

Offered by City Councilor Julia Mejia, Breadon, Bok, Edwards, Wu, Flynn, Flaherty, Arroyo, Janey, Campbell and Essaibi-George



**CITY OF BOSTON
IN CITY COUNCIL**

**ORDER FOR A HEARING DISCUSSING COMMERCIAL
VACANCIES IN BOSTON**

- WHEREAS,** Before the COVID-19 pandemic, the average percentage of commercial vacancies in Boston was around 2.2% and the average percentage of office space vacancies was around 7%, a near-historic low; *and*
- WHEREAS,** A market analysis done by the City of Boston found that, as commercial vacancies dropped, the average cost of rent in these space rose, making it harder for small businesses and up-and-coming entrepreneurs to gain access to brick-and-mortar spaces; *and*
- WHEREAS,** According to the Massachusetts Restaurant Association, at least one-in-five restaurants have shut their doors as a result of the pandemic, and the Black Economic Council of Massachusetts predicted that at least one third of all black-owned businesses would shut down with their current cash flow; *and*
- WHEREAS,** As a result of these business closures, commercial vacancies in Boston are higher than they have been in recent years, with office space vacancies alone nearing 13.% across the metro region; *and*
- WHEREAS,** While an increase in commercial and office vacancies may contribute to slight price drops, the Federal Reserve's Senior Loan Officer Opinion Survey found that 60-80% of loan officers have tightened restrictions on lending, meaning that it is still challenging for small start-ups to find affordable space in the city; *and*
- WHEREAS,** As COVID restrictions are slowly lifted as more and more people are vaccinated, entrepreneurs, activists, and elected officials need to think critically about how to address barriers to accessing commercial real estate and commercial vacancies; *and*
- WHEREAS,** Everybody deserves their chance to envision their dream of running a small business, and we have an obligation to eliminate barriers to access in all forms;
NOW THEREFORE BE IT

ORDERED,

That the appropriate committee of the Boston City Council holds a hearing to discuss commercial vacancies in the City of Boston for the purpose of understanding the current situation and how to improve upon it as the pandemic continues. Representatives from the government, including the Office of Economic Development, the Assessing Department, the Department of Small Business Development, and the Small Business Administration, as well as nonprofits and activists including the Black Economic Council of Massachusetts, the Massachusetts Restaurant Association, the Small Business, and members of the public are encouraged to attend virtually.

Filed in Council: January 27, 2021