



The NYC Playground is back - by Shallini Mehra

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The lights have finally turned green again for the retail, service and entertainment sectors in post-COVID New York City. Although online shopping is here to stay, retailers, restaurants and

businesses remain busy removing vacancy signs and replacing them with new product offerings and enhanced customer experiences—a positive for all NYC renters and property owners alike. With office occupancy down, still in the 40-50% range, those working remotely have a strong desire to get out of the home and venture into the New York City playground, even on weekdays.

We are seeing established tenants expand, newer concept retailers emerging on the scene, direct-to-consumer service providers, and first-time restaurants popping up all over New York. Additionally, newer landmark retail will be heavily trafficked with retailers including the Harry Potter Store and Tiffany's new Flagship store. Other established companies like Shopify and Google are now on the NYC map with their brick and mortar stores. The new smaller boutiques and restaurants are adding more personality and appeal to each neighborhood across all of the boroughs.

New York neighborhoods are transforming retail in a way we haven't seen before. To name a few: SoHo, traditionally home to luxury brands, high-end boutiques, and art galleries, is now home to expansive big box department store chain, Target at 600 Broadway. The Wilson Sporting Goods flagship store, which opened in January 2022 and added two additional stores on the Upper East Side and Columbus Circle, provides in-store experiences including a golf simulator and equipment rentals for customers who wish to test products prior to making a purchase. Reset by Therabody will be opening in Midtown West selling their famous Theragun and related products and providing wellness treatments such as cryotherapy, lymphatic massages, and light therapy. New York Ninja Academy opened its second location in Park Slope, specializing in ninja warrior obstacle courses for all ages. Also in SoHo, Salvatore Ferragamo's newest store allows customers to customize sneakers with a hologram customization tool, and the store also features an "NFT booth." Retailers are not only becoming more creative with their in-store concepts, but owners are also more open-minded when filling spaces with stores they would not normally consider for certain locations. "Traditional retail is continuing to adapt to complement the omnichannel approach many retailers have had to take over the last few years. The success of this recalibration has only been heightened as foot traffic and consumer spending remain at all-time highs, commented Meridian investment sales director, Chirag Doshi.

Meridian's Retail Leasing Division is actively closing over 200 deals a year. Per Meridian senior director in retail leasing, Ben Biberaj, "There is a lot of optimism in the retail market. We are seeing many existing tenants in expansion mode as well as new entrants signing long-term leases that are still 25% below pre-pandemic levels. Many of these tenants operated online, from food trucks or carts and are finally getting their chance for a permanent location." Evelia Tamales with its remarkable story about starting their business out of a shopping cart and continuing in that fashion for 20 years, opened in East Elmhurst serving authentic tamales. Mahsil, a Korean restaurant, started a new concept Korean gastropub experience in Flushing, Queens. In Bed-Stuy, Ostudio At Night is a coworking space for artists during the day and turns into a wine bar serving small plates in the evening. Lastly, Nadas on Greenwich Ave. in the West Village offers Columbian gluten-free, rainbow empanadas. With the current lower barriers to entry in the restaurant space and New Yorkers love for good food, we will continue to see new restaurants open offering fusion flavors and good vibes.

Despite a strict regulatory environment, high inflation and interest rates, and an unstable global economic uncertainty, NYC business continues to expand and evolve with a growth mindset. With so many compelling in-person options, it's no wonder everyone is out and about in the Big Apple.

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