, to our non-profit and cultural institution partners as well as the thriving residential community.

Q: Let's talk some more about the Union Square Partnership's programs. How do they tie into your economic goals for the district?

A: In everything we do, we look to tie together themes that best represent the area and foster relationships with new and established businesses. For example, two of this year's biggest themes are the growth of both our tech and creative services and our health and wellness sectors. Union Square has the highest concentration of health and wellness studios and athleisure retailers anywhere in the city. To highlight our position at the epicenter of the city's health and wellness

scene, we launched Union Square Sweat Fest last February, a week-long promotion to help people explore the area's health-focused businesses. The program drew over 1,000 participants for complimentary fitness classes, gym passes, and discounts from 40 local businesses, and we estimate that the total in-kind contribution was valued at \$40,000 in classes and giveaways. Most important, our partners said it was an incredible business to business networking opportunity so we're looking forward to doing it again in 2016.

The volume and diversity of Union Square's culinary offerings has also been a long-standing theme that we continue to promote through our annual food and wine tasting extravaganza, Harvest in the Square, which takes place this September 17th on the park's north plaza. This year we are celebrating our 20th anniversary and the event is not only a showcase of Union Square's cuisine, it's also a celebration of our community and acts as a fundraiser for our beautification work within Union Square Park. Our real estate partners, the back bone of the event's success, have purchased a number of sponsorships and blocks of VIP tickets to host brokers and potential tenants. It's an unforgettable event and always we promise our guests: you won't go home disappointed or hungry!

Q: Speaking of food, what can we expect from Union Square's changing culinary scene in 2016?

A: Well, as you can imagine, there's been a lot of speculation about the future of Danny Meyer's Union Square Cafe, which is seen by many as one of the neighborhood's anchor businesses. So we were thrilled last month when Danny's team announced that Union Square Cafe had found a new home just two blocks from the Union Square Greenmarket at 235 Park Ave. South. The restaurant plans to move into City Crab and Seafood Company's current location and will help City Crab's employees find new positions within Union Square Hospitality Group's own network of restaurants. That's an amazing commitment, and the level of collaboration that was required to execute this move is a true testament to the strength and camaraderie of our culinary community. We were also very pleased that another long-standing neighborhood partner, Blue Water Grill, has resigned the lease at their iconic 16th St. corner location. So between these pieces of good news and the opening of dozens of new and exciting eateries like Tasca Chino, Florian, Botequim, Shuko, and The Pavilion Market Caf  on the park's north end - I'd expect only good news on the culinary front in 2016. We cannot wait to experience how Union Square Cafe evolves when it reopens next year.

Q: You mentioned the growth of the tech and creative services sector earlier - how has the commercial real estate landscape changed over the last few years?

A: The area is certainly becoming more competitive - and it is drawing very specific types of businesses. The average asking rent in Midtown South has climbed to \$83 per s/f for class A space and \$76 for class B space. In Union Square specifically, technology, advertising, media, and innovation (TAMI) companies like BuzzFeed, Yelp, Compass, Dropbox, Gawker, and Hulu have been the driving force behind the commercial office growth.

Q: What do you think is drawing these TAMI businesses to the area?

A: It's the combination of convenience, office amenities, and the creative culture the neighborhood is known for. The district is easily accessible by public transportation from the outer boroughs. Many of the offices in the area have qualities like open floor plans, high ceilings and large windows that appeal to creative personalities. The start-ups moving in want to be around like-minded creative professionals. The neighborhood's abundance of healthy eateries, nightlife, and fitness studios, as well as Union Square Park, all make for an appealing environment for professionals who need to find inspiration from their place of business.

Q: How has Union Square's retail market grown?

A: Our latest report indicates that Union Square's ground-floor retail vacancy rate has remained one of the lowest anywhere in New York City at 1.8% at the end of the 2nd quarter of 2015. The district welcomed 55 new businesses this year, including Banana Republic's new flagship location, Reebok FitHub, MAC Cosmetics, home décor retailers Chilewich and Homenature as well as the restaurants I mentioned earlier. Dylan's Candy Bar is the next hot retailer to lease space in the area and they expect to open in September.

Q: What's behind this continuing demand for space in Union Square?

A: Union Square's central location is unbeatable and has always made it a natural retail hub. Over the last year, the area's popularity has really spurred the commercial activity. According to our 2014 study, pedestrian foot traffic hit an all-time high, with nearly 383,000 daily visitors on a busy Greenmarket Friday. That's an 11 percent increase in daily visitors since 2012 report. And according to the MTA, more than 35 million annual subway riders came through our turnstiles last calendar year. The diversity of businesses in the area, from fashion to fitness to a wide variety of restaurants, is driving people to spend more time here, and building Union Square's reputation as a preeminent shopping destination.

Q: How did you get your start in the real estate industry?

A: I've always had an interest in the industry and the role it plays in the fabric of New York City. My father was a real estate lawyer handling title insurance for some of the city's biggest commercial projects, and growing up I learned a lot from the executives and brokers with whom he did business. Those lessons have served me well as I continue to work with the diverse constituency of residents, businesses and other institutional partners that make up the Union Square community.

Q: What would you consider its greatest accomplishment during your tenure as executive director?

A: Many people contribute to Union Square's success, including our board of directors and my incredible team at the partnership so let's just start by saying I'm proud of the vast coalition of people we have assembled. We were especially humbled when our beautification initiatives, capital improvement investments, and targeted marketing and outreach efforts earned the organization the Manhattan Chamber of Commerce's "Neighborhood Business Advocate of the Year" award. On a personal note, I enjoy complicated problems, and I'm most proud of the work we achieved together to complete the transformation and renovation of the northern end of Union Square Park - including the new plazas, the 15,000 s/f playground and our wildly popular restaurant concession. Our organization was the driving force behind the plan - including raising much of the capital. It's been an amazing honor to be a change agent as almost every corner of the district has seen some level of improvement in the past decade. If you compare what the area looked like 10, 20, 30 or even 40 years ago when our organization was founded, the difference is truly remarkable.