## Filling San Francisco storefronts could start with better system to track vacancies

By: Brent Begin | Examiner Staff Writer | 06/20/11

Vacant storefronts line streets in neighborhoods such as the Bayview and the mid-Market Street area, but just how many retail spaces are empty throughout The City is a tough number to pin down.

That would change with a centralized, citywide system to track vacancies, according to a proposal of new programs from the Mayor's Office of Economic and Workforce Development.

Vacant storefronts have a number of harmful effects on surrounding communities, including crime and graffiti and discouraging investment in the neighborhood, the proposal said.

The problem has been made worse by the global recession. San Francisco's citywide retail vacancy rate tripled in 2009, from about 3 percent to nearly 10 percent, according to commercial brokerage firm Colliers International.

Some commercial districts in The City have suffered more than others. Third Street in the Bayview has a 24 percent vacancy rate, while the central Market Street area has a 31 percent rate.

One of the reasons why vacancies occur — and why empty storefronts stay empty — is businesses lack the information and money to find the right fit, according to the proposal. A database would help The City recruit businesses and place them in stores that have the right infrastructure.

But that database requires \$50,000 in funding from The City, part of a package of initiatives outlined by workforce development Director Jennifer Matz. Also, the office is hoping to secure \$50,000 for marketing, \$150,000 to recruit 20 to 30 businesses into empty storefronts, \$250,000 to refill a depleted small-loan program and \$500,000 to help clean facades.

**Supervisor Carmen Chu**, whose Sunset district has seen its share of empty storefronts, said that while there is a need for these programs, it may be a challenge to find the money.

"One of the things I hear from small business is that there are a number of vacant storefronts and that hurts their business," Chu said. "They're slowly being filled, which is a good thing, but is there more that can be done to support small business?"

If approved, much of the recruiting and brokering could be contracted out to Urban Solutions, a nonprofit brokerage firm that advertises and shows empty retail space in low-income communities. On Sixth Street, for example, the group was able to reduce the number of vacant storefronts from 43 percent to 9 percent, according to Jenny McNulty, the executive director of Urban Solutions.

"In some areas, property owners neglect their retail space and it becomes blight," McNulty said. "We are meeting a need in neighborhoods where the market is not taking care of it."

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## Window treatment

The City is proposing several initiatives to fill vacant storefronts.

- \$500,000: Provide grants up to \$75,000 for businesses to improve storefronts
- \$250,000: Replenish \$800,000 in exhausted small loans
- \$150,000: Recruitment efforts to bring 20-30 small businesses to empty stores
- \$50,000: Marketing materials
- \$50,000: Database to match businesses with vacancies

Source: Mayor's Office of Economic and Workforce Development