



PRESS RELEASE
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COVID-19's Impact on Long Island's Downtowns: Rauch Foundation Report offers targeted actions to stabilize businesses and foster long-term growth in Long Island's downtowns

Garden City, New York (May 12, 2020) - The Rauch Foundation today released the results of research conducted in late 2020 and early 2021 to better understand the impact of the COVID-19 pandemic on Long Island's downtowns, as well as to inform recommendations on how to speed recovery. Written by HR&A Advisors, and presented to the Long Island Regional Planning Council, explores trends using public and proprietary data, vacancy audits, online business surveys and discussions with a wide range of stakeholders, including elected leaders, business associations, and economic development and real estate experts to understand how different downtowns were performing during the pandemic, and particularly how communities of color and low-income communities fared differently than others. Among the key findings, the report found that permanent closures in lower-income communities were significantly higher than the average across 30 downtowns that were surveyed; additionally, over a third of all downtown businesses projected a loss of more than 50% of revenue in 2020 compared to prior years.

Access the [Executive Summary here](#), and the [full report here](#).

"This study shows that there has been much pain and disruption in most Long Island downtowns, especially those at the center of low income and minority communities," said Nancy Rauch Douzinas, President, Rauch Foundation. "This report outlines clear and actionable steps that our elected officials and leaders from other sectors can take today to aid recovery in all communities and get Long Island's businesses back on track."

Nassau County Executive Laura Curran said, "This report highlights just how important downtowns and small businesses were for Long Island's economy pre-pandemic, and how we must reinvest in them to ensure a vibrant future. The specific recommendations dovetail with so many of the County's efforts both before and during the crisis – from direct assistance to restaurants and other businesses, encouraging our villages to utilize their streets and open spaces to attract diners and shoppers, and encouraging the development of housing in our downtowns. As we drive forward on the road to recovery and look to invest federal stimulus funding, reviving our downtowns will remain a key focus for Nassau."

Suffolk County Executive Steve Bellone said, "Our historic downtowns are a prized part of Long Island's identity. It is essential to bolster both our immediate and long term support to ensure not only their resurgence from the COVID-19 pandemic but continued growth well into the future."

The Survey's Key Findings Include:

- Although most downtown businesses were growing before the pandemic, nearly in 1 in 5 businesses were facing challenges related to unaffordable rents, competition from online commerce, and staffing issues.
- Post-COVID, more than 1 in 3 downtown food & beverage and retail businesses projected 50%+ loss of revenue in 2020 compared to 2019
- Downtowns that rebounded more quickly were generally leisure and food & beverage destinations.
- Downtowns that embraced innovative uses of streets and public spaces were able to more successfully reattract visitors.
- Businesses in **lower-income communities and businesses of color** were more likely to be impacted by the pandemic, due to lack of access to capital and online marketing, difficulty accessing Federal aid and lack of information.
- Permanent and temporary store closures in lower-income communities were significantly higher than the average across the 30 downtowns surveyed in the study.

In addition to investigating immediate impacts of the COVID-19 pandemic, the report also analyzed how Long Island's downtowns will need to pivot to thrive in a post-pandemic "new normal." Downtowns prepared to creatively reimagine storefront and open spaces, explore innovative street usage, and deploy solutions for new multifamily housing will be poised to succeed. Providing immediate support for small businesses – particularly those in lower-income communities and communities of color - and new solutions for flexible office space will also be key to re-energizing suburban downtowns and allowing local businesses to embrace post-pandemic cultural and economic changes.

"Our downtown communities are the heart of our region and they are hurting," said Kevin Law, Co-Chair of the Long Island Regional Economic Development Council and Partner and EVP of Tritec Real Estate Development Company. "The Rauch Foundation has now delivered a blueprint for what the most critical pain points are for local businesses, how we can stabilize and support the local economy today, and what we need to do to ensure that recovery is sustainable."

"Each of Long Island's downtowns are critical in driving our regional economy," said John Cameron, Chairman of the Long Island Regional Planning Council. "Combining creativity and determination with the full support and vision of our local and regional leaders will ensure that each of our downtowns will have a speedy and sustainable recovery. The Rauch Foundation's report provides us with both an analysis of the pandemic's impact on our downtowns and concrete recommendations to move forward."

The report offers 11 specific interventions solving for short-, medium- and long-term goals. The recommendations aim to accelerate recovery through new, innovative approaches as well as tried-and-true long-term investments.

Shuprotim Bhaumik, Partner at HR&A Advisors and research lead said, "The recommendations made in this report were crafted after careful consideration of the history and evolution of Long Island's downtowns, their pre-pandemic challenges, and the devastating impacts of COVID; these 11 targeted actions will provide immediate assistance to downtown businesses recovering from the impacts of the pandemic, and provide them the flexibility to ultimately flourish in the 21st-century. The Long Island economy has been through many transitions before, and with the

right policy adjustments and aid for local businesses, the post-pandemic era has the potential to be our greatest comeback yet.”

The report was conducted by HR&A Advisors and included quantitative analysis of 10 focus downtowns (Baldwin, Bay Shore, Central Islip, Greenport, Mineola + Garden City, New Hyde Park, Northport, Port Washington, Riverhead, and Roosevelt), as well as online and in-person surveying of businesses in 30 downtowns. The survey was offered in English and Spanish and was distributed online, in person and through local media.

Prior to 2019, the Long Island Index was published by the Rauch Foundation for 15 years. That report consistently studied downtown communities, along with what made them thrive and what types of investments were effective in catalyzing future growth. The Foundation aims to put that experience back in play to help the Long Island community navigate today’s circumstances and tomorrow’s solutions.

About the Rauch Foundation:

The [Rauch Foundation](#) is a Long Island-based family foundation that invests in ideas and organizations that spark systemic change. Its programs focus on early success for children and helping families and communities to thrive. In the area of the environment, it supports programs working to improve the quality of Long Island’s water. The Foundation believes that presenting good information in a neutral manner can help to influence policy. It sees its role as a convener and encourages cross-sector collaboration to tackle some of the most challenging regional issues.

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