



An Economic Snapshot of Flushing, Queens

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Highlights

- The number of businesses in Flushing grew by 37.6 percent between 2000 and 2009, compared to 5.7 percent in the rest of the City.
- Nearly 90 percent of the area's businesses had fewer than ten employees, which was a much higher rate than in the State and the nation.
- The number of jobs in Flushing has grown every year since 2005.
- In 2010, Flushing added jobs at a rate of 3.1 percent, far outpacing the rest of Queens and the rest of the City.
- The largest employment sector is health care and social assistance. In 2010, this sector accounted for one-third of the neighborhood's jobs and more than 40 percent of its wages.
- Since the start of the recession, total wages rose by 16.9 percent (much faster than the rest of Queens) to reach \$1.7 billion in 2010.
- In 2009, more than half of the population was foreign-born, far greater than the citywide rate (35.6 percent).
- Public school enrollment grew by 11.3 percent over the past six years, resulting in significant overcrowding.
- The intersection of Main Street and Roosevelt Avenue is the third-busiest in New York City.
- The Main Street Flushing subway station is the busiest station outside of Manhattan, and the tenth-busiest in the system.
- Home values declined less during the recession and recovered more strongly in 2010 than in the rest of Queens.
- Rents rose by 41.1 percent between 2002 and 2008, faster than the rest of Queens and the rest of the City.
- With its many ethnic restaurants, produce stores, and other retail establishments, Flushing has become a shopping destination that attracts people from across the City and the region.

The neighborhood of Flushing, located in north-central Queens, has a rich history steeped in religious tolerance and cultural diversity. Founded in 1645, Flushing was the first permanent settlement in Queens. It is also considered the birthplace of religious freedom in North America, where settlers issued the "Flushing Remonstrance" in 1657, defying Governor Peter Stuyvesant's demand that the town expel Quakers and other religious groups. Today, there are more than 200 houses of worship in Flushing, including the Old Quaker Meeting House (the oldest house of worship in New York State).

Beginning in the 1980s, a wave of immigration transformed Flushing into one of the most ethnically diverse communities in Queens, which is New York City's most diverse borough. Today, the greater Flushing area has the third-largest concentration of immigrants in New York City, with slightly more than half of its population born outside the United States. Residents from China and Korea are the most numerous, and have made Flushing a thriving economic community and center for Asian culture.

Downtown Flushing is a major transportation hub, which has helped the area's economic development and resiliency. Flushing has added jobs every year since 2005, even during the Great Recession. Small businesses are a major source of jobs, and have expanded at a faster rate than in the rest of the City. With an increasing concentration of doctors' offices in the area, health care and social assistance have accounted for significant growth in jobs and small businesses.

Flushing's economic success has placed heavy demands on its infrastructure and community services, which will be further strained by new economic development projects that are planned or currently underway. Addressing this challenge is important to Flushing's economic future and to its quality of life.

Neighborhood Overview

Easy access to transportation helped Flushing develop. The opening of the Flushing Railroad in 1854, which later became part of the Long Island Rail Road (LIRR), made rural portions of Queens more accessible. Urbanization accelerated in the early 20th century, as roads and bridges were built and the subway system reached Flushing in 1928.

Today, the LIRR provides commuter rail access to Manhattan and eastern Long Island. The Flushing Main Street LIRR station, however, is not handicap-accessible and is in need of renovation. The Number 7 subway line currently runs from Flushing to Times Square in Manhattan, and is being extended farther west to 34th Street and Eleventh Avenue, with service on the new portion expected to begin in 2013.

Flushing is also a major bus hub, with 21 MTA routes that carry about 69 million passengers annually. Several major highways serve the area, and LaGuardia Airport is nearby.

Alongside Flushing's many new developments are older historical properties, such as the Bowne House (the oldest house in Queens, built in 1661), the Kingsland Homestead, and Flushing Town Hall (which is now an arts and cultural center). The lobby of the landmarked but deteriorating RKO Keith's Theatre will be incorporated into a 17-story, 357-unit, mixed-use rental complex.

Flushing was also the site of the first commercial nursery in the United States, and downtown Flushing is home to the Queens Botanical Garden, which is a LEED (Leadership in Energy and Environmental Design) platinum-certified facility.

Flushing Meadows Corona Park, which hosted the 1939 and 1964 World's Fairs, is the second-largest park in New York City. Among the park's facilities are the New York Hall of Science, the Queens Museum of Art, the Terrace on the Park catering hall, and the Flushing Meadows Corona Park Pool and Rink, the largest recreation complex in any city park.

Queens College, located along Flushing's southern border, was recently rated by *The Princeton Review* as one of the nation's most diverse campuses. The school has more than 20,000 students and offers bachelor's and master's degrees in over 100 areas of study. The college's first residential hall opened in 2009.

Population and Demographics

Boosted by immigration, the population in Flushing grew by 2 percent between 2000 and 2010, to reach 171,530 residents.¹ This growth rate was faster than in the rest of Queens, and only slightly slower than in the rest of New York City.

Residents of Chinese descent (both domestic and foreign-born) were the largest ethnic group in Flushing (nearly 40 percent of the population in 2010), while residents from Korea were the next-largest group (13 percent of the area's population).

Of the 55 neighborhoods in New York City (as defined by the U.S. Census Bureau), the greater Flushing area had the third-highest share of foreign-born residents in 2009 (53.5 percent of the population). Two nearby neighborhoods had a higher share of immigrants: Elmhurst/Corona (65.5 percent) and Jackson Heights (61.8 percent).

Immigrants in the greater Flushing area come from more than 70 different countries, with the largest shares from mainland China (29.4 percent) and Korea (17.1 percent), followed by Colombia (5.6 percent), Taiwan (4.2 percent), Ecuador (4.1 percent), and India (3.8 percent).

In January 2010, the State Comptroller reported that neighborhoods with large immigrant populations had stronger business growth than the rest of the City. Between 2000 and 2009, the number of business establishments in the greater Flushing area grew by 37.6 percent, much faster than in the rest of Queens (14.2 percent) and the rest of the City (5.7 percent).

Of the City's 55 neighborhoods, the Flushing area had the 11th-highest concentration of senior citizens (15 percent) in 2009. Flushing has several senior centers, and redevelopment of the RKO Keith's Theatre will include a new senior center.

Population growth has increased enrollment in the neighborhood's public schools by 11.3 percent between academic years 2004-2005 and 2010-2011, compared to a 3.2 percent decline in the rest of the City. High school enrollment growth in Flushing was especially strong, at 27 percent. Overall, 12 of the 19 schools in Flushing are operating above capacity. Flushing High School, for example, is 29 percent above capacity.

¹ Flushing is defined in this report as ZIP codes 11354, 11355, and 11358, but some data are only available for the greater Flushing area, which includes Whitestone and College Point.

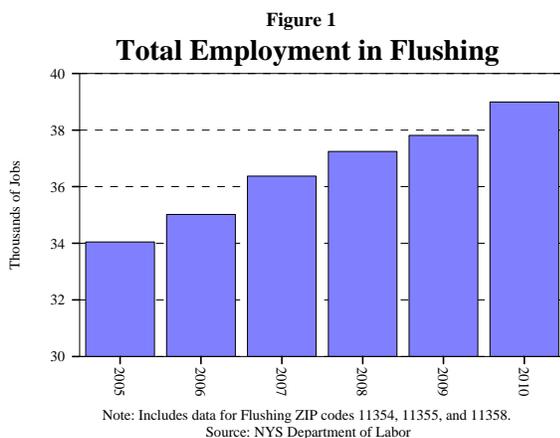
Employment

Small business predominates in Flushing. According to the U.S. Census Bureau, 76.4 percent of the 5,570 businesses in Flushing employed fewer than five workers in 2009, compared to 60.5 percent in New York State and 54.6 percent nationwide.

Nearly 90 percent of the area's businesses had fewer than ten employees, which was a much higher rate than in the State and the nation. Only 18 firms had more than 250 employees, and half of these were located in the health care and social assistance sector—which includes large hospitals such as New York Hospital Queens, as well as nursing care facilities and home care services. Other large firms were located in subsectors such as commercial printing and home improvement centers.

More than half of all businesses were concentrated in the four sectors that were among the largest employers: retail trade, other services (e.g., personal services and auto repair), health care and social assistance, and construction.

Employment has grown every year since 2005, and continued to rise even during the Great Recession (see Figure 1), outpacing job growth in the rest of Queens and the rest of New York City. This pattern continued in 2010 as Flushing added jobs at a rate of 3.1 percent, while the rest of Queens showed a small decline and the rest of the City had only modest job growth of 0.7 percent. In 2010, the number of jobs in Flushing reached nearly 39,000, which was 14.5 percent more than in 2005.



The four largest employment sectors in Flushing accounted for most of the job growth in the years since the recession began. Gains were led by health care and social assistance, Flushing's largest employment sector. This sector added 1,110 jobs since 2007, bringing employment to 13,050 jobs in 2010—or one-third of the area's private sector jobs. This was much greater than the sector's share in the rest of Queens (19.6 percent) and the rest of the City (15.7 percent).

Strong job growth in the next three largest sectors between 2007 and 2010 reflected the rapid development and business growth in the area. As a result, by 2010, total employment in retail trade (5,040 jobs), accommodation and food services (3,350 jobs), and construction (2,535 jobs) accounted for nearly 29 percent of all area jobs.

Wages

Job growth in Flushing, combined with gains in average salaries, fueled an increase in total wages, which rose by 16.9 percent during the 2008-2010 period. Flushing outperformed the rest of Queens, where wages declined by 1.3 percent. The average salary across all industries in Flushing grew by 9 percent during this period—to reach \$43,890—compared to 0.2 percent for the rest of Queens.

The health care and social assistance sector, with one-third of local jobs and a relatively high average salary, accounted for more than 40 percent of total wages in Flushing in 2010. The sector's average salary (\$57,350) is significantly higher than the sector's average in the rest of Queens (\$40,110), reflecting a greater concentration of doctors' offices in Flushing.

Housing

Nearly half of all households (48.8 percent) in the greater Flushing area lived in owner-occupied housing in 2008 (the latest year for which data are available), compared to 45 percent in the rest of Queens and 32.3 percent in the rest of the City.

While the market for one-, two-, and three-family homes in the greater Flushing area declined during the downturn, with the median sales price dropping by 10.5 percent between 2007 and 2009 from its peak of \$670,000, the market showed signs of recovery in 2010. The median sales price in the area rose by 2.5 percent to \$615,000, compared with a decline of 4.5 percent for the rest of Queens.

The market for condominiums and cooperatives (which account for about one-third of the owned housing units in the greater Flushing area) performed well in 2010 as the median sales price increased by 8 percent. The median sales price recovered almost all the value it lost during 2009 (from the peak of \$250,000), reaching \$248,500.

Between 2002 and 2008 (the latest period for which data are available), rents rose faster in the greater Flushing area (41.1 percent) than they did in the rest of Queens (28.1 percent) and the rest of the City (35.7 percent). In 2008, the median rent for all rental apartments in the area was \$1,200, which was higher than elsewhere in Queens (\$1,025) and the City (\$950). Market-rate rentals accounted for almost 44 percent of all rental units (the same share as elsewhere in Queens), which was a higher share than in the rest of the City (34.8 percent).

Economic Development

Flushing has broad appeal for business and residential development. The area has a vibrant downtown area, with many shops, two major hotels and several boutique hotels, and more than 60 bank branches; enjoys excellent access to transportation; and is located near regional attractions such as Citi Field and the United States Tennis Association's National Tennis Center.

One of the last projects completed in downtown Flushing before the Great Recession was Queens Crossing, a state-of-the-art, mixed-use facility that opened in 2008. This 407,000-square-foot, 12-story building includes ground-floor retail space, restaurants, a catering hall, a community facility, and Class A office and condominium space.

Development has continued despite the recession, although work on some projects was delayed. In downtown Flushing, Municipal Parking Lot 1, a 5-acre City-owned facility on Union Street between 37th and 39th avenues, is in the process of being redeveloped into Flushing Commons. This \$850 million mixed-use development will feature 620 residential units, 234,000 square feet of office and/or hotel space, 185,000 square feet of retail space, a community facility, and 1,600 parking spaces. The Flushing YMCA will relocate to the development.

The project, which was approved by the New York City Council in July 2010, is expected to create 2,600 construction jobs and 1,900 permanent jobs, with construction expected to begin in 2012. The City has also approved the construction of Macedonia Plaza, a 140-unit affordable housing project that includes retail and community space on a portion of Municipal Lot 1.

A \$125 million development is being constructed at the intersection of Prince Street and 39th Avenue. The mixed-use project, which is expected to open in 2014, will feature a 168-room Hyatt Place hotel, condominiums, underground parking, and office, retail and community space.

On Union Street in downtown Flushing, the Eastern Mirage, a 100,000-square-foot complex, will contain a boutique condo hotel, luxury condo apartments, and a medical office building (the North Queens Medical Center). Eastern Mirage is being constructed with the assistance of \$17 million in federal stimulus funds.

Sky View Center, formerly known as Flushing Town Center, is an 800,000-square-foot shopping center that opened in late 2010 on a 14-acre site along the Flushing River. The facility includes national retailers such as Best Buy, Target and BJ's Wholesale Club. Sky View Parc, a 448-unit luxury condominium development built above the mall, has faced sluggish sales during the recession.

The New York City Economic Development Corporation has issued a request for proposals for Phase I of a multi-billion dollar redevelopment plan for Willets Point, an industrial area just east of Flushing. The full plan includes more than 5,500 units of housing, a convention center and extensive retail, entertainment, office, and open space.

With its many ethnic groceries and restaurants, Flushing has become a prime culinary destination. For example, a 36,000-square-foot grocery store recently opened at the Sky View Center, which carries foods from China, India, Indonesia, Japan, Korea, the Philippines, Taiwan, Thailand, Singapore, and Vietnam.

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