

# Report

GARMENT CENTER  
STEERING COMMITTEE

# & Recommendations



## **GARMENT CENTER STEERING COMMITTEE**

### **Elected Officials**

**Manhattan Borough President Gale Brewer**  
**City Council Member Corey Johnson**  
**City Council Member Dan Garodnick**  
**Congress Member Jerrold Nadler**  
**Congress Member Carolyn Maloney**  
**Assembly Member Richard Gottfried**  
**State Senator Marisol Alcantara**  
**State Senator Brad Hoylman**

### **Organization** *Representative(s)*

**Community Board 4** *Joe Restuccia, Brian Weber*  
**Community Board 5** *Vikki Barbero, John Murray*  
**Council of Fashion Designers of America** *Steven Kolb, Andrew Rosen*  
**Design Trust for Public Space** *Susan Chin*  
**Garment Center Supplier Association** *Joe Ferrara*  
**Garment District Alliance** *Barbara Blair*  
**Pratt Center for Community Development** *Adam Friedman*  
**Real Estate Board of New York** *Mike Slattery*  
**Theatrical Wardrobe Union, Local 764 of the I.A.T.S.E.** *Steven Epstein*  
**Workers United** *Edgar Romney*  
**YEOHLEE Inc.** *Yeohlee Teng*

## **Garment Center Steering Committee Principles and Recommendations**

On May 25, 2017, members of the Garment Center Steering Committee (GCSC) convened for the first time to engage in a multi-stakeholder dialogue that focused on how to

- 1) support garment manufacturers and the larger garment industry's long-term presence in mid-Manhattan;
- 2) celebrate the industry's past and future; and
- 3) support the Garment District in its transition to a successful mixed-used neighborhood that continues to include the garment industry.

The Garment Center has been a center of garment creation—the combination of design with physical production—and of the fashion ecosystem around the world, for more than a century. Garment production is instrumental to the health of the fashion industry in NYC, equally benefiting emerging designers with small sample needs and small runs, and more established designers for higher-end goods and prototyping. Garment production also includes other related uses such as theatrical costume production, which is likewise instrumental to the health of the entertainment industry, including Broadway, Lincoln Center, and film and television production both here in New York City and across the country. There are a variety of businesses from the fashion production chain that are located within the Garment Center and represent about half of all businesses within the neighborhood. The Garment Center is home to both large-scale and smaller manufacturers operating in spaces that may combine showrooms, design office, or warehousing with production space. Reflecting the hybrid nature of the industry and the varied building stock in the Garment Center, lease terms and rents among these manufacturers vary widely, with many manufacturers on short-term leases. The Steering Committee's recommendations aim to support the Garment Center in mid-Manhattan, defined as the area between West 28th and West 42nd Streets and between Fifth and Tenth Avenues, which includes the Preservation Areas, P-1 and P-2. (See map inside back cover.)

The GCSC was formed by Manhattan Borough President Gale A. Brewer, Council Member Corey Johnson, and Deputy Mayor for Housing and Economic Development Alicia Glen, to engage stakeholders in the Garment District and New York's fashion and garment industries. Chaired by Borough President Brewer, the GCSC participated in six Steering Committee meetings over a three-month period, during which committee members discussed, developed and debated a set of guiding principles and recommendations to inform the City's strategy. The NYC Economic Development Corporation (NYCEDC) and NYC Department of City Planning (DCP) provided technical support to the Steering Committee and attended every meeting. The GCSC was formed to deliberate and develop recommendations focused on and for the garment industry in the Garment Center in Manhattan and purposefully did not discuss recommendations pertaining to the industry at large or other areas outside of the Garment Center.

The GCSC also reflects an effort to improve the existing Uniform Land Use Review Process (ULURP) with its relatively rigid timetable and scope which can both undermine a comprehensive approach to planning for land use changes and foster conflict between the stakeholders. The new model seeks to have a more robust exploration of the issues before the beginning

of ULURP and to develop strategies and programs to address those issues in a more timely manner and outside of a confrontational setting with the expectation that the actual ULURP will be quicker and more effective.

As part of the engagement process and to provide the group with the most up-to-date data to anchor the conversations, the Garment District Alliance (GDA) and the Garment Center Supplier Association (GCSA) agreed to conduct simultaneous surveys of garment manufacturers, and related industries, in the larger Garment Center (GDA efforts focused on the Preservation Areas; GCSA efforts focused on the larger Garment Center area, inclusive of the Preservation Areas), using a shared definition of manufacturing as part of their methodology to allow for both sets of data to be analyzed and discussed side by side. The two organizations shared survey results, which informed the GCSC's recommendations, with the committee on July 13, 2017. A summary of the results are presented in the appendix. In addition, presentations were made by Kei Hayashi, who has particular expertise in real estate financing and was previously President of the Industrial Development Agency, Jeffrey Lee, current President of the Industrial Development Agency, and Adam Friedman, Director of the Pratt Center and past President of the Garment Industry Development Corporation and who has particular expertise in nonprofit real estate development.

The GCSC, facilitated by Celeste Frye of Public Works Partners with independent consultant Ben Margolis, established a strong commitment, expressed by all committee members, to support the garment industry and specifically garment manufacturers to maintain a core presence in mid-Manhattan. This core—defined as a critical mass of garment-related businesses serving as a hub for the industry citywide—will serve as a vital part of the garment and fashion ecosystem, which is needed for garment-related businesses to produce garments from concept through to design and ultimately finished product in New York City.

Following the release of this report, DCP and the NYCEDC will begin the formal review process for updating the Special Garment Center District zoning regulations at the August 21, 2017 City Planning Commission Review Session.

## **Guiding Principles**

The GCSC developed and agreed upon several guiding principles that serve as a framework for the recommendations. The GCSC intends for the recommendations to inform the City's strategy to support the continued presence of garment manufacturing in the Garment Center and the garment manufacturing industry.

- The Garment Center is a unique, close-knit, vital and world-class ecosystem of garment and garment-related businesses;
- Preserving a core of garment manufacturing in the Garment Center is a priority for the Committee and central to future decision-making or interventions in the area;
- Garment manufacturing serves as a foundation for the Garment Center and citywide garment industry;
- Real estate stability is essential to the operation and prospering of garment manufacturing in the Garment Center;

- Programs providing support and preparation for future innovations throughout the garment industry are essential and complementary to real estate solutions; and
- Recommendations should be crafted for industry-wide and district-wide support, not for any one individual manufacturer, garment-related business, or site, and not only for existing businesses but for future generations.

## **Recommendations**

This report articulates eleven recommendations, and two areas for further exploration, that have been identified by the members of the GCSC to inform the City's strategy in supporting the garment industry in mid-Manhattan. In the first Steering Committee Meeting, GCSC members agreed to strive for consensus when discussing proposed recommendations. Consensus was defined as broad agreement, which may not consist of 100% unanimity among Committee members. The level of consensus and specific areas of dissent are noted within the recommendations to reflect an accurate picture of the Steering Committee's nuanced discussions, including when unanimity was not achieved as the GCSC evaluated recommendations.

While there was consensus that there needs to be a comprehensive strategy to strengthen the garment industry, not all components of that strategy are equally critical to implementation. The vast majority of the committee felt that real estate stability was the decisive condition for a stronger industry. This was the most complex issue and the committee altered its work plan to focus on it. Marketing assistance to expand markets and create jobs, technology to improve competitiveness, and training for workers to assure both the highest quality fashion and highest quality jobs are important, both as goals in themselves and to support the real estate strategy and assure that there would be sufficient demand for protected space. But without stable affordable space these other programs cannot be impactful.

The recommendations are organized topically as follows:

### **Section I. Real Estate**

1. Create a custom NYCIDA program to retain long-term garment production space in the Garment Center;
2. Advance a framework for a public-private building purchase for dedicated garment production space in mid-Manhattan;
3. Create a mechanism in the zoning text to phase out the Preservation Requirements in sub-areas P-1 and P-2 of the Special Garment Center District with the condition that some space continues to be preserved for garment manufacturing;
4. Institute hotel restrictions in the Garment Center as part of the Special Garment Center District zoning changes;
5. Support the role of nonprofit partner(s) in efforts to preserve a core of garment manufacturers in mid-Manhattan;

### **Section II. Workforce Development and Business Support**

6. Support and develop new and existing talent pipelines for the garment-related workforce in mid-Manhattan;

7. Support business planning and marketing among garment manufacturers;
8. Develop communications platform to elevate garment manufacturers;

### **Section III. Placemaking**

9. Enhance neighborhood and commercial circulation and streetscape in the Garment Center;
10. Strengthen visibility of garment businesses and their workforce in the Garment Center;
11. Preserve the Garment Center's unique identity;

### **Section IV. Further Areas to Explore**

12. Develop a multilingual approach across programs to preserve a core of garment production and support the larger garment ecosystem in mid-Manhattan; and
13. Support the garment-related retail presence in the Garment Center.

### **Section I. Real Estate**

*Recommendations support the long-term stability of garment manufacturers in mid-Manhattan.*

Real estate stability for garment manufacturers was identified early on by the Steering Committee as the most critical component of its recommendations. This echoes the sentiment from attendees of the NYC Urban Manufacturing Symposium, a public event sponsored by the Manhattan Borough President's Office on April 24, 2017, prior to the commencement of the GCSC. Stability in location allows garment manufacturers to make long-term business decisions, such as capital investments, and helps preserve the historic garment ecosystem. Garment manufacturers were considered to be the most vulnerable part of the fashion ecosystem, and as result were prioritized in order to retain a vibrant garment industry in mid-Manhattan and citywide. Achieving this stability and predictability for garment manufacturers in the Manhattan core was the primary objective for the GCSC, and Committee members recommend a package of options for achieving this goal.

**Recommendation 1: Create a custom NYC Industrial Development Agency (NYCIDA) program to retain long-term garment production space in the Garment Center.** The development and implementation of a custom program designed by the NYCIDA to benefit garment manufacturers in the Garment Center is the primary real estate strategy discussed across multiple Steering Committee meetings. A custom NYCIDA program, which would abate property taxes for Garment Center landlords to incentivize long-term affordable leases for garment manufacturers, presents a strong opportunity to achieve effective preservation of garment production in the Garment Center. NYCIDA programs have traditionally served lower density, manufacturing areas outside of Manhattan and the potential customized application of the NYCIDA in the Garment Center was seen as the creative use of a well-tested municipal tool for a high density, high value and mixed-use neighborhood. In addition, the GCSC also recommended leveraging the Industrial Developer Fund (IDF) with NYCIDA to close potential financing gaps and facilitate capital investments in manufacturing spaces and buildings. The recommended NYCIDA framework is the outcome of many conversations and study by Steering Committee members, as well as conversations with property owners in the Garment Center who expressed interest in participating in such a program. This recommendation had unanimous support from the committee.

This custom NYCIDA program, developed by New York City Economic Development Corporation staff, would:

- Prioritize buildings with production tenants;
- Ensure that affordable production space is retained on a long-term basis;
- Support buildings in an area generally defined between West 28th and West 42nd Streets and between 5th and 10th Avenues, as appropriate;
- Require property owners receiving NYCIDA benefits to offer renewable leases that will provide stability to tenants;
- Be flexible enough to support buildings with a range of rents affordable for production tenants;
- Offer tiered levels of benefits to owners, based on their building profile and the amount of production space their building maintains;
- Offer deeper benefits to property owners participating early in the program;
- Make support other than tax abatements available, including but not limited to, capital support including through the IDF; and
- Develop an effective enforcement mechanism to ensure the availability of affordable space for production both in the short and long terms, perhaps in collaboration with a non-profit organization discussed below.

The Steering Committee strongly requests that the City present a financial term sheet for the custom NYCIDA program early in the Uniform Land Use Review Procedure (ULURP process) and no later than September 6, 2017. Some Committee members voiced objection to an August 21, 2017, certification date without a financial term sheet being presented.

**Recommendation 2: Advance a framework for public-private building purchase for dedicated garment production space in mid-Manhattan.** The city partners (MBPO, Councilmember, and NYCEDC) agree to make best efforts to facilitate and support the purchase of a property with a combination of public and private funds that would maintain dedicated space for garment manufacturers in mid-Manhattan. Potential operators could include a nonprofit manager, a manufacturing cooperative, or a condo association.

Funding from the City's IDF and from MBPO and Council capital funds should be explored to support purchase of a property with significant and dedicated manufacturing square footage. The City could explore crafting a custom IDF program for the Garment Center, which could include a loan guarantee component and provide additional stability for small and/or emerging garment manufacturers beyond the benefits created by Recommendation 1. This recommendation is meant to complement the custom NYCIDA program as another means to preserve garment production. However, the Steering Committee members acknowledged the significant complexity, length of time, and cost associated with purchasing a building in Mid-Manhattan, and that building purchase alone may not preserve sufficient garment production. This recommendation had unanimous support from the committee.

**Recommendation 3: Create a mechanism in the zoning text to phase out the Preservation Requirements in sub-areas P-1 and P-2 of the Special Garment Center District.**

The proposal would tie the lifting of the Preservation Requirements to achieving a goal of

square footage of retention of garment production space in the Garment Center. Under this framework, the Chair of the City Planning Commission would certify that the target amount of space has been achieved for permanent lifting of the restriction.

To respond to many committee members' concerns that lifting the zoning requirements without prior implementation of other support mechanisms, such as NYCIDA, could put garment manufacturers' real estate stability at risk, some members proposed to phase out the lifting of the zoning restrictions. The main goal of the proposal is to ensure predictability and the success of the non-zoning preservation efforts. While the proposal runs contrary to some members' belief that zoning has been irrelevant to the real estate stability of the garment district, all garment industry representatives and government officials supported this recommendation, while those representing property owners did not. The dissenting members noted that half of the production presence in the area is not reliant on the current zoning restrictions.

However, the members in support of this recommendation consider it an essential component that in many ways serves as the foundation of the work of the Steering Committee. For them, tying the lifting of the Preservation Requirements to a square footage goal would be the only way to ensure that a "critical mass" of production space necessary for the survival and success of the garment industry will be retained. Many members, including Steering Committee Chair Manhattan Borough President Gale Brewer, made it clear that it would be difficult if not impossible to support any attempt to lift the current zoning restrictions without a commitment to tie it to a square footage goal.

As part of this approach, GCSC members debated how to define a "critical mass" target of preserved garment manufacturing space. The majority of Steering Committee members agreed to a minimum preservation goal defined between 500,000 and 750,000 square feet for manufacturing space in the Garment Center. Some Steering Committee members dissented with this opinion. Members representing property owners objected to the square footage approach, citing concerns over predictability and feasibility of achieving such a goal. They maintained that lifting of the current zoning should instead be tied to a specific date in the future. Other members recommended a goal of 1 million square feet as the target instead.

The recommendation to tie the lifting of the restriction to attainment of a square footage goal also includes the following components: encouraging early participation in the NYCIDA program, implementing specific mechanisms for lifting restrictions, monetizing the retained square footage, and establishing a process to re-evaluate the retention goal if the initial approach were to fail. The following details the proposed mechanism.

Incentives and zoning mechanisms would be offered to owners to expedite the achievement of the target amount of space. These incentives could include:

- Incentives structured to encourage early participation. A time limit on the availability of NYCIDA and IDF/other capital funding incentives, and/or incentives that decrease over time, should be set, so that property owners are encouraged to enter into agreements early and provide more predictability for all parties.
- Zoning mechanism for an early release option to the current preservation requirements.

A zoning text provision should be created to permanently release space early from the preservation requirements if a property owner reserves a certain number of square feet for garment manufacturing retention. Under this framework, the owner would receive the right to be exempted from the preservation requirements for some greater number of square feet (under a ratio to be determined). The rights derived from this action could be used on site or off site. With this provision, a property owner can preserve a portion of a building or portfolio and free up the balance of space for conversion to commercial uses.

■ Monetizing manufacturing retention rights. Zoning could allow property owners to monetize and transfer those ‘release rights’ by selling them to other property owners in the SGCD. This ability is especially valuable for those owners who cannot fully make use of their ‘release rights’ for their own property or holdings. Manufacturing retention rights could also be created in a proposed incentive program area greater than the current SGCD, in order to preserve production in the wider geographic district, while assisting with the early release option.

All manufacturing retention square footage produced by any of the tax incentives or zoning mechanisms could count toward the target amount of square footage reserved for garment production in the Garment Center in Manhattan. In addition, all signed leases and extensions that meet the same standards for long-term stability for production tenants could count toward the target square footage, whether or not they are in the NYCIDA program recommended in Recommendation 1.

After a set period, the target, if not met, should be re-evaluated by the Department of City Planning in consultation with NYCEDC, the Borough President and Councilmember. This re-evaluation would include a public hearing and take into account participation in the tax incentive program and zoning mechanisms, strength of the industry and geographic distribution of the industry city-wide. It could then consider changing components of the incentive program, including the level of incentives offered, the kinds of uses being preserved, and the target square footage.

**Recommendation 4: Institute hotel restrictions as part of the Special Garment Center District zoning changes.** Create a special permit or other restriction(s) applicable in the Special Garment Center District zoning regulations to limit hotel use by development, enlargement or conversion, as part of a package of real estate solutions. These restrictions will help ensure a balanced mixed-use district, serve as a deterrent to the practice of warehousing vacant production space that could be used for other uses, and remove development pressure on predominantly garment production buildings that are outside of the P-1 and P-2 sub-areas. This land use framework to restrict as-of-right hotel development was seen as critical and should be part of the land use application referred out on August 21, 2017. This recommendation had unanimous support from the committee except for the two representatives of property owners, who would support this upon the lifting of the Preservation Requirements.

Representatives of Community Board 4 and Community Board 5 are united in supporting a special permit for new hotels east of Eighth Avenue in Community District 5, and no new hotels west of Eighth Avenue in Community District 4.

**Recommendation 5: Support the role of nonprofit partners in efforts to preserve a core of garment manufacturers in mid-Manhattan.** As Recommendations 1 and/or 2 are implemented, the City should work to engage with and provide funding assistance to a nonprofit partner to facilitate implementation and/or ongoing operations. The precise role of the nonprofit could take one of several forms including:

- Serving as an intermediary of an NYCIDA program to support production tenants in the Garment Center, identifying new tenants as needed in buildings receiving NYCIDA benefits, enforcing compliance, or supporting NYCIDA compliance efforts in those buildings. Under this model, primary fiscal and legal responsibility to identify qualified tenants would still rest with the landlord, but the nonprofit would provide building owners with support; or
- Acting as leaseholder under NYCIDA agreements, subleasing to new tenants as needed in buildings receiving NYCIDA benefits and ensuring compliance in those buildings. In this scenario, decision making authority around new tenants would rest with a nonprofit dedicated to the garment industry; and/or
- Serving individually or with a consortium of partners as a property owner and/or manager of a building with dedicated garment manufacturing space.

In addition to the support a nonprofit partner could offer to Recommendations 1 and 2, a nonprofit partner could serve as an advocate for the larger garment industry ecosystem in the Garment Center. This recommendation had unanimous support from the committee.

## **Section II. Workforce Development and Business Support**

*Recommendations aim to address the current and future workforce needs of garment manufacturers, and to help them to grow their businesses in the Garment Center by enhancing marketing and communication strategies and improving operational efficiencies.*

While real estate stability was identified as critical to the stability of the garment industry in the area, the GCSC determined that garment manufacturers also needed support with workforce and business operations to continue to innovate and compete in an increasingly global industry. Workforce development and business support recommendations build upon existing City support of the fashion industry, as well as ongoing programs that create opportunities for skills training and enable New York City to maintain a strong base of small businesses. Recommendations have been crafted to address a multitude of needs: varying skill levels required for employees of specialty production shops as compared to employees at mass production businesses; technological advances that could shift worker requirements; and a desire to enhance opportunities to communicate the value of garment manufacturers and to connect them to each other and other parts of the ecosystem.

**Recommendation 6: Support and develop new and existing talent pipelines for the garment-related workforce in mid-Manhattan.** Develop long-term training programs that supply the industry with skilled workers through employer-driven training and apprenticeships. These programs should be customized to the industry through close coordination with garment industry experts, and should strengthen the pipeline of skilled workers across a wide spectrum of roles and skills in the garment manufacturing supply chain. Training programs may:

- Help employees develop a career pathway to pursue quality jobs including supervisory positions;

- Offer new entry points to the industry in design, manufacturing, and technological innovation; and
- Enhance both existing technological skillsets such as CAD training and future emerging technologies.

NYCEDC, in consultation with the NYC Dept. of Small Business Services (SBS), should lead the development of programs that leverage and complement existing training programs. This recommendation had unanimous support from the committee.

**Recommendation 7: Support business planning and marketing among garment manufacturers.** Leverage existing NYC Business Solutions Center and Industrial Business Service Provider programs offered through SBS, tailoring them where needed, to offer business planning assistance that will position garment manufacturers to proactively enhance their efficiency and competitiveness. Types of assistance could include general consulting services, process implementation, operational support, and marketing support. Marketing tools should provide garment manufacturers with 21st century marketing support such as:

- New clientele and sales channel development;
- Digital, user-friendly tools to increase visibility to target clientele, such as website development support for individual manufacturing businesses; and
- B2B networking opportunities, leveraging existing and new networking opportunities to help businesses broaden their reach.

NYCEDC, in consultation with SBS, should lead the development of such programs that promote business launch and growth planning services. Programs should build off or learn from best practices of successful efforts such as City Source New York, an annual tradeshow connecting designers and small businesses with local manufacturers, embroiders, patternmakers, sample shops, trims, and other garment-related businesses, and Made in NY, a program that encourages the purchase of locally made products and that provides technical assistance to build the marketing capacity of individual manufacturers through creation of “communications assets” such as digital photography and videos, plus training and networking. This recommendation had unanimous support from the committee.

**Recommendation 8: Develop a communications platform to better connect garment manufacturers to the community of designers, start-ups, students and suppliers.**

Develop a communications platform and strategy, coordinated by the City with industry leaders and program partners, to promote production activities from garments to costumes, as well as associated retail in the Garment Center, to audiences within New York City, the country and across the world. This platform could create additional tourism opportunities, as well as align with the marketing support for individual garment manufacturers outlined in recommendation 6. Partners could include the Council of Fashion Designers of America, Made in NY, NYDesigns, the Garment District Alliance (GDA), and garment-related labor unions, including Workers United and IATSE. This recommendation had unanimous support from the committee.

### **Section III. Placemaking**

*Recommendations seek to preserve the garment industry's significance and presence in mid-Manhattan while also strengthening the development of a healthy and vibrant mixed-use neighborhood.*

Improvements to the public realm provide the opportunity to recognize and celebrate the unique value of the garment industry to mid-Manhattan while welcoming a diverse mix of businesses in the neighborhood. Recommendations include mechanisms to both enhance the garment industry's visibility and support all of the neighborhood's users. Enhancing garment industry visibility will help to preserve the rich culture and history associated with garment manufacturing in mid-Manhattan. These proposals seek to promote an inclusive landscape that celebrates the neighborhood's historical roots, facilitates the continued presence of a vibrant fashion ecosystem, and creates space to integrate new users of the neighborhood. Recommendations have also been designed to align with ongoing placemaking efforts by the GDA.

**Recommendation 9: Enhance neighborhood and commercial circulation and streetscape in the Garment Center.** Improve circulation and movement within the Garment Center to enable garment manufacturers to more easily transport goods and for the neighborhood to better accommodate pedestrians and bike riders. Changes to the local landscape could bolster the ability of garment manufacturers to conduct business, but should also align with the existing landscape and needs of other users; analysis of circulation patterns should be completed prior to implementing any changes to ensure they align with the diverse users of the neighborhood and the existing landscape, including nearby transit hubs and neighborhoods. Potential mechanisms could include: reserving lanes for foot or bike traffic or moving goods, preserving adequate space for and access to loading docks and service entrances, and enlarging sidewalks.

As part of this effort, the City should explore opportunities to draw connectivity with adjacent neighborhoods. This could include creating a pedestrian connection on 37th Street from the Javits Center to the Garment Center to be a distinguished gateway into the Garment Center, and other initiatives prioritized by the Garment District Alliance's 2017 Public Realm Improvements report. This recommendation had unanimous support from the committee.

**Recommendation 10: Strengthen the visibility of garment businesses and their workforce in the Garment Center.** Enable garment manufacturers, related businesses, and their clients to interact and find each other through improved signage for businesses, wayfinding, online directories, and/or a mobile application that would serve as a current and historical directory for the district. Enhanced visibility for these businesses would support a healthy ecosystem in the Garment District while also contributing to awareness of the neighborhood's identity and history. Improvements of this kind should build upon and be coordinated with existing strategies led by the Garment District Alliance. This recommendation had unanimous support from the committee.

**Recommendation 11: Preserve the Garment Center's unique identity.** The fashion industry's 100-year presence in the Garment Center represents a vital element to the neighborhood's identity and should be preserved, even as other uses integrate into the area. Strategies to retain a sense of place and historic context could include: individual landmark designation of select

significant structures in the district, opportunities to recognize the garment industry workforce, the exploration of a permanent museum with storefront visibility, and warehouse space for machinery, costumes, designs, and materials that includes an archive component to serve as a resource for students, designers, film and video and print editorial. This recommendation had unanimous support from the committee.

#### **Section IV. Further Areas to Explore**

In addition to the recommendations listed in elements of Real Estate, Workforce Development and Business Support, and Placemaking, the Steering Committee determined the following actions, which support maintaining a manufacturing core in mid-Manhattan and the larger garment ecosystem, should be further explored.

**Recommendation 12: Develop a multilingual approach** across programs to preserve a core of garment production and supporting the larger garment ecosystem in mid-Manhattan. Any programs and outreach that are implemented as an outgrowth of these recommendations should be designed and distributed with a multilingual audience in mind, to be accessible to a diverse constituency - garment manufacturers and their employees. All materials should be developed in accordance with Executive Order 120, which directs all City agencies that provide public services to develop and implement agency-specific language access plans for those with limited English proficiency.

**Recommendation 13: Support garment-related retail** presence in the Garment Center. Explore opportunities to support garment-related wholesale and retail businesses that provide the raw materials for garment production to students and emerging designers. These businesses provide a vital service to the garment ecosystem and contribute to the vibrant mixed use of the Garment District, creating a sense of place that is unique to the district.

Strategies to be explored include employing non-zoning incentives such as reducing the commercial rent tax\* and instituting changes to the special district such as: maximum linear feet for a storefront use, restrictions on banks and lobby frontages, a minimum number of establishments rule for larger buildings or zoning lots, and a minimum percentage of frontage for garment-related uses, including wholesale, retail, showroom and garment museum space. Storefront use restrictions should be explored for implementation on the side streets rather than the avenues within the Garment Center.

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\*There is legislation pending before the City Council, Proposed Int. No. 799-A, sponsored by Council Member Daniel Garodnick, which would offer significant commercial rent tax relief to all Manhattan businesses currently subject to it.

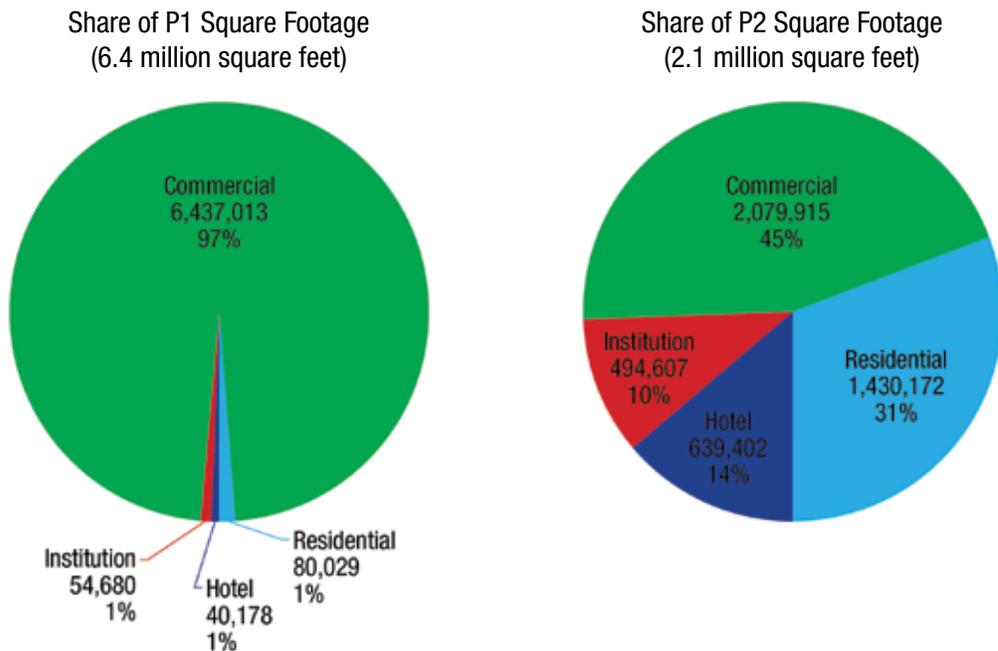
## Appendix

The Garment District Alliance (GDA) and the Garment Center Supplier Association (GCSA) conducted simultaneous surveys that provided a snapshot of the garment industry, specifically of garment production, in the GDA boundary and in the larger Garment Center vicinity. The GDA and the GCSA collaborated on a shared definition of manufacturing to identify, survey, and quantify garment manufacturing tenanted spaces in the area. Manufacturing is defined as ‘the presence of machines on site with volume production of raw materials for paying clients’. The synthesized data shared by the organizations was presented to the Steering Committee at the fourth meeting on July 13, 2017 and were part of the Steering Committee’s discussions.

According to the surveys conducted by the Garment District Alliance and the Garment Center Supplier Association, there is 716,442 square feet (209 tenants) of garment manufacturing in the Special Garment Center District P-1 and P-2 Preservation Areas, which were originally designated by a 1987 zoning amendment with a goal to maintain the viability of apparel production in the Garment Center by limiting conversion of manufacturing and warehousing space to office use. The GCSA survey covered a larger area, and found that there is 1.4 million square feet (413 tenants) in the larger Garment District vicinity (West 35th to West 40th Streets, Fifth to Ninth Avenues), indicating that roughly half of garment production in mid-Manhattan is located outside of the Preservation Areas.

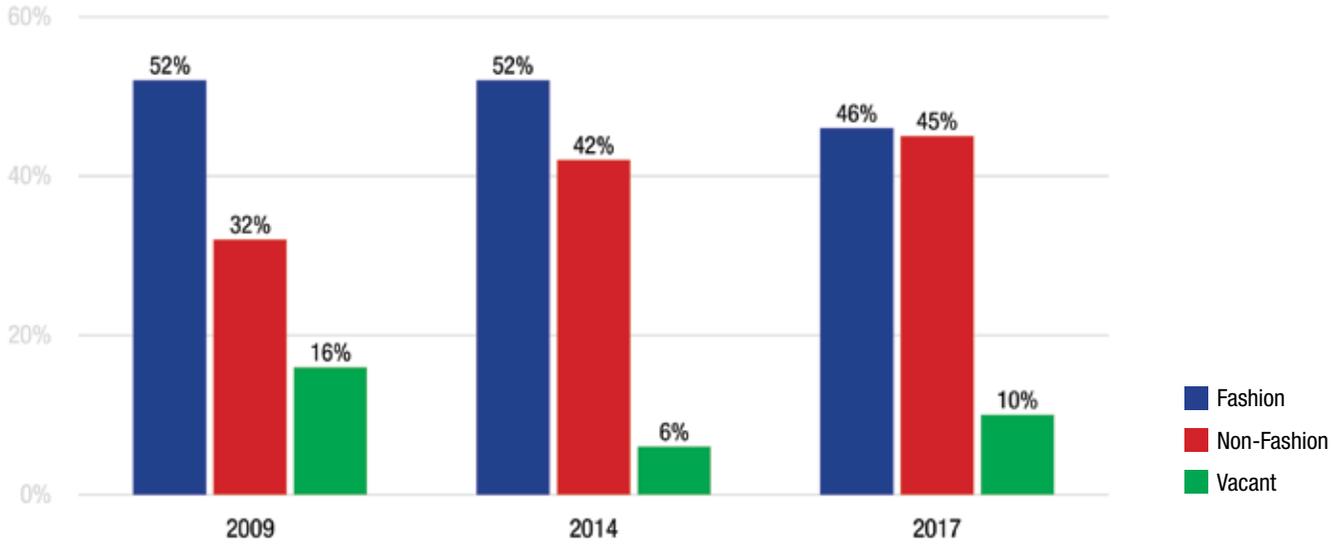
Within the Preservation Areas, the GDA survey identified 3.9 million square feet of fashion-related uses, including office, showroom, design, manufacturing, warehouse, and retail. This represents 46% of total square footage in the Preservation Areas, indicating that the fashion ecosystem is alive and thriving in the district.

### Uses in the Garment District Preservation Areas



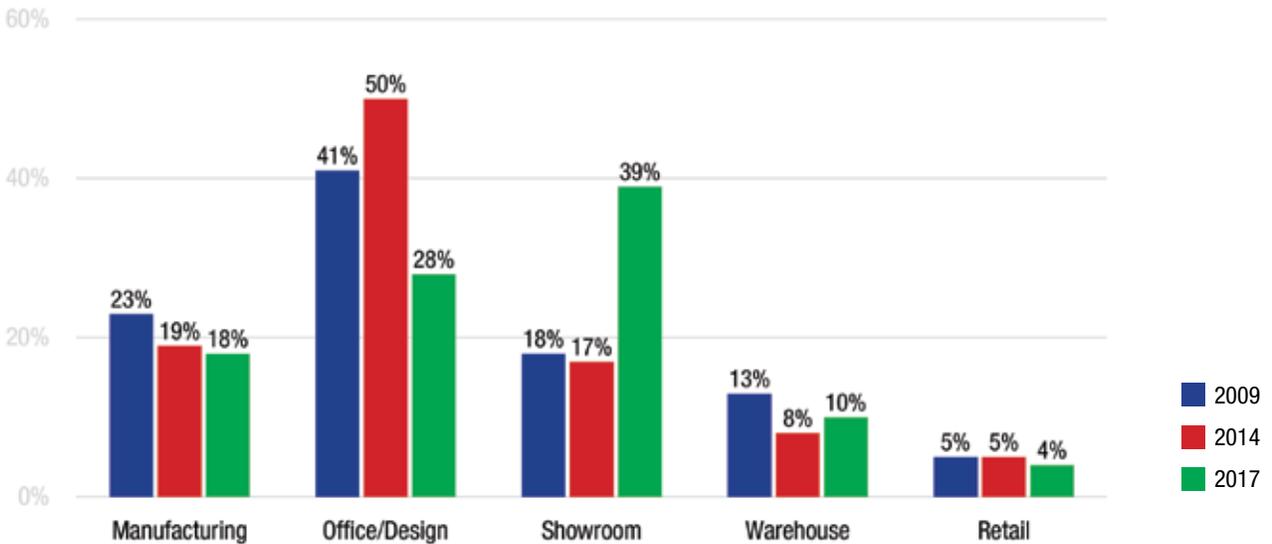
## Fashion in the Garment Center Preservation Areas

Occupancy Type Share in Preservation Areas



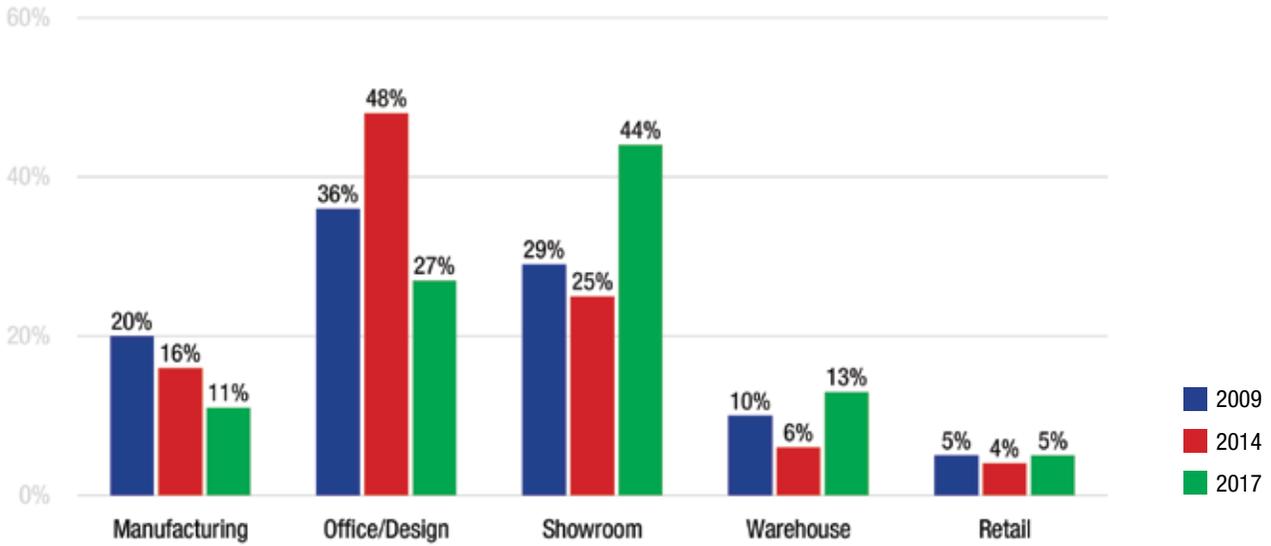
## Fashion Sub-Industry Share: Square Feet in Preservation Areas

Change in Share of Fashion Square Footage in Preservation Areas



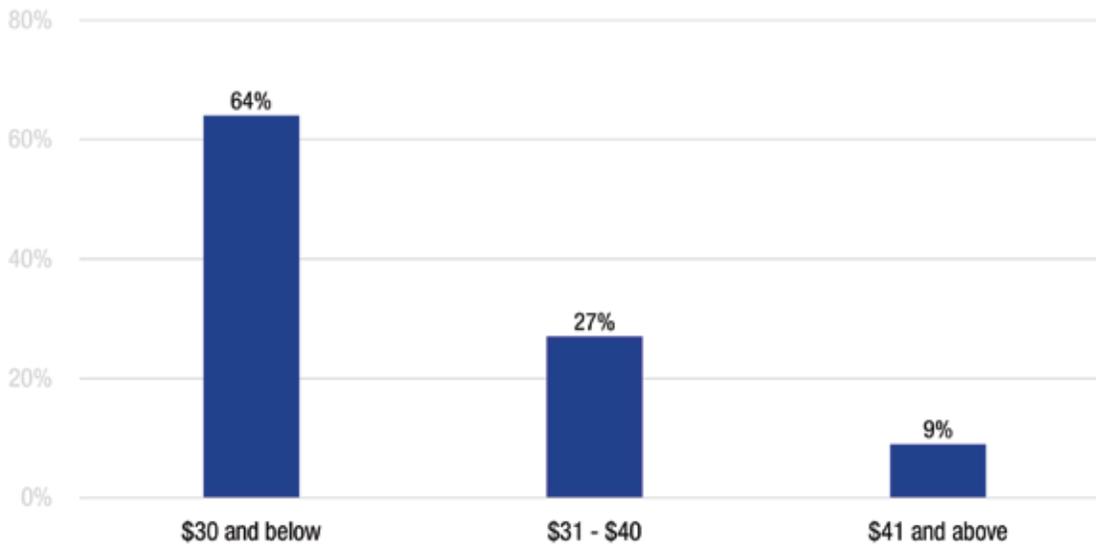
## Fashion Sub-Industry Share: Tenants in Preservation Areas

Change in Fashion Tenant Share in Preservation Areas



## Garment Manufacturers' Rent in Larger Garment District Vicinity

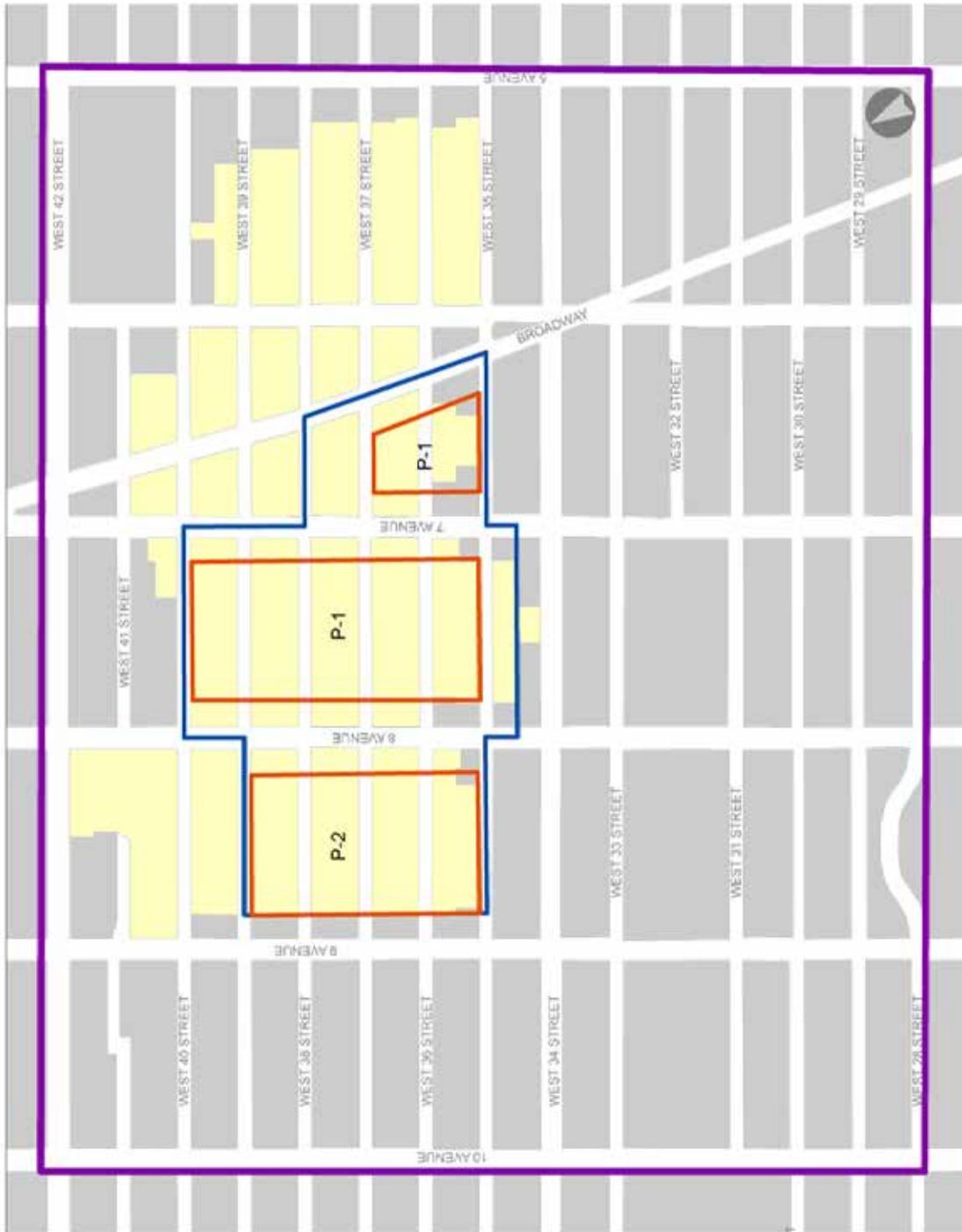
Share of Price per Square Foot of Manufacturing Firms (157 firms)



**\$51 psf**  
**Garment District market rate**  
 Source: Q4 2014 The Real Deal

**\$30.95 psf**  
**Garment manufacturers average rate**  
 Source: GCSA interviews

# GARMENT CENTER BOUNDARIES



-  Garment Center Steering Committee Geography
-  Preservation Areas P-1 & P-2
-  Special Garment Center Zoning District (SGCD)
-  Garment District Alliance (BID)



Sources: NYC DCP (PLUTO 16v2, NYC SBS)

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