

Help for NYC Auto Repair Shops Could Save Thousands of Jobs

BY [OSCAR PERRY ABELLO](#) | MARCH 21, 2017



Jerome Avenue in the Bronx (Photo by Oscar Perry Abello)

Pedro Estevez wanted to be a mechanic long before he arrived in the United States 50 years ago at age 17. Growing up in Licey Al Medio, a northern municipality in the Dominican Republic, Estevez watched and learned from local auto mechanics he calls “geniuses” for the way they learned to make repairs without having access to an education. Like many of his fellow Dominican immigrants, he found a home in the Bronx, where he owned and operated multiple auto repair shops over a 45-year career.

Business was good, and has only gotten better. Even in public transit-dependent NYC, 8.5 million residents means more than 2 million registered automobiles in the city. Somebody has to fix them. There are around 10,594 auto repair employees in New York City, an increase of 15 percent since 2010, according to the U.S. Bureau of Labor Statistics. With its well-paying jobs that have low barriers to entry, the auto repair industry has helped transform the South Bronx.

But that industry is now threatened by the forces of development.

Along a stretch of Jerome Avenue, there’s a prominent cluster of more than 150 auto repair shops. Though Estevez remembers the area as an “abandoned town” when he arrived in the U.S., the neighborhood is now full to the brim, and vacancy rates are low. Unaffordable rents are driving many there from other parts of NYC.

NYC Council Member Vanessa Gibson, who represents parts of the South Bronx including most of that Jerome Avenue corridor, recently introduced a bill she hopes will help those auto repair shops to survive, even if they get displaced, which is likely for many. The Commercial and Auto Repair Stability Act or CARS Act, as currently written, would require property owners to disclose a certificate of occupancy, tax liens and fines before entering into a lease with a prospective tenant.

The certificate of occupancy is an essential document outlining the lawful use of a given commercial or industrial space. Businesses typically need a copy of the certificate in order to obtain the required licenses

to operate a bodega, auto repair shop or other business — and the certificate must show that a particular tenant can lawfully operate his business on that property.

In a recent example of what can go wrong, the city helped relocate a massive auto repair cooperative in Queens to a new location in the Bronx. The city provided millions of dollars to pay bills, construction and initial operating costs, only to find out after the cooperative signed a lease at the new location that the certificate of occupancy did not permit an auto repair shop. The cooperative, still unable to re-open its doors, filed for bankruptcy protection [last September](#).

“It’s nuts. The fact that landlords can still withhold this information is shocking,” says Alix Fellman, senior program manager at [WHEDco](#), a nonprofit housing and economic development organization in the South Bronx.

In drafting the bill, Gibson’s office worked closely with Estevez, who founded the [United Auto Merchants Association](#) (UAMA) more than 10 years ago. He’s put more than a quarter million dollars of his own savings into the nonprofit, which trains and strengthens auto repair businesses in the Bronx, starting with compliance. It takes a minimum of 12 certificates or licenses to operate a 100 percent compliant auto repair shop, including a certificate of occupancy that says an auto repair business is permitted on the premises. Estevez says 99.9 percent of auto repair shops are missing at least one of those 12 documents. Without that documentation, any business, not just auto repair shops, are exposed to exorbitant fines, shutdowns or even eviction due to noncompliance.

Property owners are responsible for renting spaces only to businesses that fit an existing certificate, but it can cost tens of thousands of dollars to get a certificate of occupancy changed. And many often don’t want to provide the document to an auto repair shop — because the certificate doesn’t permit that type of business on the property. For decades, according to Estevez, it was not much of an issue. Few others wanted to rent the spaces where auto repair shops ended up in New York. At the same time, the limited number of very busy city inspectors spent most of their time in other parts of the city.

But, Estevez says, inspections have been picking up. The increase coincides with the city setting its sights on the Jerome Avenue corridor for development under [Mayor Bill de Blasio’s plan to build or preserve 200,000 units of affordable housing over 10 years](#).

“The auto repair industry is uniquely disadvantaged, but I also think what’s happening to this industry is emblematic of other mistakes that the city has made more broadly with the manufacturing sector,” says Elena Conte, director of policy at the Pratt Center for Community Development.

Conte co-authored a [new policy brief](#) from the Pratt Center on NYC’s auto repair industry that makes clear certificates of occupancy are just one of the challenges. The biggest? The city’s zoning code says auto repair shops may only operate on properties zoned for manufacturing or “intense commercial,” and under the current zoning [proposal](#) from the city, most of remaining manufacturing or intense commercial zones along Jerome Avenue would be rezoned for residential.

Even lots left zoned for manufacturing or intense commercial are at risk of losing auto repair shops, since the city’s zoning code does permit uses like restaurants on land zoned for manufacturing.

“If you have more residential nearby, you have more people living in the area, you’re changing the market,” Conte explains. “The calculus for that landlord changes, quickly, away from an auto repair shop being the best option. Manufacturing zones in the city are very porous.”



A map of auto repair shops in New York City, showing which ones are in areas targeted for rezoning (Credit: Pratt Center for Community Development)

It would be just the latest in a pattern of the city giving up prime space for industry in favor of residential and ground-floor commercial. According to the Pratt Center, between 2009 and 2015, there has been a decrease of 108 million square feet of land zoned for manufacturing or intense commercial.

The loss of auto repair shops along Jerome Avenue would be particularly devastating to immigrants and minorities, Conte says. As the report notes, 75 percent of auto repair workers are people of color, 64 percent are foreign-born, and 68 percent have only a high school diploma or less. At the same time, the average annual wage for auto occupations in New York City is \$44,000, compared with an average annual wage of \$20,000 for food preparation or retail.

“I know people making over \$100,000 a year and never went to college,” Estevez says. “This is the best-paying industry, and the simple reason is there is no limit to the vehicles you can fix a day. You don’t have enough time in the day to fix all the vehicles that come to you.”

He believes that the CARS Act, in conjunction with more support from the city, would help ensure that the businesses that might have to get relocated will be better positioned to succeed. “You prepare those businesses now so if some way somehow, if they need to be relocated, they’re ready to survive anywhere they go,” he says. “If you have a weak little plant and you replant it, how much chance of survival does it have? None. If you have a healthy plant, and you transfer it somewhere else, it has a much better chance of survival.”

The city is slated to finalize its rezoning plan later this year. Gibson and her constituents have successfully gotten that timeline extended in the past few months.

“These are immigrant workers, these are mom and pop small business owners that have leased their properties for many, many years, many are not property owners, many of them don’t understand the process of what’s happening, so many of them see this [rezoning] as a way to push them out,” says Gibson.

While acknowledging the imminent displacement, Gibson still hopes to use the attention around rezoning to improve the support systems for auto repair shops and other small businesses in her district. “I don’t want to lose this momentum, while we’re talking about rezoning, to focus on the small businesses that have always been there,” she says. “One thing I say about the city, we don’t have a lot of protections for commercial businesses as compared to what we do for residential.”

NYC’s Department of Small Business Services (SBS) conducted a [Commercial District Needs Assessment](#) for Jerome Avenue last year, along with six other working-class and minority neighborhoods at various stages of rezoning. WHEDco partnered with the city to perform the Jerome Avenue assessment, and was recently co-awarded a [grant](#) to implement some of the recommendations it laid out. “We’ve brought up the auto repair shops with [SBS] quite a bit,” Fellman says.



A UAMA compliance board (Photo by Oscar Perry Abello)

Gibson’s office has also provided some discretionary funding to support Estevez’s UAMA, and she is encouraging other council members with auto repair shops in their districts to do the same. For now, UAMA is embarking on a quest to get every South Bronx auto repair shop in 100 percent compliance. They begin by installing pre-made boards at auto repair shops containing framed samples of the 12 certificates or licenses needed. Then they work with each shop owner to replace the samples with real certificates, helping them navigate the process to obtain each one as necessary.

There’s a stack of 49 compliance boards in UAMA’s office. It’s about two months’ worth of supply, Estevez says.

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<https://nextcity.org/daily/entry/south-bronx-rezoning-auto-repair-shops-bill>