

# RETAIL NEIGHBORHOODS OF NEW YORK CITY

***New York City is seeing a growth of microzones for hot retail, while established districts like the West Village do well.***

Nicole Thompson

**A**s New York City grows and changes, hot new retail districts continue to evolve. *Northeast Real Estate Business* recently spent the day with Andrew Pittel, president of New York City-based Andrew A. Pittel & Company to see some of the hot retail areas of New York City.

## THE MEATPACKING DISTRICT

While the Meatpacking District has been increasingly popular with retailers and shoppers for some time now, the neighborhood is hitting its stride, with a community initiative working on neighborhood affairs and possibly a business improvement district, a wider variety of retail tenants, and forward progress on the High Line Project (see sidebar). The Meatpacking District Initiative, an independent association of more than 75 area businesses, runs the neighborhood Web site, [www.meatpacking-district.com](http://www.meatpacking-district.com), and produced slick booklets highlighting the attractions in the area, with an removable map that covers restaurants and bars, retail stores, lodging and personal services.

The Meatpacking District stretches roughly from West 12th Street north to West 16th Street, and from Eighth Avenue west to the Hudson River. The area still feels a little rough, with the uneven cobblestone streets and graffiti peeking through the meat hooks hanging outside some buildings, contrasting with the sleek designs of the retail stores and the red velvet ropes that come out at night to surround the hot nightclubs.

"The area is grounded in a market use, and we still have a lot of active meatpackers," says Annie Washburn, head of the Meatpacking District

Initiative. "There needs to be a critical mass, though, so we need to keep them in the neighborhood to have that aspect." Meatpackers such as Western Beef on Ninth Avenue remain active in the area, despite the sharp increase in neighborhood retailers. Other long-time establishments, such as Hogs & Heifers Saloon, have stuck around, helping retain the unique ambiance.

Most of the current retail in the district is located on two corridors, 14th Street and Washington Street, although as the area gains popularity, the penetration of retailers has spread. High-end designers like Alexander McQueen, Diane von Furstenberg, Stella McCartney, Yigal Azrouel bring a certain cachet to the area, along with specialty boutiques like La Perla, and home furnishing stores such as Design Within Reach. At Ninth Avenue and Little West 12th Street, Theory has established a presence. At 837-843 Washington Street on the corner of 13th Street, a national independent theater chain has signed to occupy the second and third floors once retail is set for the ground floor.

As food tourists discover the high quality of restaurants in the Meatpacking District, a new contingent is developing in the area. Some of the best chefs in the city have entered the market, and restaurants in the area have sometimes surprising formats, such as the mix of French bistro in the guise of a 24-hour classic New York City diner at Restaurant Florent, which has been in the neighborhood for 20 years.

Retailers in the area, however, look to resist diluting the neighborhood's character, and want to avoid becoming a shopping district that consists solely

of prototypes of national retail chains. "The La Perla and Puma stores here don't look like their other stores," says Washburn. "Stores that come here understand that they are part of the collection as a whole. Of course, landlords need to make money, but there is something to be said for continuity."

Washburn is a business partner of Darling, a women's apparel boutique that carries approximately 30 to 40 lines, both new and vintage clothes, located at 1 Horatio Street at Eighth Avenue, in some ways the doorway to the Meatpacking District. Keeping in line with the unusual feel of the neighborhood, the two-level store offers shoppers complimentary wine and stays open until 10 p.m. on Thursdays, features a courtyard garden, and hosts bridal showers and private shopping parties.

As the neighborhood evolved into a 24-hour destination, hotels entered the area. One of the few new ground-up buildings in the area is Hotel Gansevoort, which features a rooftop balcony and pool with fabulous view that incidentally overlooks the chic rooftop patio and pool of the New York branch of the famed London club, the SoHo House. Currently under construction at 820 Washington Street is hotelier Andre Balazs' trendy The Standard Hotel concept, which will be the first location for the hotel in New York City.

## OTHER HOT DISTRICTS IN NYC

Elsewhere in Manhattan, Pittel notes that retail is picking up in Murray Hill, roughly around the area of 34th Street and Second Avenue. Also, moving south, the Kips Bay area, which encompasses approximately 27th to

34th streets, and Park Avenue to the East River, has seen an increase in popularity with residents, and thus retailers are beginning to follow.

Residential growth is very often a traffic generator for retail, and is often a good predictor of future growth. Hell's Kitchen has toned down its wild ways, so to speak, and is often as not now referred to as the Clinton area. It stretches from Eighth Avenue to the water, and runs from approximately 34th Street to 59th Street. New residential development is driving retail in that part of the city, and while pockets of the area once home to writers such as O. Henry and Thomas Wolff remain on the dicey side, the 10th and 11th Avenue corridors, particularly around 42nd Street, have seen increased retail activity.

Heading north on the west side, the Upper Upper West Side by Morningside Heights, north of 96th Street leading toward Harlem, is another area seeing increased activity, partly due to an expansion of Columbia University. "Everybody is looking in the area—the residential component has changed," notes Pittel. "We're seeing retailers, especially in neighborhood of 112th to 115th streets, expanding away from Broadway, which has been popular for some time now, toward Amsterdam, Columbus and Manhattan avenues. Moving both east and west are untapped retail opportunities."

One trend to note, according to Pittel, is the rise in popularity of certain corridors in established shopping areas, as opposed to whole new dis-

tricts developing. As much of Manhattan has undergone revival, there are few places to be discovered by shoppers and retailers. An example of this trend is three blocks of Bleecker Street from West 10th Street to West 11th Street — not just the West Village, but a microzone of three blocks of one street. It started with Magnolia Bakery in 1996, and when Marc Jacobs opened a store in the corridor, it took off and is now filled with high-end boutiques.

Further south on Bleecker, in between Carmine and Cornelia streets, a zone of high-end food stores have opened, based around Murray's Cheese.

As shopping destinations evolve throughout the city, look to borders and side streets between established areas for future growth. □

## FEDERAL GOVERNMENT GIVES GREEN LIGHT FOR THE HIGH LINE PROJECT

One of the challenges of retail on the West Side of the city is the lack of access to public transportation. As retail districts reach further westward in the lower half of Manhattan, it becomes harder for shoppers to reach the stores from the subway.

According to Annie Washburn, head of the Meatpacking District Initiative, a pedestrian corridor running north-south like the High Line Project could provide a viable alternative for reaching areas like the Meatpacking District.

The High Line, built in the 1930s to eliminate street-level rail crossings on the West Side from the northern tip of Manhattan down to Spring Street, fell out of rail use in 1980. Since then, debates on what to do with the elevated rail line have continued, with the Bloomberg administration first supporting turning the corridor into a public walkway and greenspace in 2002. According to the city, the line currently stretches 22 blocks, approximately 1.4 miles, and the main line and its spurs contain approximately 6.7 acres of elevated area occupied by gravel, grasses, shrubs, and, in some places, trees.

In June, the federal body that oversees rail corridors issued a certificate for the High Line that enables CSX Transportation, the owner of the rail corridor, to negotiate a trail agreement with New York City, which would transfer control of the High Line to the city for use as a public walkway and open space.

Also in June, the City Council approved a rezoning of the West Chelsea area bounded generally by 10th and 11th avenues from West 30th Street south to West 16th Street. The newly created Special West Chelsea District provides opportunities for new residential and commercial development for a successful mixed-use area, facilitates the use of the High Line, encourages a transition in usage and size of buildings moving east into the historic Chelsea District and north to the Hudson Yards, and supports the neighborhood's thriving art gallery district.

It is anticipated that the first phase of the High Line to be converted, from Gansevoort Street to 15th Street, will be open to the public in late 2007 or early 2008. The preliminary design for that phase, which was displayed at the Museum of Modern Art for several months, was created by a team of firms and consultants, including Field Operations providing landscape architecture and Diller Scofidio + Renfro providing architectural services. The city of New York has committed more than \$50 million in capital funding for the project, which will also receive funding from a variety of federal and state sources.

— Nicole Thompson