



An Economic Snapshot of Long Island City and Astoria, Queens

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Highlights

- Private sector employment declined by 2,760 jobs during the first quarter of 2009 compared with the same period last year.
- Manufacturing accounted for 14 percent of the area’s private sector jobs in 2008—a much higher share than in the City as a whole (3 percent).
- From 2002 to 2008, the area’s housing stock increased by 4.8 percent (3,640 units) to reach 79,220 units—a faster rate of growth than the increase citywide (3.6 percent).
- About 60 percent of the 6,300 businesses in the area have fewer than five employees. Only 20 firms have 500 or more employees.
- After several years of decline, the population in the area grew by 1.8 percent in 2008 to 178,480, and the area has become increasingly diverse.
- The portion of the area population with at least a college degree has risen sharply in recent years, reaching 36.8 percent in 2008.
- Steinway & Sons, which has built world-famous pianos in the area since 1870, recently installed the largest solar-powered rooftop in the world with State and federal assistance.
- Kaufman-Astoria Studios, which opened in 1920, is undergoing a \$22 million expansion. Silvercup Studios, the City’s largest film studio, plans a \$1 billion expansion that will include soundstages, offices, and apartments.
- Art venues in the area include the P.S. 1 Contemporary Art Center (an affiliate of MoMA), the Noguchi Museum, the Chocolate Factory, the Socrates Sculpture Park, and the Museum of the Moving Image.
- The Frank Sinatra School of the Arts, a public high school specializing in music, drama, and dance, recently moved to a new facility in Astoria.
- A Japanese company plans to build a 35-story hotel near the Citibank tower—the largest hotel in New York City outside of Manhattan.
- The East Side Access project, which will bring the Long Island Rail Road to Grand Central Station, will improve access to area businesses through a new station at Sunnyside.

Long Island City and Astoria are the westernmost parts of Queens, only minutes from Midtown Manhattan. The area benefits from a strong transportation network, which has made it attractive to business and residential development.

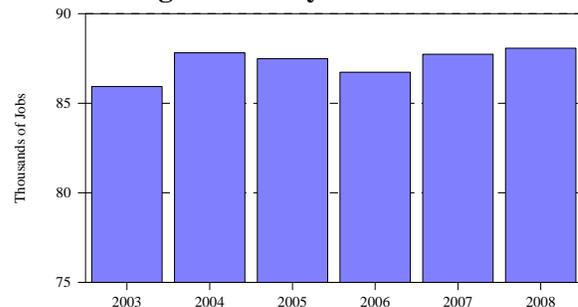
The area is one of the few remaining manufacturing enclaves in New York City. In recent years, residential development has increased, with some activity occurring in former manufacturing properties. A growing arts community has taken root in other spaces. The Long Island City-Astoria area is also home to two of the nation’s largest television and motion picture production studios.

Employment

Private sector employment in the Long Island City-Astoria area¹ reached 88,070 jobs in 2008 (see Figure 1), a gain of 2,140 jobs (2.5 percent) since the end of the 2001-2003 recession. In the first quarter of 2009, the area lost 2,760 jobs compared with the same period a year earlier—reflecting the impact of the current recession.

Figure 1

Private Sector Employment in the Long Island City-Astoria Area



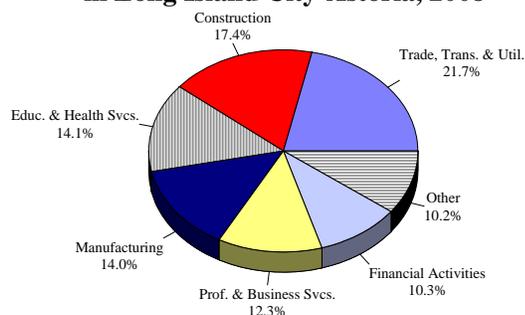
Sources: New York State Department of Labor; OSDC analysis

¹ This area, as defined by the U.S. Census Bureau, approximates ZIP codes 11101, 11102, 11103, 11105, and 11106. Broader definitions also include Sunnyside (11104), which contains about 4,000 private sector jobs.

The rate of job growth in the Long Island City-Astoria area was held down between 2003 and 2008 (lagging behind the 8.7 percent increase citywide) by a continuing loss of manufacturing jobs. Almost one quarter of the area's manufacturing jobs (3,800 jobs) were lost in this period. Nevertheless, the manufacturing sector still accounted for 14 percent of the area's jobs in 2008—a much greater concentration than for New York City overall (3 percent). Other sectors experienced job growth during this period, including educational and health services (2,380 jobs), financial activities (2,190 jobs), and leisure and hospitality (1,020 jobs).

Trade, transportation, and utilities was the area's largest employment sector in 2008, accounting for 21.7 percent of all private sector jobs (see Figure 2). The area also had a much higher concentration of construction jobs (17.4 percent) in comparison to the City as a whole (4.1 percent).

Figure 2
Share of Private Sector Employment
in Long Island City-Astoria, 2008



Sources: New York State Department of Labor; OSDC analysis

The Long Island City-Astoria area has a large number of manufacturing firms, particularly in printing, food and beverages (including bakeries), apparel and textile firms, furniture, and jewelry. The construction sector contains a significant concentration of firms in general construction and electrical contracting. The area also has seven health care firms with 500 or more employees.

Wages and Household Income

Private sector wages in the Long Island City-Astoria area reached \$4.8 billion in 2008, an increase of 25.4 percent since 2003. The area's average salary for private sector jobs was \$54,000, which exceeded the average in Queens (\$43,780). Average salaries in the Long Island City-Astoria

area were highest for jobs in financial activities (\$120,850), in construction (\$69,820), and in information services (\$62,310). The high salaries in finance and information reflect the presence of financial services firms, most notably Citibank, and the two film studios.

Median household income in the area was \$52,070 in 2008, which was lower than in the borough as a whole (\$56,030). Nevertheless, the area's poverty rate declined from 15.3 percent in 2005 to 14.1 percent in 2008.

Housing

Data from the U.S. Census Bureau's Housing and Vacancy Survey show that between 2002 and 2008, the area's housing stock increased by about 4.8 percent (3,640 units)—faster than the citywide rate of growth (3.6 percent). Of the total housing units in the area, 82 percent were rental units.

Nearly two-thirds of the area's rental units were rent-regulated and about one-third had market-rate rents, which is similar to the citywide distribution. Between 2002 and 2008, the median rent for rent-regulated housing in the area rose by 27 percent to reach \$916—which was less than the borough median (\$975) but above the citywide median (\$850). The median rent for market-rate housing in the area increased by 37 percent during the same period to reach \$1,357—higher than both the borough and citywide medians of \$1,200.

The Long Island City-Astoria area has undergone significant residential development over the past decade. Queens West, covering 40 acres of the Long Island City waterfront, is a public-private development project that includes high-rise towers (mostly for luxury housing, with seven of ten towers now completed), schools (one of two is finished), and public parks and recreational areas (ten acres have been constructed).

Hunters Point South, a 30-acre section of the Queens West site which was purchased by the City in 2009, will include 5,000 housing units (with 60 percent for middle-income families), retail space, and community facilities.

According to the Long Island City Business Development Corporation, 23 new residential buildings were completed as of May 2009, with another nine properties now under construction.