



An Economic Snapshot of the Greater Jamaica Area

Highlights

- The population in the Greater Jamaica area increased by 35 percent between 1980 and 2014, faster than in the City overall (20 percent).
- Population growth was driven by immigration, with the immigrant population more than tripling. By 2014, immigrants made up 41 percent of the population, compared to just 18 percent in 1980.
- The number of businesses increased by 39 percent over a 20-year period, much faster than the citywide growth rate (27 percent).
- Despite a range of transportation options, the area had the second-highest average commute time in the City (50 minutes) in 2014.
- The median household income jumped by 11 percent in 2015 to \$58,315, higher than the citywide median (\$55,752).
- The share of households with incomes below the federal poverty level has declined from 17.6 percent in 2010 to 13.1 percent in 2015, much lower than the citywide share (19 percent).
- More than half of the households live in owner-occupied homes, a much larger portion than the share citywide (32 percent).
- The number of rental units increased by 14 percent between 2002 and 2014, much faster than the citywide growth rate (4 percent).
- Fifty-six percent of residents devoted more than 30 percent of their household income to rent in 2014, up from 35 percent in 2002.
- More than half of the mortgages in 2006 were subprime. Consequently, the area had the most foreclosures in the City from 2008 to 2010.
- Serious crime is down 80 percent since 1990, but it remains a concern.

The Greater Jamaica area in Queens fell on hard times during the 1970s, but has been slowly recovering. After the area lost 9.9 percent of its residents, population growth resumed and now stands at 251,000, making it the second most-populated neighborhood in New York City. Population growth has been driven by immigration, helping to make the area more diverse.

The local economy is closely associated with nearby John F. Kennedy International Airport. Business growth has been extraordinary over the past two decades, increasing by 39 percent. In 2014, there were 4,298 businesses, one-fifth of which were retail.

Employment grew between 2003 and 2008, when it reached a record of 47,600 jobs. However, Jamaica was hit hard by the recession, losing 2.5 percent of its jobs in one year. Although slow to recover, employment returned to its prerecession peak in 2012. Jamaica experienced another setback in 2013, but after two years of job growth, employment was again approaching the prerecession peak by the end of 2015.

Many residents work in retail, health care or in businesses related to the airport. Jamaica also had the largest number (and the second-highest concentration) of protective service workers among the City's 55 neighborhoods.

With one of the most extensive transportation networks of any neighborhood in the City, Jamaica is attracting new residents and businesses. Once the commercial center of Queens, the area is again transforming into a vibrant hub. An ambitious rezoning plan for downtown Jamaica has begun to yield new investments, creating job opportunities for local residents.

Introduction

The Greater Jamaica area located in southeast Queens is one of the 55 City neighborhoods defined by the U.S. Census Bureau. It includes the neighborhoods of Jamaica, Hollis, St. Albans, Rochdale and South Jamaica (see Figure 1).

The area is mostly residential and includes a large concentration of faith-based institutions. More than 20 churches are located in downtown Jamaica alone, including the Calvary Baptist Church, the Grace Episcopal Church and the Greater Allen AME Cathedral of New York.

Commercial corridors run along the major thoroughfares, including Hillside Avenue, Jamaica Avenue, Linden Boulevard, Merrick Boulevard and Sutphin Boulevard. The civic center includes State courts, federal government facilities, the Jamaica Performing Arts Center and York College. The John F. Kennedy (JFK) International Airport is located just to the south and is an important part of the local economy.

During the first half of the 20th century the area flourished, spurred by a network of rapid transit

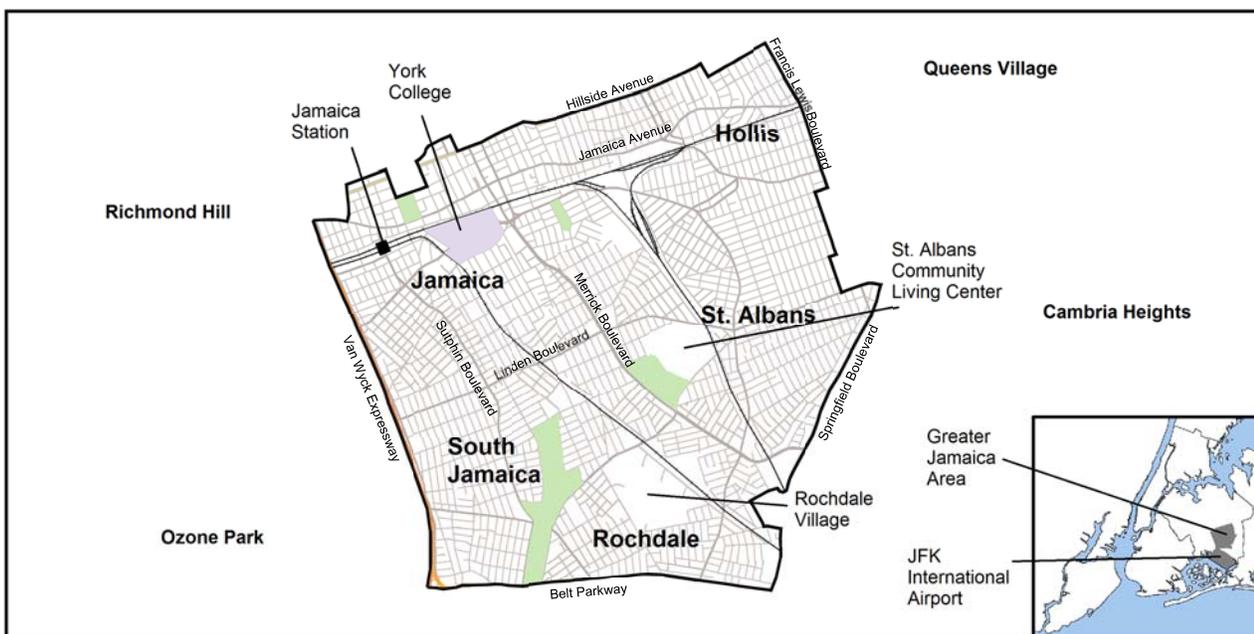
services, including the Long Island Rail Road (LIRR) and the Jamaica Line (an elevated transit line known as “the Jamaica El”). In 1937, the Independent Subway System was extended along Hillside Avenue to 169th Street.

Downtown Jamaica was one of the most prominent shopping and entertainment districts in New York City. It had large department stores (Gertz, Macy’s and May’s), the first modern supermarket (King Kullen), and attractions such as the RKO Alden Theatre and the Loew’s Valencia Theatre.

Easy access to Manhattan and Brooklyn, along with returning war veterans seeking to begin a new life, were largely responsible for the rapid growth in the population, which climbed from 31,000 in 1900 to 206,000 by 1970.^{1, 2}

The 1970s, however, brought significant changes. Crime rates rose, many residents moved out, and competition from suburban shopping centers impacted retail stores. Since then, renewed public and private investments, coupled with lower crime rates and rapid population growth, are fueling a revitalization of the local economy.

FIGURE 1
The Greater Jamaica Area

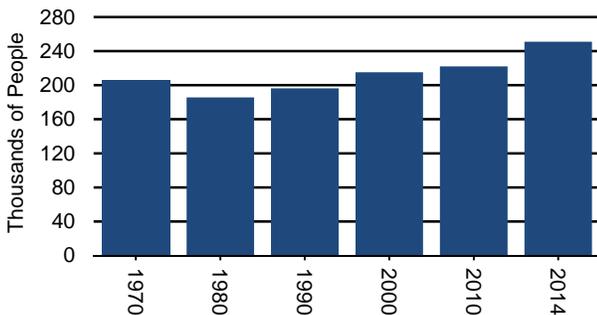


A Changing Population

As shown in Figure 2, the population of the Greater Jamaica area declined by 9.9 percent in the 1970s. Between 1980 and 2000, the population increased by 15.9 percent, faster than in the City overall (13.2 percent).

While Jamaica grew only modestly during the 2000s, the population surged between 2010 and 2014, rising by 13 percent.³ In 2014 the area had 251,000 residents, making it the second most-populated Census-defined neighborhood in the City.⁴

FIGURE 2
Population in the Greater Jamaica Area



Sources: US Census Bureau; Minnesota Population Center; OSC analysis

Between 1980 and 2014, population growth was driven by immigration as the number of immigrants more than tripled. By 2014, immigrants made up 41 percent of the population, compared to just 18 percent in 1980. Even with the high concentration of immigrants, a large majority (84 percent) of residents over age 18 were proficient in English, a much higher share than in the City overall (75 percent).

According to the most recent Census data, nearly half of the immigrant population comes from the Caribbean, most notably Jamaica, and another third comes from Central and South America, primarily Guyana. In 2014, the area had the largest population of Jamaicans in the City (24,200) and the second-largest number of Guyanese (20,150).

Three-quarters of the immigrants have been in the country for more than 10 years. Of those who emigrated within the past decade, the largest share (26 percent) have come from Bangladesh.

Over the decades, immigration has further changed the area's population. By 2014, black residents accounted for less than two-thirds of the population, down from 80 percent in 1980. Asian residents were the fastest-growing segment of the population, with their number nearly tripling since 1980. In 2014, Asians accounted for 13 percent of the population, Hispanics accounted for 15 percent and whites accounted for 6 percent.

A Major Transit Hub

Jamaica is served by the LIRR, four subway lines, a rail link to JFK International Airport, and nearly 50 bus routes, six of which are part of the Nassau Inter-County Express bus system. In addition, major highways traverse north-south (Van Wyck Expressway) and east-west (Belt Parkway) routes.

The LIRR's Jamaica Station is the largest transit hub on Long Island and one of the busiest railroad stations in the country, with weekday ridership exceeding 200,000 passengers. A major renovation was completed in 2006 at a cost of \$387 million, which included new platforms, a central elevator bank linking the LIRR to the street and to the Sutphin Boulevard subway station, a new steel and glass canopy over the elevated tracks, and access to the AirTrain, which runs to JFK.

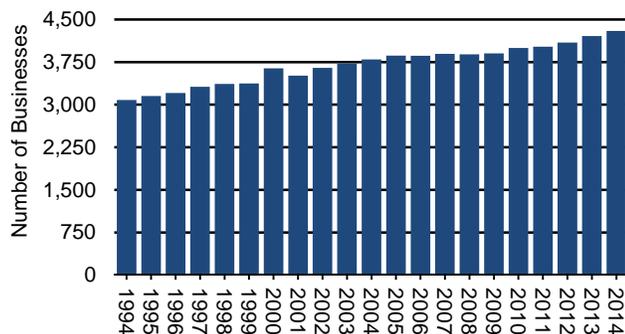
The elevated subway line was a fixture of downtown Jamaica for many decades. In 1985, the three easternmost stations were demolished and replaced with the underground Archer Avenue subway in 1988, which ends at Jamaica Center. The E, J and Z subway lines serve Jamaica Center. The F subway line, which was extended from 169th Street to 179th Street after World War II, also runs to Jamaica.

In 2003, the \$350 million AirTrain terminal opened, linking Jamaica to JFK Airport. The AirTrain connects the airport to the LIRR as well as to subway and bus lines in Jamaica. The Howard Beach line connects to a parking lot largely used by airport employees. In 2015, 7.1 million passengers rode the AirTrain to JFK.

Strong Business Growth

As shown in Figure 3, the number of businesses in the Greater Jamaica area totaled 4,298 in 2014.^{5, 6} This represents an increase of 39 percent over a 20-year period, much faster than the growth rate in the City overall (27 percent). While the recent recession temporarily dampened growth, the number of businesses increased by 11 percent between 2009 and 2014.

FIGURE 3
Number of Businesses in the Greater Jamaica Area



Sources: US Census Bureau, County Business Patterns; OSC analysis

Business growth between 1994 and 2014 was particularly strong in several major sectors, including social assistance (216 percent), business services (135 percent), food services (114 percent) and hotels (100 percent).

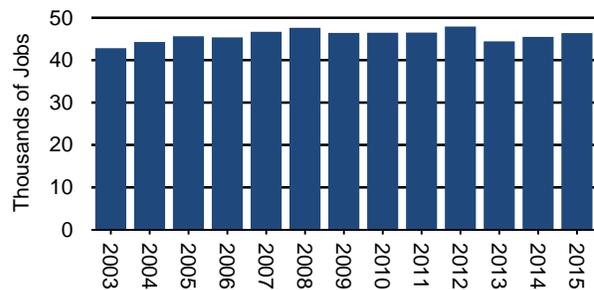
In 2014, two-thirds of the area's businesses had fewer than five employees and 82 percent had fewer than 10 employees. There were 69 firms with 100 or more employees, and most of these large businesses were in the health care, transportation and retail sectors.

One-fifth of the businesses were retail stores, many of them located along Hillside and Jamaica avenues and Merrick Boulevard. Personal service (e.g., auto repair and barber shops), food services and transportation firms each accounted for about 10 percent of the businesses.

Uneven Job Growth

Employment grew between 2003 and 2008, when it reached a record of 47,600 jobs (see Figure 4).^{6, 7} However, Jamaica was hit hard by the recession, losing 2.5 percent of its jobs in 2009. While it was slow to recover, employment returned to its prerecession peak in 2012.

FIGURE 4
Private Sector Employment in the Greater Jamaica Area



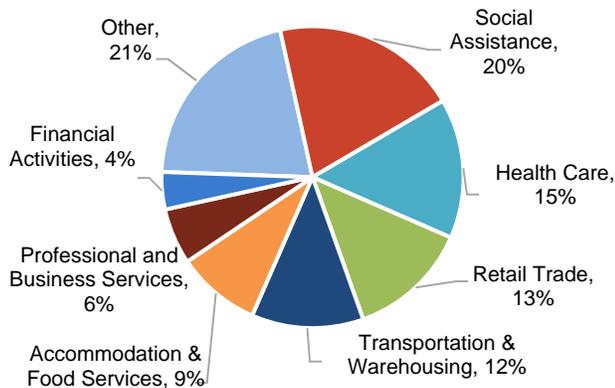
Note: 2014 and 2015 have been adjusted for data irregularities.
Sources: NYS Department of Labor; OSC analysis

In 2013, the area lost 3,500 jobs (mostly in health care), nearly three times as many as were lost during the recession. Growth resumed in 2014 and continued into 2015. After two years of job growth, employment was approaching the prerecession level by the fourth quarter of 2015.

In 2015, there were 46,400 private sector jobs, which paid an average annual salary of \$39,000 (compared to \$46,900 in all of Queens).⁸ Since 2011, when employment began to recover from the recession, job growth has been concentrated in lower-paying businesses such as fast food, social services and retail. Among the higher-paying sectors, only the construction industry has shown large job gains, growing by 62 percent (630 jobs).

The social assistance sector accounted for 20 percent (9,250) of the jobs in 2015 (see Figure 5), a far greater concentration than the citywide average (5 percent).⁹ Many of these were in senior centers, day care centers, and job counseling and training facilities.

FIGURE 5
Distribution of Private Sector Jobs in 2015



Sources: NYS Department of Labor; OSC analysis

Between 2008 and 2013 the health care sector lost more than 21 percent of its jobs, largely in response to the closure of Mary Immaculate and Holliswood hospitals. During the following year health care resumed adding jobs, and by 2015 the sector accounted for 15 percent of the jobs (7,100). Most of these were concentrated in nursing homes, home health care services, doctors' offices and clinics.

Retail trade accounted for 13 percent (5,900) of the jobs. Supermarkets, groceries and beverage stores made up more than one-quarter of the retail sector, followed by clothing stores, auto dealerships and parts shops, and personal care businesses such as nail salons.

Although JFK Airport is located just to the south, it plays an important part in the local economy. In addition to serving millions of passengers each year, the airport is also an international air cargo center, with nearly 4 million square feet of cargo warehouse and office space.

Given Jamaica's close proximity to the airport, it is not surprising that the concentration of transportation and warehousing jobs in the area (12 percent) is much higher than the citywide average (3 percent). This sector was responsible for 5,600 jobs, mostly with shipping agents, delivery firms, airport- and aircraft-related businesses, and bus transportation companies.

The accommodation and food services sector accounted for 4,400 jobs (9 percent), an increase of 28 percent since 2011. Food services was responsible for 3,500 of these jobs, with nearly half concentrated in fast-food establishments. (Fast-food jobs grew by 21 percent between 2011 and 2015.) Food contractors, including those who serve the airline industry, were responsible for more than one-quarter of all food service jobs. (Employment in these businesses grew by 36 percent between 2011 and 2015.)

Hotels were responsible for 900 jobs, an increase of 34 percent since 2011. Large hotels include a Comfort Inn, a Days Inn & Suites, a Howard Johnson, a Ramada and a Sleep Inn near Jamaica Station, and a Hilton, a Holiday Inn and a La Quinta Inn closer to the airport. A number of new hotels are planned for the area, which will further increase employment.

The business services sector lost 680 jobs (19 percent) between 2011 and 2015, but still accounted for 6 percent of overall employment. Many of the losses were centered in administrative and support services, particularly security guard services.

Although this report focuses on private sector employment, many public sector employers are also located in the Jamaica area. These include the New York City Child Welfare Administration, three New York State courthouses, the Queens Central Library (as well as local branches), a federal Social Security service center, a Veterans Affairs community living center and York College.

Resident Work Force

In 2014, 114,700 residents were employed on a part-time or full-time basis.¹⁰ More than 42 percent worked in Queens, while one-quarter commuted to Manhattan. More than 20,000 residents worked outside of New York City, two-thirds of whom worked in Long Island.

The area had the second-highest average commute time among the City's 55 Census-defined neighborhoods (50 minutes). Nearly 43 percent of the residents had a commute of an hour or longer, well above the average for Queens (29 percent).

About half of the residents were employed as office workers or held jobs in health care, retail or transportation. The most common occupation was home health aide.

Almost 12 percent of the residents worked as teachers and first responders, such as correction officers, police officers and security guards. Jamaica had the largest number (and the second-highest concentration) of protective service workers among the City's 55 neighborhoods.

Although the unemployment rate fell nearly three percentage points since the recession to 12.6 percent in 2014, it was still higher than before the recession (9.9 percent).

The median household income increased by 5.6 percent between 2010 and 2014. In 2015, household income increased by 11 percent, twice as fast as the city overall. Household income reached \$58,315, surpassing the citywide median (\$55,752). As incomes have grown, the share of households with incomes below the federal poverty level has declined from 17.6 percent in 2010 to 13.1 percent in 2015, which was lower than the citywide share (19.1 percent).

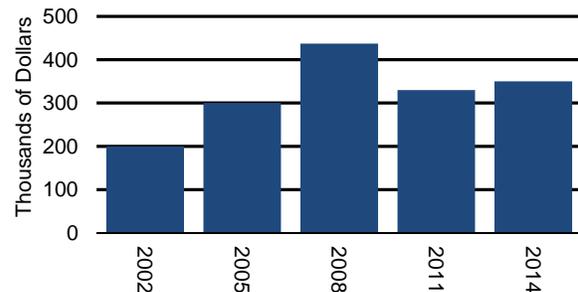
In recent years, educational attainment has improved significantly. The share of residents aged 25 or older with a bachelor's degree or higher increased by six percentage points between 2005 and 2014 to reach 22 percent.

Home Ownership

More than half of the area's households live in owner-occupied homes (i.e., one-, two- and three-family homes, co-ops and condominiums), a much higher share than the citywide average (32 percent).¹¹

While median home values more than doubled between 2002 and 2008 (see Figure 6), the area was hit hard by the housing crisis. By 2011, home values had declined by 24 percent. Although home values were higher in 2014, they were still 20 percent lower than in 2008. The median home value was \$350,000 in 2014.

FIGURE 6
Median Home Value



Sources: US Census Bureau, Housing and Vacancy Survey; OSC

An earlier report by the State Comptroller found that more than half of the mortgages issued in Jamaica in 2006 were subprime.¹² Consequently, Jamaica had the most foreclosures in the City from 2008 to 2010. In 2015, the area had the highest number of pre-foreclosure notices per 1,000 homes in the City, according to the NYU Furman Center.¹³

Problems stemming from the foreclosure crisis, such as abandoned houses, remain an issue. The local community board has cited a need for more building inspectors to deal with these properties, which destabilize neighborhoods by attracting illegal activity and bringing down home values.

Rising Rental Costs

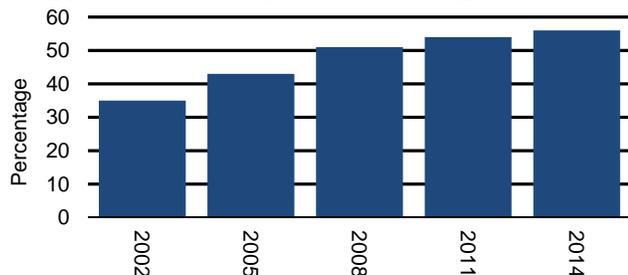
According to the U.S. Census Bureau, there were 34,336 rental units in 2014, an increase of 14 percent since 2002.¹⁴ This was a much faster rate of growth than in the City (4 percent) or in Queens (5 percent) overall.

One-third of the rental units were rent-controlled or rent-stabilized (compared to more than half in Queens). Another 4 percent of the rental units were located in public housing developments operated by the New York City Housing Authority. These units were spread out among 32 buildings in the Baisley Park and South Jamaica Houses.

Despite the increase in the number of rental units, housing affordability is a major problem. The median monthly rent rose from \$700 in 2002 to \$1,275 by 2014. Moreover, the median monthly rent has grown faster than median household income, making housing less affordable. Median monthly rent increased by 82 percent between 2002 and 2014, while household income grew by 26 percent.

As a result, 56 percent of rental households devoted more than 30 percent of their household income to rent (i.e., the level at which rent is a considered a burden), far more than the share in 2002 (35 percent; see Figure 7). Nearly one-third of the residents faced a severe rent burden, devoting more than half of their household income to rent.

FIGURE 7
Share of Households With a Rent Burden



Note: The federal government and many researchers consider rent to be a burden when it consumes more than 30 percent of household income.
Sources: US Census Bureau, Housing and Vacancy Survey; OSC analysis

Given the high cost of housing, overcrowding is prevalent. In 2014, 12.5 percent of the households lived in apartments with more than one person per room, a higher share than in Queens (10.9 percent) and in the City (9.9 percent) overall.

Economic Development

In 2007, the Special Downtown Jamaica District was established to stimulate economic growth around the LIRR's Jamaica Station in order to take advantage of the area's strength as a multimodal transportation hub. The area was rezoned to permit taller buildings with larger floors. New commercial and residential construction is also expected to stimulate the creation of new retail businesses.

In 2015, Mayor Bill de Blasio, Queens Borough President Melinda Katz, and Deputy Mayor Alicia Glen released the Jamaica Now Action Plan. The plan, which represents \$153 million in public funding, includes 25 initiatives for projects such as streetscape improvements, NYPD security cameras and affordable housing. Downtown Jamaica was recently selected to receive a \$10 million revitalization award from the State.

Recently completed mixed-use developments near Jamaica Station include Moda, a green building with 346 residential units and more than 50,000 square feet of retail space (including an Associated Supermarket), and Norman Towers, with 101 residential units, office and retail space.

The New York City Economic Development Corporation reports that projects are underway that will produce 3,000 housing units, 500,000 square feet of retail space and 800 hotel rooms in the area. The Greater Jamaica Development Corporation is active in many of these projects.

A 225-room, 27-story Hilton Garden Inn is currently under construction across the street from Jamaica Station. Two additional hotels are expected to be completed by the end of 2017 (a 224-room Courtyard by Marriott and a 114-room Fairfield Inn).

Other projects are planned for the area, including some that will change the skyline of downtown Jamaica. The planned conversion of Mary Immaculate Hospital into a residential complex is expected to include at least four new buildings (the tallest will rise 16 stories) and about 1,000 apartments. The first phase is under construction.

The Crossing at Jamaica Station (with 580 units of affordable housing) is scheduled to be completed in 2018. The development, located next to Jamaica Station, will include two towers (26 stories and 14 stories) and 100,000 square feet of retail and community space.

Another large residential development is planned on 94th Avenue near Sutphin Boulevard. This 26 story tower will include 380 apartments (including 76 affordable units).

York College, which is part of the City University of New York, is a four-year college located on a 50-acre campus in downtown Jamaica. With more than 8,400 students and 1,350 employees, the school is also an important part of the local economy. According to York College, staff salaries contribute more than \$93 million in tax revenues to the economy.

In 2000, York College partnered with the U.S. Food and Drug Administration (FDA) to create the FDA's Northeast Regional Laboratory and a bachelor's degree program in pharmaceutical sciences. In 2003, York began a partnership with the Port Authority of New York and New Jersey to establish the CUNY Aviation Institute at York College, which offers a bachelor's degree in aviation management. York is also an Empire State Development START-UP New York site, which means it offers tax-free opportunities for new and expanding businesses.

The Queens Economic Development Corporation operates a number of business training programs that help local entrepreneurs. Businesses can also find assistance from New York City's Department of Small Business Services, which helps them navigate government regulations and obtain City contracts.

The Jamaica Center Business Improvement District (BID), the Sutphin Boulevard BID, the 165th Street Mall Improvement Association and the 180th Street BID provide sanitation, beautification and promotional support to area businesses, as well as other services.

¹ U.S. Census Bureau, 1900 Decennial Census.

² In this report, decennial U.S. Census population data from 1970 to 2010 are from the Minnesota Population Center, *National Historical Geographic Information System: Version 2.0*, Minneapolis, MN: University of Minnesota 2011, <http://www.nhgis.org>.

³ 2014 population data are from the U.S. Census Bureau, American Community Survey (1-Year Public Use Microdata Sample file).

⁴ This report utilizes the latest available annual data.

⁵ U.S. Census Bureau, County Business Patterns.

⁶ Business and employment data are unavailable by Census-defined neighborhood. In the absence of such data, this report reconstructs the neighborhood by utilizing data by ZIP code. In some cases, the ZIP code boundary extends beyond the neighborhood.

⁷ New York State Department of Labor, Quarterly Census of Employment and Wages.

⁸ OSC has adjusted employment and wage data for 2014 and 2015 to correct for data irregularities.

⁹ Employment data for the social assistance sector has been adjusted to correct for data irregularities.

¹⁰ U.S. Census Bureau, American Community Survey (1-Year Public Use Microdata Sample file).

¹¹ U.S. Census Bureau, Housing and Vacancy Survey.

¹² New York State Comptroller Thomas P. DiNapoli, Report 13-2011, *Foreclosures in New York City*, March 2011.

¹³ NYU Furman Center, *State of New York City's Housing & Neighborhoods in 2015*.

¹⁴ U.S. Census Bureau, Housing and Vacancy Survey.

