

SoHo Broadway District Management Association, Inc.

Community Roundtable – July 22, 2021

Meeting Minutes

Pursuant to a written notice via email, website, and social media, members of the public attended an information session (Community Roundtable) organized by the SoHo Broadway District Management Association, Inc. (dba SoHo Broadway Initiative) on Thursday, July 22, 2021 remotely via Zoom at 8:30 a.m.

Executive Director Mark Dicus welcomed attendees, introduced SBI staff (himself, Brandon Zwagerman, Frank Wessels) and Board Members (Ronnie Wolf, Margaret Baisley, Luke Wolf), and Officer Campaign of the 5th Precinct.

Mark introduced participating panelists in a discussion about the economic/pandemic recovery in SoHo:

- Andrew Kahn, Cushman & Wakefield. Andrew M. Kahn joined Cushman & Wakefield in 2000 and is an Executive Managing Director of Retail Services. With over 25 years of retail leasing experience, Mr. Kahn's strategy in developing national rollouts, negotiation of complex deal structures, understanding of consumer behavior, study of trends and data analytics, financial analysis, and development design and merchandising consulting allow him to draw from a breadth of experience to add value to his clients. He has completed hundreds of transactions valued over \$3 billion and leases for some of the most well recognized, highest trafficked and most productive retail locations globally, including right here in SoHo.
- Gregory Kraut, KPG Funds. Gregory Kraut is the co-founder and CEO of KPG. Mr. Kraut oversees the strategic direction of the company, asset management, leasing and maintains and develops new client and capital partner relationships. Before KPG, Mr. Kraut was the Founding Principal and Managing Director of Avison Young's New York office. Throughout his 20-year career, he has represented owners and occupiers in transactions totaling more than 10 million square feet. KPG is a value-add owner and operator that purchases architecturally significant but aging Class B and C properties and converts them to modern Class A. KPG's design-forward brand attracts and retains the modern-day workforce. Local projects include L'Atelier at 446 Broadway and Howard X Crosby, both newly renovated commercial office and boutique retail developments.
- Konstance Patton, SoHo Renaissance Factory. Konstance Patton is an Indigenous American Artist, Muralist, Designer, and Oral Historian based in New York City since 2006. She is an enrolled member of The Little River Band of Ottawa Indians in Michigan and grew up in Detroit. Her work includes street art, set design, fashion illustration, sewing, animation, and storytelling. Her street art

project explores grassroots community beautification, beauty and adornment, history, and organic collaboration. In summer 2020, Konstance co-founded the Artist Collective, Soho Renaissance Factory when the storefronts of downtown Manhattan were boarded up with plywood following unrest after the murder of George Floyd. The team is working hard to bring back the arts to SoHo and create long term resources for all NYC artists. Konstance is also founder of the Be A Lover Fest, happening this Saturday July 24 at venues around downtown Manhattan.

- Sara Schiller, Sloomoo Institute. Sara is the co-founder of Sloomoo Institute, an immersive experience based in Slime that opened in SoHo in 2019 and welcomed over 90,000 guests in the first four months. In addition to being a long-time resident of SoHo, Sara attended NYU for business school. She is also founder of Meet Hospitality, a creative meeting and amenity space management company that originally opened in SoHo in 2008 and now has 6 locations across the city. Sara is the co-founder of Wooster Collective, a celebration of Street Art and is on the Board of Advisors to Brooklyn Museum.

Discussion with Sara Schiller about what the last 3 months has looked like for Sloomoo: Optimism abounds, ticket sales going up at a slow and steady pace. Seeing more people on the street, which is good for non-ticketed retail side of business. 2 challenges: perception of security. One staff member has been assaulted and another harassed on street. Challenges in finding staff (roster of 1-200 staff); working with two staffing agencies. People from suburbs have perception that NYC isn't safe; need to get message out that it is safe compared to historic trends. When the mask mandate was lifted, many more people began visiting.

Discussion with Konstance Patton re: SoHo Renaissance Factory's mission and the role art can play in the recovery. Konstance's background in mural making, teaching art. When neighborhood was boarded up in summer 2020, her first thought was to paint on the plywood. She met a number of other artists who had the same intention. Empty streets were full of artists independently coming together to beautify the neighborhood. They got the attention of some businesses such as JVP Margalit and NoMo SoHo Hotel, and their work has been published many places. NoMo has given them a studio space and living quarters for many months, a fantastic friend to artists. [Be A Lover Fest](#) is a celebration of the artists who have kept things beautiful over the past year and the businesses who stayed open and supported them. We aim to put artists in front of stores to drive foot traffic. Art is what brings people to NYC. We were able to raise \$15,000 to pay artists; 55 artists signed up, plus musicians. NoMo open studio, Elizabeth Street Garden block party, possibly mural painting, happenings on Lower East Side. 2-8 p.m. this Saturday the 24th. Recommend starting at NoMo SoHo.

Discussion with Greg Kraut about why he is so positive on office right now. KPG signed lease with LA editing studio to take space at 446 Broadway. 50x the amount of traffic coming into offices since mask mandate lifted. Lots of foot traffic outside our buildings. Rents off 60-70% from high; may seem some bigger retailers, mom and pops, and restaurants taking advantage. Neighborhood needs more fast casual; not enough restaurants open for the population coming back into city. SoHo still has unbelievable

cachet. Crime perception is generational; older generation who remembers 70s/80s more alarmed than younger. Haven't noticed much, although Canal Street is a disaster. People only look at news headlines; the exception not the norm. Delta variant is the only concern; need to get everyone vaccinated. Greg believes a mask mandate will shut everything down. Street art is a big draw; we need more art and street art.

Discussion with Andrew Kahan about the retail leasing market. Andy says SoHo is unique in that it is a grid, not linear; largest urban retail district by store count in the Americas. 4-500 stores. The rent reset taking place is creating a real opportunity for the next generation of retailers; potentially more galleries. Restaurants are critically important. They keep people shopping longer locally (rather than going east or west) and serve office workers. Biggest and best retailers in the world, fashion and luxury goods groups, have committed to SoHo recently. Many positive things will come out of this ugly period for the retail industry. Sundays SoHo is a husband and wife team-run small business and one of the busiest stores. Pedestrian traffic is coming back in a big way. We see positive things over the next couple years for this market.

Each panelist was asked what they are most looking forward to in the next few months.

Sara: hoping that the Delta variant doesn't have a major impact locally and that masks don't come back. Hope that tourists do come back. Let's get kids vaccinated so families want to come back and support all the stores and restaurants that cater to kids.

Konstance: Doing another Be a Lover Fest around Halloween. SoHo Renaissance Factory's lease with NoMo ends after August. They are looking for a small space to activate where people can see us working.

Greg: looking forward to leasing up our buildings with cool, progressive tenants and getting retailers into SoHo. Hopefully once Broadway theaters open up that changes everything and more people from outside NYC can see what is going on here. Targeted policing at certain locations. Get employees back into the city. Masks on transit makes people not want to ride subways; car traffic is worse now than before Covid.

Andrew: Great to see travel picking up. We are going to read about a lot of new retail leases and great new stores opening. New Lego store on 5th Avenue has been tremendous success. Going to see more creative experiential retail concepts. The next 2 years will be an exciting time for the market.

Mark: a few takeaways: We need to get people back to work and back on transit. We are probably going to see masks on transit a while given we can't police vaccination, but the subways are pretty safe given ventilation.

Q&A:

Margaret Baisley noted that the smart money seems to be in locking in lower lease rates and taking more space. Question about what Sloomoo is.

Sara: Sloomoo Institute is at 473-475 Broadway. A ticket experience with 10 interactive experiences with slime. 2 artist installations in the space; a 700 SF retail store. Organic and compostable. We think even more typical retailers will have experiences in their stores in coming years.

Ronnie Wolf notes there have been a lot of changes in real estate over the past decades, and right now is an opportunity for young new businesses to reinvigorate local spaces. Encourage commercial owners to find unique businesses to put into their spaces so SoHo can claim to be different than Hudson Yards, Midtown, Upper East Side, Upper West Side. SoHo artists and residents support stores. We need to work in unison. I agree we need cleaner streets, more policing, cobblestones need to be repaired. Need to work together to make sure next administration funds infrastructure. We need large commercial owners to push for that.

Greg Kraut notes that we try to work closely with City agencies, Landmarks, DEP and others. It is very challenging to renovate these properties and many City agencies very backed up, which scares off a lot of developers. We still have a big belief in SoHo. We haven't talked about the rezoning or homeless shelter.

Mark notes SBI is actively following rezoning and shared [testimony](#) with CB2. We haven't made a position on the shelter as it is not in our district, but we all need to work together to address the needs of the city.

Mark addressed some questions in the chat. Re: traffic on Broome and Broadway, we are working on a public realm plan on ways to make more space for people and reduce congestion. In the next month or 2 doing pilot and Broadway and Broome with pedestrian safety managers. Plan coming out in fall.

Todd from Acadia Realty shared concerns on vandalism, graffiti, and homelessness at Broadway and Prince. Will talk offline with Mark.

Aura Rosenberg shared concerns about Canal Street. Vendors and congestion. SBI has been working on this, and is on NYPD radar screen.

Officer Campaign from 5th Precinct is happy to speak with anyone offline.