OFFICE OF THE NEW YORK STATE COMPTROLLER

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Recent Trends and Impact of COVID-19 in the Greater Flushing Area

Highlights

- The greater Flushing area had 258,500 residents in 2020, and the most immigrants (134,100 in 2019) of any City neighborhood.
- The number of businesses grew by 81.8 percent from 2000 to 2019, far faster than in Queens or the City, to reach 9,250 firms.
- Private sector employment in the greater Flushing area grew by 70.9 percent from 2000 to 2019 to reach 84,300 jobs, more than double the rates in Queens overall and in the City.
- The area had the fourth-highest share of residents age 55 or older (35.9 percent) among all City neighborhoods.
- More than 40 percent of area renters faced a severe rent burden, with rents amounting to at least half of household incomes in 2019. This share was the highest in the City.
- The leisure and hospitality sector had the area's highest rate of job loss for the last three quarters of 2020, compared to a year earlier.
- The number of firms with five or more employees fell by 24 percent in the area (for the last three quarters of 2020 versus 2019) and 16 percent citywide. Firms with fewer than five grew by 8 percent in the area and 9 percent citywide.
- In the area, 89.4 percent of the population was fully vaccinated as of October 17, a far higher share than in Queens and the City overall.
- Public school enrollment fell by 3 percent in the greater Flushing area in school year 2020-21, compared to 5 percent citywide.
- Flushing area businesses received
 12.4 percent of the federal Paycheck Protection
 Program loans approved for Queens since the start of the program, and 29.5 percent of
 Restaurant Revitalization Fund grants.

The greater Flushing area, located in northern Queens, includes the thriving business district of Downtown Flushing, which is a major commercial center, along with well-developed and attractive surrounding residential communities.

The area, which encompasses Flushing, College Point, Whitestone, Murray Hill, and Auburndale, has the largest Chinese, Korean, Taiwanese, Thai, and Bosnian and Herzegovinian populations in New York City (including residents born in the United States and abroad). More than half of the area's population are immigrants.

With a vibrant and diverse economy, the greater Flushing area had very strong business and employment growth prior to the COVID-19 pandemic. Businesses and jobs grew by more than double the citywide rate since 2000. But as in the rest of the City, the pandemic hit the area hard. By the second quarter of 2020, the area had lost nearly one in four private sector jobs. Since then, jobs have recovered at a faster pace than in Queens and the City as a whole.

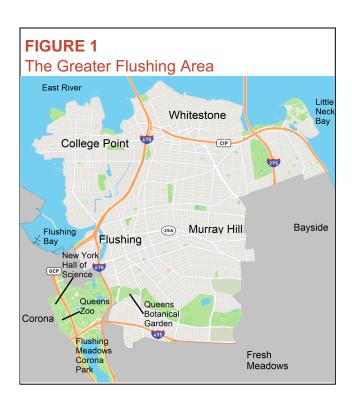
The public health impacts of COVID-19 in the greater Flushing area were even more severe. Cumulative case and death rates in several of the area's five ZIP codes were higher than in the borough and the City overall, as was the hospitalization rate. Cases gradually declined in the first half of 2021 as they did citywide, but a new surge began in July that showed signs of easing by the second half of September.

The area's vaccination rates have been significantly higher than in Queens and the City as a whole, which should help mitigate the spread of COVID-19. Government relief programs for businesses and residents will continue to be vital to the area's recovery.

Neighborhood Background

The greater Flushing area is one of the 55 neighborhoods in New York City defined by the U.S. Census Bureau and includes Community District 7. Located in northern Queens, it is bordered on the west by Flushing Bay, on the north by the East River, on the east by Little Neck Bay and on the southwest by Flushing Meadows Corona Park (see Figure 1).

Downtown Flushing is a transportation hub, with both subway and LIRR stops offering easy accessibility. It is also the area's main commercial center, with many shopping and dining options. Main Street has a high concentration of Asian businesses and restaurants.



The event resulted in 6.8 inches of rainfall recorded for September 1, 2021 at nearby LaGuardia Airport, the highest at that location since January 1, 1940.

Impact of Hurricane Ida

Like the rest of the City, the Flushing area has an aging infrastructure. This was poignantly highlighted when the remnants of Hurricane Ida recently took a severe but uneven toll on the greater Flushing area.¹ Several deaths occurred as flash floods inundated many basement apartments. Near Kissena Park, homes on several streets were severely flooded, causing residents to lose their belongings and home investments. The <u>City</u> and <u>State</u> have information and online links for Ida recovery resources.²

The City's stormwater management depends on a drainage network of 7,400 miles of sewer pipes, 60 percent of which are in a combined system (merging flows of wastewater and stormwater).³ Rising sea levels and more frequent 1-in-100-year extreme weather events have increased flash flood risks as a result of the drainage network being overwhelmed. To address this, the City released stormwater flood maps and a Stormwater Resiliency Plan in May 2021, and has since accelerated the plan's implementation.⁴ In October 2021, a local law was passed requiring the release of a first-ever climate adaptation plan for the City by September 2022, with updates every 10 years thereafter.

Demographic Trends

Over nearly two decades, the number of immigrants has increased to account for a higher share of the greater Flushing area's population, and the number of residents who identify as Asian has grown to represent more than half of the population. The area has the largest Chinese population in the City, as well as the largest Korean, Taiwanese, Thai and Bosnian-

New York City Emergency Management, "Post-Storm Resources," https://www1.nyc.gov/site/em/resources/ida.page; and New York State Governor, "Governor's Relief and Response Resources: Hurricane Ida,"

https://www.governor.ny.gov/programs/governors-relief-and-response-resources.

New York City Mayor's Office of Resiliency, New York City Stormwater Resiliency Plan, May 2021, 6-7, https://www1.nyc.gov/assets/orr/pdf/publications/stormwater-resiliency-plan.pdf.

See note 3, and "New York City Stormwater Flood Maps," https://experience.arcgis.com/experience/4b290961cac34643a49b9002f165fad8/?form=MY01SV&OCID=MY01SV. The maps model flooding across the City under a moderate scenario (approximately 2 inches of rainfall in one hour) and a severe scenario (approximately 3.5 inches of rainfall in one hour).

Herzegovinian populations (including residents born both in the United States and abroad).

Total population in the greater Flushing area reached 258,500 in 2020, a net increase of 1.9 percent since 2000. Population growth was 7.9 percent in Queens and 9.9 percent in the City over the same period.

For most demographic variables other than total population, data is only available through 2019. This data showed that significant increases in the immigrant population since 2000 were coupled with decreases in the nonimmigrant population.

Immigrants accounted for 55.9 percent of the residents of Flushing in 2019 (134,100 people), the fourth-highest share (and the highest number) of immigrants among all the City's 55 Census-defined neighborhoods. Immigrants from China were the largest group (66,800), followed by those from Korea (15,800), Hong Kong (5,400), Taiwan (4,400) and India (3,200, see Figure 2).

Among the area's entire population (including both nonimmigrant and immigrant residents), Asian Americans and Pacific Islanders accounted for more than half (56.5 percent) of all residents, Whites made up almost one-quarter (24.3 percent), Hispanics or Latinos accounted for 15.6 percent, and Blacks or African Americans made up just 1.7 percent.

According to the U.S. Census Bureau, the greater Flushing area had 79,600 people who identified as Chinese (including both nonimmigrant and immigrant residents), the highest number among all the City's neighborhoods.

In addition to having the highest number of City residents who identified as Korean (17,100), the greater Flushing area had the fifth-highest number of residents who identified as Italian (16,600).

Compared to most neighborhoods, the area has an older population. After rising by more than seven percentage points since 2010, the share of area residents age 55 or older reached 35.9 percent, the fourth-highest in the City. By contrast, the shares in Queens and the City overall were below 30 percent. The median age in the area was 45.3, higher than in Queens (39.7) and the City (37.2).

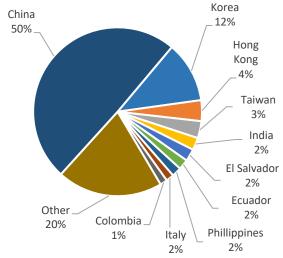
The share of the population over age 5 that was proficient at speaking English fell from 60.6 percent in 2010 to 49.2 percent in 2019, the second-lowest share among all the City's neighborhoods (Brighton Beach/Coney Island had the lowest share at 47 percent). These shares were 71.2 percent In Queens and 77.8 percent in the City.

Pre-Pandemic Business and Job Growth

Business Growth

Driven by an expansion of small businesses, the greater Flushing area experienced exceptionally strong business growth before 2020.

FIGURE 2
Share of Immigrants in the Flushing Area
(Out of 134,100 Total) by Place of Birth, 2019

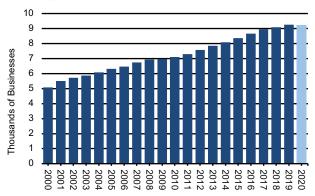


Sources: U.S. Census Bureau; OSC analysis

December 2021

The number of businesses in the area grew by 81.8 percent since 2000 with the addition of 4,160 new firms to reach 9,250 total firms in 2019 (see Figure 3). This was nearly twice the rate of growth in Queens (44 percent) and nearly three times the rate citywide (29.6 percent). More than three-quarters of the growth (77.5 percent) was in businesses with fewer than five employees.

FIGURE 3 Flushing Area Business Growth Since 2000



Sources: NYS Department of Labor; OSC analysis

Local businesses are concentrated in many different sectors. While retail trade and business services were tied for the most firms in 2019 (1,160 businesses each), five additional sectors had between 840 and 970 firms each, including leisure and hospitality, personal services, construction, financial activities, and health care.

Most businesses (87.4 percent in 2019) were microbusinesses, defined by the U.S. Small Business Administration as those with fewer than 10 employees, and nearly three-quarters had fewer than five employees. There were 26 businesses with 250 or more employees. Health care accounted for a dozen of these larger firms, five of which provided home health care services.

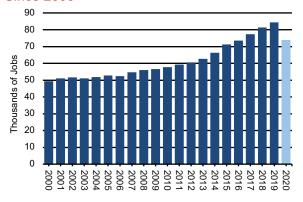
Job Growth

Prior to the pandemic, the greater Flushing area experienced exceptionally strong job growth

OSC, An Economic Snapshot of Flushing, Queens, Report 10-2012, September 2011, at across many sectors since 2000, as noted in an earlier report from the Office of the State Comptroller (OSC),⁵ and the pace of growth accelerated from 2010 to 2019.

Private sector employment in the area increased by a remarkable 70.9 percent from 2000 to 2019 (see Figure 4), more than double the growth rate in Queens (32.4 percent) and the City as a whole (28.1 percent).

FIGURE 4
Flushing Area Private Sector Employment Growth
Since 2000



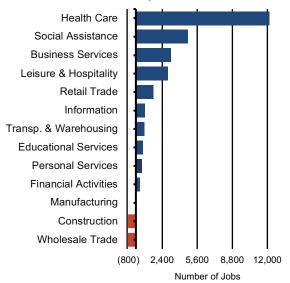
Sources: NYS Department of Labor; OSC analysis

During the Great Recession, when jobs declined citywide, they continued to expand in the greater Flushing area, and the pace of growth increased after 2010. The area gained 26,400 new private sector jobs from 2010 to 2019 to reach 84,300 jobs. This represented a much faster rate of growth (45.7 percent) than in Queens (30.5 percent) and the City overall (28.7 percent). In addition to private sector jobs, the area had 8,100 public sector jobs as of 2019.

Although growth in health care jobs was a key driver accounting for nearly half (46.1 percent) of the private sector job gains from 2010 to 2019, many other sectors also contributed significantly to job growth, a testament to the area's diverse and vibrant local economy (see Figure 5).

https://www.osc.state.ny.us/files/reports/osdc/pdf/report-10-2012.pdf.

FIGURE 5Job Gains or Losses by Sector, 2010-2019



Sources: NYS Department of Labor; OSC analysis

Total wages in the greater Flushing area (which reflects both average salaries and the number of jobs) rose by 46 percent since 2010, reaching \$3.9 billion in 2019. This was a lower rate than in Queens (79.1 percent) and the City (53.7 percent). Although jobs increased over the time period, the area's average private sector salary in 2019 (\$46,500) was only slightly higher than it had been in 2010.

The health care sector (with 26,100 jobs and an average salary of \$50,200) was the largest employer in the area. It represented nearly one-third of the jobs (31 percent). Of the 12,200 new health care jobs added since 2010, most were in home health care services (10,300 jobs), although jobs in doctors' offices also grew (1,900 jobs).

Retail trade was the second-largest employer, with 10,100 jobs (12 percent of all private sector employment in the area) and an average salary of \$32,600. Since 2010, retail added 1,600 more jobs, mostly at department stores, pharmacies, building materials stores and home furnishings stores.

The third- and fourth-largest sectors were leisure and hospitality, and business services (each with about 9 percent of the jobs). Together they accounted for nearly one in four of the new jobs.

The leisure and hospitality sector added 2,900 new jobs to reach 7,500 jobs with an average salary of \$23,600. Restaurants dominated the sector, with nearly 80 percent of the jobs and a similar share of the job growth. The Flushing area is well-known as a center for Asian restaurants that offer cuisines from many parts of China, Korea and other countries.

After adding 3,200 jobs, business services reached 7,400 total jobs with an average salary of \$50,700. Attesting to the area's significance as one of the major business centers outside of Manhattan, job gains were spread across many different business services, ranging from general accounting services (with the largest job gains) to legal, consulting, employment and travel services.

The social assistance sector, with 7 percent of all jobs, was the fastest-growing sector and accounted for nearly one in five new jobs. It added 4,750 jobs to reach 5,900 jobs in 2019 (five times more than in 2010), with an average salary of \$27,000. More than three-quarters of the job growth occurred in just two years (from 2017 to 2019), with most of the new employment in services for older adults and people with disabilities. (A high share of the area's population is age 55 or older.)

Residents in the Work Force

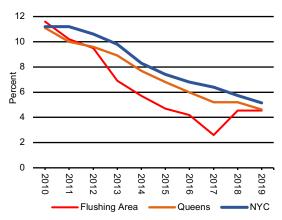
Prior to the pandemic, 112,200 residents in the Flushing area were working in 2019, including both part-time and full-time workers as well as independent contractors, sole proprietors and self-employed individuals.

The average annual earnings of working residents was \$51,800 in 2019, compared to \$55,300 in Queens overall. Full-time workers (those working at least 35 hours per week) had

more than two and a half times the annual average earnings of their part-time counterparts, at \$62,800 compared to \$23,600. Full-time workers accounted for more than 70 percent of the work force, similar to the City overall.

In the decade before COVID-19, the unemployment rate (according to the U.S. Census Bureau) had fallen by 7.1 percentage points from 2010 to reach a low of 4.5 percent in 2019 for the Flushing area, lower than in Queens (4.6 percent) and the City (5.2 percent), where the unemployment rates also fell over the same time period (see Figure 6). The youth unemployment rate in the Flushing area was cut in half (as it was in Queens and the City) to reach 13.9 percent.

FIGURE 6 Unemployment Rates, 2010 to 2019



Sources: U.S. Census Bureau, American Community Survey, 1-year estimates; OSC analysis

As in Queens and the City overall, employment for Flushing area residents was concentrated in essential and face-to-face sectors more than in sectors conducive to working remotely. Four of the top five sectors in which residents worked in 2019 were classified either as essential or face-to-face sectors, together accounting for nearly

half of all working residents (47.5 percent). These included health care and social assistance (14.2 percent); leisure and hospitality (12.5 percent); personal services, such as nail and hair salons and auto repair shops (11.7 percent); and retail trade (9.1 percent). Among the top five, only business services, with 9.7 percent of employed residents, was conducive to working remotely (except for the subsector of administration and support services).

Additional essential or face-to-face sectors (including construction, manufacturing, wholesale trade, transportation and warehousing, and government) accounted for another 34.5 percent of the working residents. Thus, the total share of employed Flushing area residents working in either essential or face-to-face sectors was 82 percent.

Only 18 percent of the working residents in the Flushing area were employed in information services; financial activities; professional, technical and scientific services; and the management of companies, all industries conducive to working remotely. Across the City, this share ranged from 7.9 percent in East New York/Starrett City in Brooklyn to 56.2 percent in Murray Hill/Gramercy/Stuyvesant Town in Manhattan. The greater Flushing area's share was in the middle of all 55 Census-defined neighborhoods in the City, and close to the average in Queens (17.3 percent).

Household Income and Poverty

The median household income in the greater Flushing area was \$54,900 in 2019, only 5.4 percent higher than in 2010 (and 8.7 percent lower when adjusted for inflation). The median income for all Queens households was \$73,700, 38.9 percent higher than in 2010. The median

⁶ For the concepts of essential, face-to-face and remote industries, this report draws on two reports by James A. Parrot and Linda Moe at the Center for New York City Affairs: The New Strain of Inequality: The Economic

Impact of Covid-19 in New York City, April 15, 2020; and The Covid-19 New York City Economy Three Months In: Reopening, and a Continuing Low-Wage Workers Recession, June 2020.

income for senior households (where the householder was age 65 or older) was \$32,100.

The Flushing area poverty rate declined to 16.4 percent in 2019, from a 2014 peak of 20.3 percent (after the Great Recession). This was higher than the rate in Queens (11.6 percent), and the same as the rate in the City overall. Despite this, the share of households enrolled in the federal Supplemental Nutritional Assistance Program (SNAP, formerly known as "food stamps") was 11.7 percent, slightly lower than in Queens and 6.8 percentage points lower than in the City overall. The share of households receiving Medicaid benefits (28.8 percent) was the same as in Queens and 3.7 percentage points lower than in the City.

COVID-19 Health Impact

The pandemic reached New York City early compared to many other areas of the country, with the first surge in the 7-day average case count peaking at nearly 5,500 in early April 2020.7 Case counts then began to decline, and the City's residents enjoyed a summer respite before an uptick began again, peaking at an even higher number of cases (6,440) in early January 2021. With the growing availability of vaccines, cases dropped significantly, dropping below 200 in June. However, with the onset of variants such as Delta that spread more easily, and the large number of still-unvaccinated residents, the 7-day average case count rose at a concerning pace since early July. By mid-September, it started to decline.8

The citywide 7-day positivity rate (the percentage of people tested who had positive results) peaked at 9.5 percent in early January 2021, as it did in

Queens (at a higher rate of 11.1 percent). Both rates began a steady decline until July, when they turned upward again until September. The rates in three of the five neighborhoods in the Flushing area closely followed the rate in Queens as a whole.⁹

There was significant variation in the impact of the pandemic among the five ZIP codes or neighborhoods in the greater Flushing area. ¹⁰ Beginning in November 2020, both the Flushing/Murray Hill/Queensboro Hill and the College Point neighborhoods had 7-day positivity rates well above the other neighborhoods in the area and in Queens as a whole (see Figure 7, next page). For 11 of the 13 weeks from February 20, 2021, through May 15, 2021, the Flushing/Murray Hill/Queensboro Hill neighborhood had a positivity rate within the top three ZIP codes among all 177 ZIP codes citywide (in February it peaked at 15.4 percent).

The overall cumulative case rate for the greater Flushing area reached 12,917 cases per 100,000 residents as of October 6, 2021 (see Figure 8, the page after next). However, the two ZIP codes or neighborhoods that include central Flushing (Flushing/Murray Hill and Flushing/Murray Hill/Queensboro Hill) each have a much larger population (53,919 and 78,853 people, respectively) than the other three neighborhoods in the area. While the number of cases in these two neighborhoods was significantly higher than in the others, the cumulative case rate was highest in College Point. Nonetheless, the cumulative rate in College Point, Flushing/Murray Hill/ Queensboro Hill and Whitestone was higher than in Queens and citywide.

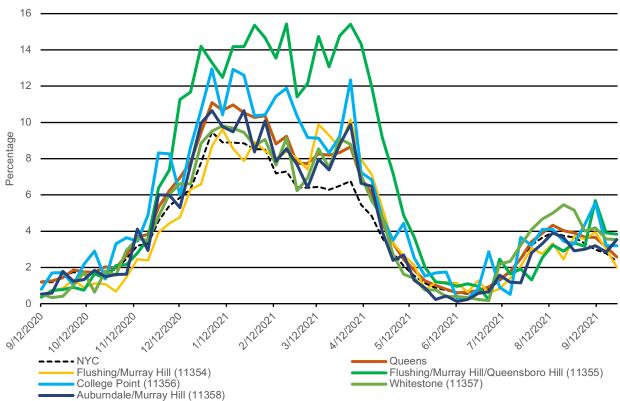
All health-related data is from the New York City Department of Health and Mental Hygiene, unless otherwise specified. Case counts are a 7-day average of confirmed and probable COVID-19 cases.

⁸ Data include people in congregate settings, such as nursing homes and correctional facilities, which may affect outcomes, especially on a ZIP code basis.

⁹ Data for this series is not available before August 8, 2020.

For all COVID-19 health data, the greater Flushing area in this report is defined as the following five ZIP codes, whose collective boundaries are not identical to the U.S. Census-defined neighborhood: 11354 (Flushing/Murray Hill), 11355 (Flushing/Murray Hill/Queensboro Hill), 11356 (College Point), 11357 (Whitestone) and 11358 (Auburndale/Murray Hill).

FIGURE 7
COVID-19 Positivity Rates for Flushing Area Neighborhoods, Queens and NYC, September 2020 to September 2021



Sources: NYC Department of Health and Mental Hygiene; OSC analysis

Early in the pandemic, the Flushing/Murray Hill neighborhood generally had hospitalization rates that were higher than the other neighborhoods in the area, as well as boroughwide and citywide, and were also among the 10 highest of all City ZIP codes. 11 During early 2021 from January to April, Flushing/Murray Hill/Queensboro Hill (11355) and Flushing/Murray Hill (11354) experienced higher hospitalization rates than Queens overall and were generally among the 10 highest of all City ZIP codes. Nonetheless, since then hospitalization rates have declined substantially in these neighborhoods, as they have in the rest of the greater Flushing area, the

borough and citywide, although there was an increase during the Delta surge.

While the greater Flushing area had a death rate of 512 deaths per 100,000 residents, Flushing/Murray Hill and Flushing/Murray Hill/Queensboro Hill had the highest number of deaths and the highest cumulative death rates within the greater Flushing area, above the other area neighborhoods, Queens and the City overall (see Figure 8). College Point, despite its high case rate, had the second-lowest death rate in the area, well below rates citywide and in Queens.

¹¹ Cumulative hospitalization rates by ZIP code are not reported by the City, but monthly data has been released since March 2020.

FIGURE 8
Cumulative Cases and Deaths from COVID-19 in the Greater Flushing Area, through October 6, 2021

ZIP Code Area	Cases	Deaths	Case Rates	Death Rates
Flushing/Murray Hill (11354)	6,557	461	12,161	855
Flushing/Murray Hill/Queensboro Hill (11355)	10,679	391	13,543	496
College Point (11356)	3,474	65	15,227	285
Whitestone (11357)	5,191	169	13,408	437
Auburndale/Murray Hill (11358)	3,849	93	10,684	258
Greater Flushing Area	29,750	1,179	12,917	512
Queens	300,972	10,168	13,354	448
New York City	1,051,361	33,977	12,611	408

Note: Case rates and death rates are the cumulative number of confirmed and probable COVID cases and deaths per 100,000 residents.

Sources: NYC Department of Health and Mental Hygiene; OSC analysis

As of October 6, 2021, the cumulative death rate in the Flushing/Murray Hill neighborhood was the third-highest among all 177 ZIP codes citywide. The rate was relatively high during the two infection peaks, especially early in the pandemic. While the cumulative death rate was heavily influenced by these peaks, the monthly death rate for this neighborhood has declined, as it has citywide, reflecting a decline in the pandemic's local health impact.

Vaccinations

With the recent outbreak of the Delta variant in the United States, the importance of a vaccinated population has become even more paramount. In New York City, as of October 17, 2021, 65.6 percent of the population had been fully vaccinated and 72.2 percent had received at least one dose. The shares of Queens residents who were fully vaccinated (72.4 percent) and who had received one dose (78.5 percent) were second only to Manhattan, and higher than citywide.

The greater Flushing area has had very strong vaccination rates. The share of the population in the area as a whole who were fully vaccinated was 89.4 percent, and the share who had at least one dose was 94.8 percent (see Figure 9).

The share of the population in each ZIP code who have been vaccinated was higher than in both Queens and the City. The rates for fully vaccinated residents in the area's five ZIP codes ranged from 74.4 percent to 100.1 percent, and for those who had at least one dose from 78.8 percent to 105.7 percent (in some cases the rates exceed 100 percent because the number of vaccinations exceed population estimates).

The Flushing/Murray Hill/Queensboro Hill neighborhood had the seventh-highest fully vaccinated rate and eighth-highest for those with at least one dose among the City's 177 ZIP codes, and the remaining four neighborhoods were all in the top third.

FIGURE 9
COVID-19 Vaccinations in the Greater Flushing
Area, as of October 17, 2021

ZIP Codes	At Least One Dose	Fully Vaccinated
Flushing/Murray Hill (11354)	95.2%	89.6%
Flushing/Murray Hill/Queensboro Hill (11355)	105.7%	100.1%
College Point (11356)	92.5%	85.3%
Whitestone (11357)	78.8%	74.4%
Auburndale/Murray Hill (11358)	89.3%	84.6%
Greater Flushing Area	94.8%	89.4%
Queens	78.5%	72.4%
New York City	72.2%	65.6%

Note: Percentages reflect the share of the entire population, all ages, and if greater than 100 percent, reflect more vaccinations than the 2019 population estimate for the area.

Sources: NYC Department of Health and Mental Hygiene; OSC analysis

Vaccination rates by race and ethnicity are available at the citywide level, but not the ZIP code level. Asian Americans/Pacific Islanders had rates citywide that were significantly higher than other demographic groups.

Economic Impact of the Pandemic

Employment and Businesses

The economic shutdown at the start of the pandemic in March 2020 was swift, and by April the City had lost 873,000 private sector jobs (falling to about 3.03 million jobs) compared to a year earlier. The shutdown was followed by a gradual and partial reopening, and by December 2020, citywide employment had risen to 3.44 million jobs, which represented a net decline of 573,000 jobs compared to 2019.

Businesses, particularly nonessential businesses that require face-to-face work and could not transition to remote work, were the hardest hit, and laid off many employees. Essential sectors such as health care experienced much smaller employment declines, along with business services, financial activities and information, whose employees could transition to remote work.

By the second quarter of 2020 (April through June), the greater Flushing area had lost nearly one in four private sector jobs (a 23.4 percent decline compared to the same period a year earlier). This was close to Queens overall, which had the highest rate of job loss (25.2 percent) among the five boroughs. Employment in the Flushing area had fallen to an average of 64,490 jobs for the quarter, a loss of 19,660 local jobs. Although employment gradually rose and was down only 14.0 percent during the next quarter (July through September 2020), private sector employment was still down by 10.5 percent in the fourth quarter of 2020 compared to the same period in 2019.

Jobs in the area have recovered at a faster pace than in many City neighborhoods, and in Queens and the City overall. By the first quarter of 2021, jobs were down by 8.4 percent compared to a year earlier, placing the greater Flushing area just above half the City's 55 neighborhoods in terms of job recovery performance. Jobs were down by 12.5 percent in Queens and 14.1 percent citywide.

Most businesses in the greater Flushing area were in nonessential face-to-face sectors or essential sectors such as health care and social assistance. Examining average employment for the last three quarters of 2020 (April through December) reveals how sectors in the area were impacted by the pandemic (see Figure 10).

FIGURE 10
Pandemic Impacts on Employment in the Greater Flushing Area by Sector Q2 to Q4 2020 vs. 2019

Sector	Average Employment 2019, Q2 to Q4	Average Employment 2020, Q2 to Q4	Difference	Percentage Change
Leisure and Hospitality	7,571	3,940	-3,631	-48.0%
Personal Services	3,869	2,541	-1,328	-34.3%
Educational Services	1,529	1,060	-469	-30.6%
Wholesale Trade	3,092	2,343	-749	-24.2%
Manufacturing	2,497	1,976	-521	-20.9%
Retail Trade	10,160	8,324	-1,836	-18.1%
Construction	6,141	5,239	-902	-14.7%
Financial Activities	4,335	3,784	-551	-12.7%
Business Services	7,489	6,674	-815	-10.9%
Transportation and Warehousing	2,504	2,246	-259	-10.3%
Health Care	26,391	24,575	-1,816	-6.9%
Information	2,715	2,530	-185	-6.8%
Social Assistance	6,078	5,850	-227	-3.7%
All Other	693	455	-238	-34.3%
Greater Flushing Area	85,064	71,537	13,527	-15.9%
Queens	598,658	489,446	109,212	-18.2%
New York City	3,937,767	3,259,469	678,298	-17.2%

Sources: NYS Department of Labor; OSC analysis

With reduced indoor dining, the dramatic decline in hotel reservations, and the closure of most arts and sports venues, the leisure and hospitality sector experienced the highest rate of job loss year-over-year (and the largest number of jobs lost, nearly three-quarters of which were in restaurants and bars).

This was followed by other nonessential face-to-face sectors such as personal services (e.g., hair and nail salons), private educational services, wholesale trade, manufacturing, retail trade (which suffered the second-largest job loss) and construction, all of which had rates of job loss between 14.7 percent and 34.3 percent. Most of the subsectors within retail trade, except for grocery stores and pharmacies, can be categorized as nonessential face-to-face subsectors.

As was the case citywide, health care, as well as finance, business services and information services, had much lower rates of job loss (12.7 percent or less).

Although aggregate data that is averaged for the last three quarters of 2020 shows businesses in the greater Flushing area had a net decline of only 1 percent (71 firms), looking at the number of businesses by size reveals a significant structural shift. The number of firms in the Flushing area with five or more employees fell by 24 percent (more than 600 firms), while the number of firms with fewer than five employees grew by 8 percent (nearly 540 firms). Citywide, the pattern was similar, although the decline in the number of businesses with five or more employees (16 percent) was lower and the increase for those with fewer than five employees was 9 percent.

This discussion has focused on the pandemic's impact on local employment and businesses. However, residents (along with their places of employment, which were not necessarily local but located throughout the City) were similarly impacted. More than 80 percent of employed residents in the Flushing area worked in either essential or face-to-face sectors. Thus, they faced greater chances of contracting COVID-19 by working outside their homes in essential industries, or of becoming unemployed because of dramatic layoffs in nonessential face-to-face industries such as restaurants, bars, hotels, hair salons and retail stores (other than grocery stores and pharmacies).

Commuting to Work

Although downtown Flushing is a transportation hub, with both subway and LIRR stops offering easy accessibility, the end of the No. 7 line at Main Street is the only subway station in the area. The U.S. Census Bureau data shows that subways accounted for less than one-quarter of the options used by area residents to commute to work in 2019. Just under half of working residents used a car, truck or van to commute to work, and 12 percent used public buses.

The average travel time to work for Flushing area residents was 41.7 minutes in 2019. This was the 17th-lowest average across the City's neighborhoods and was lower than the average for Queens (44.2 minutes) and the same as the City as a whole. The area had the highest share of residents that walked to work (11.3 percent) among the 14 neighborhoods in Queens.

The Flushing subway ridership level in September 2021 ranked fifth among 13 neighborhoods in Queens and 12th among 51 City neighborhoods.¹³ Near the start of the pandemic shutdown in April 2020, the area's

¹² U.S. Census Bureau, American Community Survey, 1-year estimates.

subway ridership was only 8.5 percent of the level it was one year earlier. Ridership rose above 40 percent of 2019 levels as of March 2021, and was just under 50 percent by September 2021.¹⁴

Housing

The greater Flushing area has a higher rate of home ownership than the City overall, and home values have shown strong growth. Although rents have grown more slowly than citywide, housing affordability remains a key problem for both renters and home owners.

Rental Housing

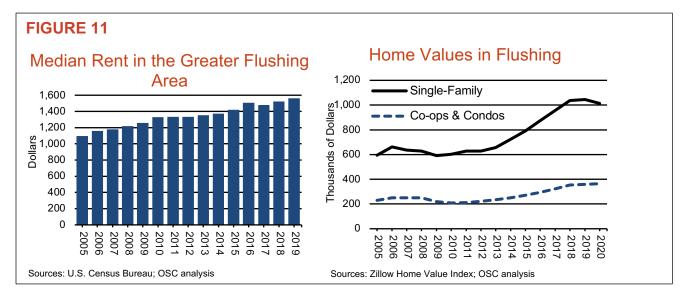
There were 90,100 housing units in the greater Flushing area in 2019, more than half of which were rentals (56 percent). The median rent was \$1,560, compared to \$1,640 in Queens and \$1,480 in the City overall. Since 2010, rents in the area have grown by 17.5 percent, nearly half the rate of growth in Queens and the City (see Figure 11, next page).

Zillow Research does not track the rental market for the entire area. However, according to the company's estimates, following a period of modest growth over the last few years, rents for market-rate units in the Flushing/Murray Hill community declined by 7.3 percent during the first six months of 2021 compared to the same period one year ago, after falling by 2 percent for all of 2020. Rents in 2021 averaged \$2,095.

According to U.S. Census Bureau data, nearly two-thirds of all rental households in Flushing (61.2 percent) faced a rent burden in 2019, the seventh-highest share citywide. These households had a rent equal to 30 percent or more of their incomes (the threshold at which housing costs are considered a burden). More than two-fifths (40.7 percent) faced a severe rent

¹³ There are no stops on Staten Island or in the Bayside, Douglaston and Little Neck neighborhood of Queens.

¹⁴ See OSC, "Impact of COVID-19 Pandemic on Subway Ridership in New York City," https://www.osc.state.ny.us/reports/osdc/impact-covid-19-pandemic-subway-ridership-new-york-city.



burden (compared to 26.2 percent citywide), the highest share of the City's 55 neighborhoods. These households had a rent equal to at least half of their incomes.

The pandemic has brought a chronic housing affordability problem to the forefront, as resultant job and income losses are affecting some City residents' ability to pay rent. Concern that widespread evictions were imminent was alleviated with the recent extension of the State's moratorium on most evictions through January 15, 2022.

The current New York State budget for State fiscal year 2021-22 includes a \$2.7 billion Emergency Rental Assistance Program (ERAP) geared to help lower-income renters (those who earn 80 percent or less of their area's median income) and their landlords.

While the program has accepted applications since June 1, no funds were distributed for rent relief during the first month, but more recently distribution has sped up. Initially, there were issues concerning the program's website and

According to the New York State Office of Temporary and Disability Assistance, which is administering the program, as of September 30, \$1.8 billion had been approved but only \$667 million had been paid out statewide, with \$122 million directed to properties in Queens. Of the nearly 228,100 applications submitted statewide through the end of August, 2,675 were for properties in the greater Flushing area.

Owner-Occupied Housing

Owner-occupied housing units account for 44.1 percent of all units in the greater Flushing area (identical to the Queens share but much higher than the citywide share of 31.9 percent). According to the U.S. Census Bureau, the median home value rose by 31.8 percent since 2010 to reach \$718,000 in 2019.

According to Zillow Research, the typical value for a single-family home in the Flushing community grew sharply since 2010 to \$1.01 million, even with a small decline in 2020 during the pandemic (see Figure 11).¹⁶ The

translated materials. For more detail, see OSC's recent report on the program.¹⁵

¹⁵ OSC, New York State Rent Relief Funding: Spotlight on New York City, Report 7-2022, August 2021, https://www.osc.state.ny.us/reports/osdc/new-york-state-rent-relief-funding-spotlight-new-york-city.

¹⁶ Zillow's use of neighborhood names may not coincide with neighborhood references used elsewhere in this report.

typical value of cooperative units and condominiums followed a similar pattern, settling at \$364,000 in 2020.

In Whitestone, College Point and Murray Hill, typical values for single-family homes averaged, respectively, \$1.01 million, \$799,000 and \$574,000. In those three communities, typical values for cooperative units and condominiums averaged, respectively, \$347,000, \$597,000 and \$326,000.

Among home owners, 34.7 percent faced a housing cost burden, nearly identical to the boroughwide share but higher than the citywide share (32.2 percent). Nearly one-fifth of home owners faced a severe cost burden, similar to levels in Queens and the City as a whole.

Education and Broadband Internet

Education

The greater Flushing area is home to 30 public schools (including five high schools and one junior/senior high school) that serve more than 23,000 students in prekindergarten through 12th grade. The COVID-19 pandemic has not impacted schools in this area as dramatically as in other parts of New York City. While enrollment in pre-K to 12th grade in the 2020-21 school year fell by 5 percent citywide, according to State Education Department data, enrollment in Flushing area public schools fell by just 3 percent.

Echoing citywide trends, most of the decline was concentrated among younger grade levels, with nearly two-thirds of the decline in the Flushing area in pre-K through third grade. According to

The pandemic also disrupted traditional methods of tracking student progress (such as standardized testing), and forced schools to adopt remote-learning and blended-learning practices during the 2020-21 school year.¹⁷ School attendance rates in the Flushing area. which were 90.5 percent when remote learning was adopted in the spring of 2020, have remained higher than citywide numbers in 2021. Attendance at Flushing area schools averaged 91.4 percent for remote classes and 90.6 percent for in-person classes in the spring of 2021. Citywide attendance rates were 85.2 percent in spring 2020, and 85.9 percent for remote classes and 87.5 percent for in-person classes in spring 2021.

Broadband Internet Access

While there is no neighborhood-level data on broadband availability, the Federal Communications Commission (FCC) indicated there were three or more providers of 25/3 mbps broadband service in Queens as of June 2020. 18 The FCC's 2019 report on broadband deployment shows that 100 percent of Queens residents live in areas where broadband is available. 19

Despite the availability of service, Figure 12 shows that the share of residents in the greater Flushing area with no broadband Internet subscriptions at home (i.e., no access) in 2019 was higher than in Queens and the City. The share of individuals with no broadband access

City forecasts in the most recent Mayor's Message in April 2021, about half of the students who left the public school system citywide in the 2020-21 school year were expected to return in September 2021. However, preliminary reports suggest enrollment has continued to decline.

¹⁷ See OSC, NYC Department of Education Response to the COVID-19 Pandemic, Report 8-2022, September 2021, https://www.osc.state.ny.us/files/reports/osdc/pdf/report-8-2022.pdf.

¹⁸ The FCC established a minimum standard for Internet broadband download and upload speeds at, respectively, 25 megabits per second and 3 megabits per second.

¹⁹ See OSC, Availability, Access and Affordability: Understanding Broadband Challenges in New York State, September 2021,

https://www.osc.state.ny.us/files/reports/pdf/broadbandavailability.pdf.

was highest for those who were 65 years and older and those without high school diplomas, as in the borough and the City. In addition, the share of households with no broadband access was higher at lower income levels.

FIGURE 12
Share of Residents and Households Without Broadband Internet Access, 2019

Demographic Indicator	Greater Flushing Area	Queens	New York City	
SHARE OF RESIDENTS				
All Residents	16.8	10.8	12.2	
Age Groups				
Under 18 years	10.1	7.3	10.5	
18 to 64 years	12.7	8.3	8.9	
65 and Older	34.5	24.9	28.7	
Educational Attainment				
Less than High School	34.4	20.4	27.0	
High School/Some College/Associate's Degree	18.3	13.6	15.0	
Bachelor's Degree or Higher	8.6	5.8	5.2	
SHARE OF HOUSEHOLDS				
All Households	44.1	30.5	28.7	
Household Income				
Less than \$20,000	47.5	37.3	37.5	
From \$20,000 to \$74,999	24.0	16.8	16.8	
\$75,000 or More	10.1	5.7	4.9	

Sources: U.S. Census Bureau American Community Survey, 1-year estimates; OSC analysis

Crime Trends

Major index crime²⁰ in the 109th Precinct, which covers the greater Flushing area, remained relatively unchanged from 2010 to 2019 after declining by more than 50 percent in the prior decade. The neighborhoods patrolled by the precinct have historically been safer than the City and the borough overall, showing lower crime rates. Continuing that trend in 2019, the area had 801 crimes per 100,000 residents, compared to a

During the pandemic's first year in 2020, crime in the Flushing area increased slightly from higher incidents of burglary and grand larceny auto (car theft), although violent crime fell by 9.7 percent. In 2021, year-to-date crime through early October was down 17.5 percent in the area compared to the same period one year earlier, although grand larceny auto increased by 35 percent. Citywide year-to-date crime was essentially flat.

While shootings have become an issue in Queens and citywide, they remain very low in the Flushing area. Hate crimes have also become a significant issue citywide, increasing by 103 percent year-to-date through September 2021, with the largest increase occurring in anti-Asian hate crimes. While hate crimes remain relatively low in the Flushing area, they increased from one incident in the first nine months of 2020 to seven incidents during the same period of 2021.

Government Pandemic Relief

Flushing area businesses and residents accessed federal, State and City relief measures to offset the impacts of the COVID-19 pandemic. As part of the March 2020 Coronavirus Aid, Relief and Economic Security (CARES) Act, federal relief was provided through the establishment of the Paycheck Protection Program (PPP), the expansion of the Economic Injury Disaster Loan (EIDL) program, and the enhancement of State unemployment benefits.

The PPP was designed mainly to cover small business payroll expenses so that employees could be retained during the pandemic shutdown period. (For more information, see OSC's <u>recent</u> report on the PPP.²¹) The expansion of the EIDL

boroughwide rate of 845 crimes and a citywide rate of 1,147 crimes.

²⁰ Major index crime includes violent crime (murder, rape, robbery, felony assault) and property crime (burglary, grand larceny, and grand larceny auto).

²¹ OSC, The Paycheck Protection Program in New York City: What's Next?, Report 10-2021, February 2021, https://www.osc.state.ny.us/files/reports/osdc/pdf/report-10-2021.pdf.

allowed for long-term, low-interest loans to be extended to small businesses and nonprofits affected by the pandemic.²² In addition, loan applicants were eligible for advances of up to \$10,000, for which no repayment was required.

Additional legislative and policy measures were taken after the passing of the 2020 CARES Act to streamline, expand or replenish programs and to establish new ones, such as the Restaurant Revitalization Fund (RRF). The RRF was designed to offset restaurant sector losses resulting from the pandemic shutdowns.

As shown in Figure 13, Flushing area small businesses received significant levels of COVID-19 relief under these programs. Area businesses received 29.5 percent of RRF grants approved for Queens and between 12.4 percent to 14.8 percent of the borough's PPP loans, EIDLs and EIDL advances. The average size of the area's PPP loans approved in 2021 was lower than the average size of 2020 loans. Almost all PPP loans approved in 2021 went to businesses with fewer than 20 employees, and almost half went to independent contractors and other self-

employed individuals. These features suggest that the neighborhood fared well in terms of access to relief funds and equity in the distribution of PPP loans.

Federal Paycheck Protection Program

As of June 2021, Flushing area businesses accounted for 12.4 percent of PPP loan dollars approved for Queens applicants since the start of the program. One-third of these loans have been forgiven so far.²³

Loan and Firm Size

The average size of Flushing area PPP loans for March 2020 to June 2021 was \$52,764, almost the same as the average for Queens. As was the case throughout the City, loan sizes were lower in the 2021 round, with the average size of loans approved (\$37,518) about half the size of those approved in 2020 (\$74,019). Businesses with fewer than 20 employees accounted for 96.6 percent of all Flushing area borrowers (the same share as for Queens). Almost two-thirds of the total loans for the area (15.4 percent of the total loan dollars) were for \$20,000 or less.

FIGURE 13
Federal COVID-19 Relief Resources Accessed by Small Businesses in the Flushing Area

Program	Area Loans or Grants (in millions)	Percentage of Grants and Forgiven Loans*	Share of Queens Grant and Loan Dollars	Share of City Grant and Loan Dollars
March 2020 to June 2021				
Paycheck Protection Program	\$635.8	33.6	12.4	2.0
Restaurant Revitalization Fund	\$96.6	100.0	29.5	3.5
March 2020 to December 2020				
Economic Injury Disaster Loan	\$289.7	N/A	13.0	2.9
Economic Injury Disaster Loan Advance (Grant)	\$25.6	100.0	14.8	3.5

^{*}Figures in this column indicate the proportion of funds that are either forgiven (loans) or need no repayment (grants). Forgiveness is not provided for EIDLs, which have repayment periods of up to 30 years with interest rates of no more than 3.2 percent.

Sources: U.S. Small Business Administration; OSC analysis

The PPP was new, but the EIDL program existed prior to
the pandemic. The program provides long-term, lowinterest loans for businesses to cover temporary revenue
losses arising from disasters, which are usually regional.
The CARES Act provided for EIDL loans and advances to
cover COVID-19-related losses.

²³ A total of \$960.25 billion has been appropriated to the PPP for lending to small businesses affected by the pandemic since March 2020. For the 2021 round, lending is provided to new borrowers as well as to those funded in 2020.

Borrowing Sectors

Firms operating in four economic sectors accounted for just over half of all loan dollars approved for Flushing, and 60 percent of all dollars approved for Queens (see Figure 14). Businesses in the health care and social assistance sector (mainly doctors, dentists and home health care firms) received the highest share of Flushing loan dollars, while construction was second-highest for the area and the borough. Accommodation and food services (mainly restaurants and bars) and transportation and warehousing (mainly taxi and limousine services) were the other top-four borrowing sectors for both Flushing and Queens.

FIGURE 14
Flushing Area and Queens PPP Loans by Sector, January to June 2021

Sector	Flushing	Queens
Health Care and Social		
Assistance	16.3	11.3
Construction	14.6	18.1
Accommodation and Food		_
Services	12.6	11.1
Transportation and		_
Warehousing	10.5	19.3
Business Services	7.2	5.6
Personal Services	7.1	7.2
Retail Trade	6.3	4.9
All Other Sectors	25.4	22.5
Total	100.0	100.0

Sources: U.S. Small Business Administration; OSC analysis

Loan and Business Types

Just under half of all loans and one-fifth of all loan dollars for the Flushing area went to first-time borrowers in 2021. For Queens, the comparable shares for first-time borrowers were just over half of the loans and just under one-third of loan dollars. Independent contractors, sole proprietors and self-employed individuals accounted for just under half of the number of loans and less than one-fifth of loan dollars.

Federal Economic Injury Disaster Loans

Of the 14 Census-defined neighborhoods in Queens, Flushing area businesses received the highest shares of EIDLs (13 percent) and EIDL advances (14.8 percent). The area had the eighth-highest and fourth-highest total dollar amounts of EIDLs and EIDL advances, respectively, among all 55 neighborhoods citywide.

Federal Restaurant Revitalization Fund

Reflecting the importance of the restaurant sector to the local economy, Flushing area restaurants received 22.4 percent of total restaurant revitalization grants and 29.5 percent of all grant dollars approved for the borough. Citywide, these represented 5.1 percent of total RRF grants and 3.5 percent of the grant dollars. Businesses that identify as socially and economically disadvantaged accounted for 83 percent of all grant dollars approved for the area. Womenowned businesses accounted for 33.9 percent of approved grant dollars.

New York City Open Restaurants Program

New York City's measures to provide relief from the impacts of the pandemic included expansion of the Open Streets Program to include an Open Restaurants component in June 2020. Under the Open Streets: Restaurants program, restaurants can extend eating and drinking services to sidewalks, roadways and parking spaces for which permits are approved. As of October 11, 2021, Flushing area restaurants accounted for 13 percent of permits approved for Queens under this program. This was the third-highest among the borough's 14 Census-defined neighborhoods, and the 12th-highest among the City's 55 neighborhoods.

Looking Ahead

Prior to the onset of the COVID-19 pandemic in March 2020, the greater Flushing area was an example of one of New York City's modern, diverse, and successfully evolving neighborhoods. The area's rapidly growing economy, entrepreneurial opportunities, immigration growth patterns and strong community identities brought dynamic change over the last two decades, and promised a vibrant future. The pandemic has put severe pressure on some of the greater Flushing area's strengths. Restaurants and small storefront retail businesses were particularly hard-hit by shutdowns. Education and health resources have also been strained, and Asian-targeted crime has recently shown a modest but disturbing spike.

However, strong federal, State, City, borough, and community relief initiatives are aiding the efforts of the area's leaders and residents to restore the neighborhood's assets and bolster its potential for renewed opportunity and growth. Business groups, such as the Flushing Chinese Business Association, the Greater Flushing Chamber of Commerce and the Queens Chamber of Commerce, can play an important role in connecting government resources to businesses as the recovery continues.

Restaurants and retail firms are recovering, housing problems are receiving fresh attention, and serious discussions on how to alleviate health, crime and transportation challenges are occurring. As the area recovers, continued support for small businesses is essential. In addition, investments in education, mass transportation and health care will be needed so that the people and communities of the greater Flushing area have every chance to flourish.

The key for the area, as for so many of New York City's neighborhoods, is for government officials and other leaders to assist the ongoing efforts of businesses and residents to recover and to further strengthen their communities. The area's diversity, resilience and promise should be supported and cultivated. The strengths that enabled Flushing to thrive before the pandemic remain as valuable assets, which continue to fuel the area's successful reemergence.

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