

DAILY NEWS

Faded strip plots comeback; Steinway St. stymied by empty storefronts

BY LORE CROGHAN
DAILY NEWS BUSINESS WRITER

Sunday, September 19th 2009, 7:41 PM



Many of the smaller family-run businesses on Astoria's Steinway Street are closing

On one side of [Victoria's Secret](#), there's an empty storefront where a men's clothing shop used to be. A Japanese restaurant, now shuttered, is on the other side. For Rent signs are more common than street lights.

Despite a building boom across much of the city, Steinway St. - the normally bustling retail corridor in the heart of [Astoria, Queens](#) - has fallen on tough times.

Despite a long tradition as a powerhouse shopping district, Steinway St. is suffering a significant slowdown in retail leasing activity. Landlords, brokers and merchants blame the weak economy for store closings and curtailed expansion plans.

"There's more space than there is demand," said broker [Barry Fishbach](#) of [Robert K. Futterman & Associates](#).

On the block retail experts consider the most desirable, between 31st Ave. and Broadway, eight storefronts are vacant or have For Rent signs. There are 13 between 30th and 31st Aves.

Last month, [Peter Damiani](#), 73, closed P. Damiani & Sons Fine Furniture - the store his parents opened in 1937 - so he can retire.

He and his brother [Renold](#) own the buildings the family operation filled at 32-37 Steinway. They split the retail space and rented it to a furniture store and a mattress shop moving from down the block.

"It will be another six months to a year before Steinway St. and the economy bounce back," Peter Damiani predicted.

It took landlord [Farzan Adhami](#) a year and a half to find an acceptable tenant for 30-71 Steinway - a beauty salon that's doing an upscale buildout of the empty space.

"The retailers that aren't doing well haven't made changes. Their stores are old-looking and haven't been updated," he said.

Additional Steinway St. storefronts in the core shopping district between 28th and 35th Aves. are being marketed, though they're occupied and aren't marked by telltale For Rent signs - like 31-02 Steinway, which [Gap Kids](#) has leased since 1993.

"The space is available for the right tenant - a national tenant," said [Steven Weissmann](#) of [Whick Realty Group](#), which is marketing the 10,500-square-foot site for Midwood Investment & Development, which bought the building for \$7.4 million in 2005.

Steinway St. - named by the family that built Astoria's famous piano factory - was for years proudly called by merchants "the world's longest department store." But it isn't a good fit for every retailer.

National retailers do well, said [John Maltz](#) of brokerage Greiner-Maltz. Chains with a presence include [Starbucks](#), Express, Children's Place, Aerosoles and Zales. So do locals that have a loyal customer base, like Esquire, which sells fancy men's suits and does the tailoring while customers wait.

But discount clothing and shoe retailers that rely on foot traffic don't prosper because too few subway commuters stop to shop, Maltz said.

[Bath & Body Works](#) plans to return to the street in November when repairs are finished at 31-21 Steinway following a fire last spring.

Though numerous storefronts are empty, two big street-corner spots are drawing interest even before they're vacant.

Landlord Dick Carroll hasn't done any marketing of [Rite Aid](#)'s 15,000-square-foot space at 40-02 Broadway, a building on the corner of Steinway St., where the lease expires in December and won't be renewed because another Rite Aid opened at 32-87 Steinway. But Carroll is negotiating with reps for several prospective tenants - "major retailers," he said - who approached him.

The Rite Aid at 30-99 Steinway, at the corner of 31st Ave., is also in play. The lease doesn't expire until February 2010, but the landlord is already negotiating with a national chain to take the 14,000-square-foot space when it does, said broker [Rubin Isakharov](#) of [Massey Knakal Realty Services](#).

Isakharov is handling the sale of the three-story office and retail building. The asking price is \$17 million; he said he's gotten several offers.

"The purchasers take a long-term view," he said. "Steinway St. is still very desirable in investors' eyes."