

Lower Manhattan Residents: *A Community in Transition*



August 2004

Introduction

In view of the dramatic growth of the Downtown residential population over the past few years, the Alliance for Downtown New York retained Audience Research & Analysis (ARA) to update its 2002 study of residents in Lower Manhattan. The study was designed to:

- Provide a comprehensive profile of current residents including those who had moved to Lower Manhattan in the last two years
- Compare current residents to those who lived in Lower Manhattan prior to 9/11
- Gauge how living in Lower Manhattan has met the expectations of residents
- Understand the reasons why people choose to live Downtown now
- Investigate general concerns and areas in need of improvement

Survey Methodology

ARA mailed questionnaires to 4,000 randomly selected residential addresses located below Chambers Street in Lower Manhattan.¹ Prior to sending out the questionnaire, ARA mailed a postcard to each household informing them that a survey questionnaire would be arriving in the mail. The postcards were mailed on May 10, 2004, followed by the questionnaire and postage-paid envelope on May 14. The cutoff date for responding to the survey was May 28. While mail continued to trickle in after the official cutoff date, ARA terminated the response window on June 14 after receiving 508 completed questionnaires.

¹ Selected from 22,000 total records supplied by Prime New York

Executive Summary

Lower Manhattan residents are generally happy about living Downtown – so much so that 61% of those who currently rent an apartment are interested in purchasing an apartment in the neighborhood.

The average age of residents is 44 – though residents who have moved here since September 11th were, on average, 12 years younger than long-term residents. Residents were most likely to be employed in financial services, advertising, publishing or broadcasting, or business services and averaged \$152,800 in household income with the difference between pre-September 11th and post-September 11th residents being only \$4,000/annum.

Twenty-nine percent of Lower Manhattan residents work south of Chambers Street. An additional 21 percent work between Chambers and 25th Street. A third of the residents work in Midtown. Thirteen percent primarily work from home with longer-term residents more likely to do so. Long-term residents were equally likely to work in Midtown or below Chambers Street, while newer residents were more likely to work in Midtown. To get to work, slightly more than half use the subway and 29 percent walk to work.

Lower Manhattan met or exceeded at least 80 percent of residents' expectations on every major issue questioned (fourteen in all) – except for shopping. This is an increase from 2002 when ten amenities met or exceeded at least 80 percent of residents' expectations. Residents were asked specific questions about their satisfaction and desires for retail and restaurant offerings in the area. Regarding retail, 59 percent reported they were not satisfied, which is essentially unchanged from two years ago. When asked about restaurants, 38 percent reported they were not satisfied (which is an improvement over the 48 percent who were not satisfied two years ago) – despite 80 percent of residents eating at or taking out from Lower Manhattan restaurants at least once a week. To further underscore how important retail and restaurants are to residents, these factors were the third and fourth most important reason cited by those who intended to move out of Lower Manhattan in the next three years. (the first two reasons were cost and construction disruptions).

When looking to the future, 78 percent of Downtown residents, on par with 2002, were likely to be living in Lower Manhattan three years from now. Long-term residents (86%), who are also those most likely to be owners, were more committed to staying Downtown than newer residents (67%). Of those who did not expect to be living Downtown in three years, more than half intended to relocate outside of New York City completely.

The Lower Manhattan residential community is younger, less likely to hail from other parts of New York City, and more likely to be part of the workforce. Overall, residents are satisfied with their apartments and Downtown's physical environment, but want more and better retail stores, especially local grocery outlets. They also would appreciate a greater selection of quality restaurants. And while four-fifths expected to be living in Lower Manhattan three years from now, those who intend to relocate cite rental costs and construction disruptions, as well as the aforementioned need for better retail and dining options.

Detailed Findings

Residential Overview

One-third of the questionnaires were completed by residents of Battery Park City; another 30 percent by those living in the Northeast quadrant. The results were proportionate to the distribution of living units in Lower Manhattan.

Location of Respondents in Lower Manhattan	Percent	Survey	Living Units
Battery Park City	(BPC)	33.1	37.7
Between Broadway and West Street, north of Liberty Street	(NW)	16.4	7.3
Between Broadway and West Street, south of Liberty Street	(SW)	10.0	13.1
Between Broadway and East River, north of Liberty Street	(NE)	29.7	35.0
Between Broadway and East River, south of Liberty Street	(SE)	10.8	7.0

Length of Residence in Lower Manhattan

Forty-one percent of current residents moved to Lower Manhattan after September 2001. Of those who rent, however, 54 percent were new to the area.

Length of Residence in Lower Manhattan	Percent	Total	Own	Rent
Since June 2003		9.1	5.6	11.4
Moved here between Sept. 2001 and May 2003²		31.6	14.4	42.5
3 to 4 years		8.9	9.7	8.4
5 to 10 years		16.6	20.5	14.0
More than 10 years		33.8	49.7	23.7

Type of Lease

Thirty-nine percent, overall, owned their apartments. The incidence of ownership was far higher among those who lived in Lower Manhattan prior to September 11th.

Type of Lease	Percent	Total	Since 9/11	Prior to 9/11
Own		38.6	19.0	52.3
Rent		61.4	81.0	47.7

² Eligibility period for residential grants and incentives

Residents in the Northeast and Northwest quadrants were the most likely to be owners.

Type of Lease Percent	Total	Geographic Location				
		BPC	NW	SW	NE	SW
Own	38.6	39.0	45.6	12.0	47.6	29.6
Rent	61.4	61.0	54.4	88.0	52.4	70.4

Where Lived Prior to Moving to Current Apartment

Forty-nine percent of all residents moved to their current apartment from elsewhere in Manhattan compared to 12 percent who already resided Downtown. Those who moved after September 2001 were almost twice as likely to have lived previously outside of New York City (31 percent) than prior residents (17 percent).

Preferred Location When Looking to Move

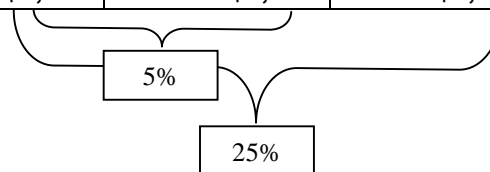
Forty-nine percent of current residents sought an apartment south of Chambers Street when they first began looking for space, down from 62 percent in 2002. In 2004, 43 percent had initially preferred a location elsewhere in Manhattan. This decline may well reflect the expiration of the residential grant program.

Preferred Location Percent	2004	2002
Lower Manhattan	49.2	62.0
Elsewhere Manhattan	42.8	34.0
Chambers Street to 23 rd Street	32.0	21.0
West Side above 23 rd Street	5.4	6.0
East Side above 23 rd Street	5.4	7.0
Other NYC Borough	2.7	3.0
Other NY metro area	0.2	4.0
Outside NY metro area	0.2	1.0
More than one preferred location	5.0	0.0

Monthly Housing Costs

Monthly carrying charges (rent, mortgage, and/or maintenance) averaged \$2,358. Those who moved to Lower Manhattan between September 2001 and May 2003 were paying five percent less³, on average, than those who moved Downtown since June 2003 (after the deadline for government residential incentives and grants). Long-term residents were paying 25 percent less than those who signed leases in the last 12 months.

Monthly Housing Costs Percent	Total	Length of Residence		
		Since June 2003	Sept. 2001 to May 2003	More than three years
Less than \$1,000	18.5	10.9	1.3	29.1
\$1,000 to \$1,499	9.9	6.5	9.6	10.6
\$1,500 to \$1,999	16.3	17.4	19.7	14.4
\$2,000 to \$2,499	16.3	13.0	24.8	12.0
\$2,500 to \$2,999	14.7	15.2	22.9	9.9
\$3,000 to \$3,499	7.8	10.9	8.3	7.2
\$3,500 to \$3,999	5.0	6.5	1.9	6.5
\$4,000 to \$4,499	2.8	8.7	3.2	1.7
\$4,500 to \$4,999	1.8	4.3	1.9	1.4
\$5,000 or more	6.8	6.5	6.4	7.2
Mean	\$2,358	\$2,728	\$2,597	\$2,175



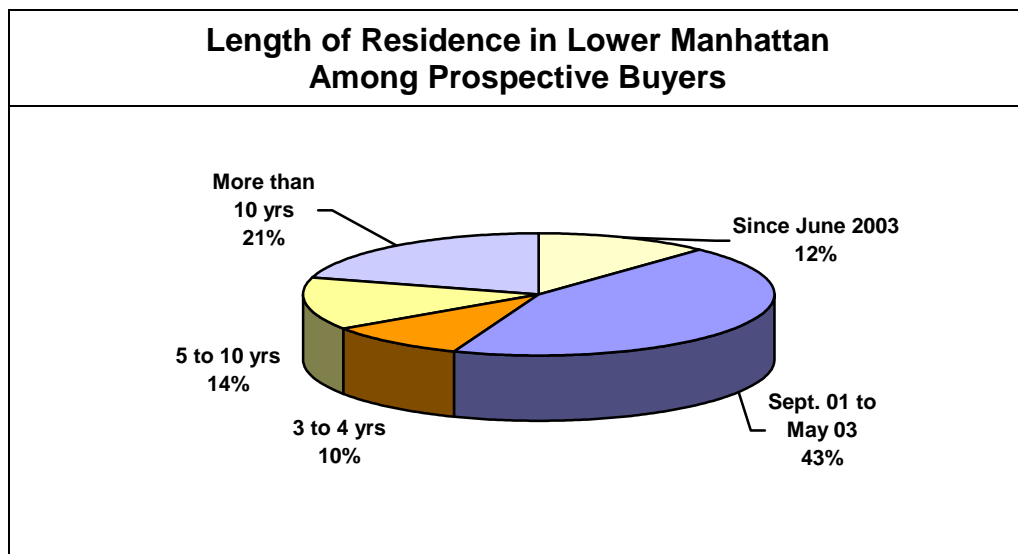
Interest in Purchasing an Apartment in Lower Manhattan

More than 60 percent of residents who currently rent expressed interest in purchasing an apartment in Lower Manhattan. The proportion was slightly higher among those who moved Downtown after September 2001.

Interest in Purchasing an Apartment in Lower Manhattan (Current Renters) Percent	Total	Since 9/11	Prior to 9/11
Yes	61.3	64.5	58.5
No	21.9	20.5	23.2
No response	16.8	15.1	18.3

³ According to Halstead/Feathered Nest, average Manhattan rents increased 1.6 percent from 2003 to 2004.

In as much as many long-term residents were already owners, 55 percent of those interested in purchasing an apartment had moved Downtown since September 2001.



Reasons to Live in Lower Manhattan Now

Respondents rated the importance of a number of reasons to live in Lower Manhattan. Among those rated by the majority as Very Important were the *quality of the apartment*, *overall quality of life*, and *safety/security* – the same three reasons cited most often in the 2002 study. Being *part of the rebuilding effort*, however, was less important than in 2002 when 37 percent rated it as Very Important.

Reasons to Live in Lower Manhattan	Very	Somewhat	Not very	Not at all
Quality of apartment	69.7	27.0	2.0	1.2
Overall quality of life	63.9	30.9	2.9	2.3
Safety/security	63.7	26.9	7.2	2.2
Convenient location	59.0	30.4	6.0	4.6
Neighborhood "feel"	56.4	27.5	11.0	5.0
Waterfront	54.3	30.5	9.6	5.5
Convenient commute/walk to work	54.0	23.5	9.9	12.6
Size of apartment	53.8	34.2	8.7	3.2
Affordability	50.1	32.6	10.5	6.8
Parks	41.5	39.3	11.6	7.6
Residential incentives or grants*	38.3	19.3	17.5	24.9
Building amenities	32.0	43.5	16.2	8.3
To be part of the rebuilding effort	20.0	32.5	21.9	25.6
Local schools	18.4	13.3	14.0	54.2
Shopping	18.1	31.2	31.0	19.8

Fulfillment of Expectations

The ambience and convenience of living in Lower Manhattan – including the *waterfront, commute to work, and parks* – exceeded expectations for many residents. Overall, at least 80 percent of residents said Lower Manhattan’s residential attributes met or exceeded their expectations with the exception of *shopping* which failed to meet expectations for almost half of all residents.

Meet Expectations	Percent	Exceeded	Met	Failed to Meet
Waterfront		41.3	52.5	6.3
Convenient commute/walk to work		37.8	53.0	9.2
Parks		35.7	54.4	10.0
Convenient location		34.6	56.1	9.3
Neighborhood “feel”		32.4	49.6	18.0
Safety/security		32.4	64.2	3.5
Overall quality of life		30.9	60.4	8.7
Quality of apartment		29.7	62.5	7.8
Size of apartment		27.7	65.8	6.6
Residential incentives or grants*		21.9	65.3	12.8
Building amenities		18.5	65.2	16.3
To be part of the rebuilding effort		15.7	64.3	20.0
Affordability		14.1	66.4	19.5
Local schools		12.0	75.9	12.0
Shopping		9.2	45.1	45.7

* Applies only to those who moved prior to June 2003 and received residential incentives or grants

Compared to long-term residents, a greater proportion of those who moved to their current Downtown residence after September 2001 said *residential incentives or grants, to be part of the rebuilding effort, convenient walk to work, size of the apartment, quality of the apartment, and the waterfront* had exceeded their expectations. On the other hand, fewer of the new residents said *affordability and local schools* had exceeded their expectations. All other amenities were assessed equally by both recent and long-term residents.

Likelihood of Living in Lower Manhattan

Overall, 78 percent of the current residents said they were *likely* to live in Lower Manhattan three years from now, comparable to the results from two years ago. Likelihood to continue to live downtown was higher among owners than renters.

Likelihood to Live in Lower Manhattan Three Years from Now Percent	2004	2002
Very likely	49.6	45.0
Somewhat likely	27.8	35.0
Somewhat unlikely	11.8	12.0
Very unlikely	10.8	8.0

Those living between Broadway and West Street, North of Liberty Street, were the most likely to be living in Lower Manhattan three years in the future. Residents between Broadway and West Street, South of Liberty Street were the least likely. This southwest area has undergone continuous reconstruction since September 2001.

Likelihood to Live in LM Three Years from Now Percent	Total	BPC	NW	SW	NE	SE
Very likely	49.6	46.1	65.0	26.0	54.7	48.1
Somewhat likely	27.8	27.9	17.5	32.0	31.1	27.9
Somewhat unlikely	11.8	13.9	11.3	18.0	6.1	13.0
Very unlikely	10.8	12.1	6.3	24.0	8.1	11.1

Long-term residents, the majority of whom owned their apartments, were most likely to live in Lower Manhattan three years from now. Sixty-six percent of those who moved after September 2001 were likely to stay.

Likelihood to Live in Lower Manhattan Percent	Length of Residence			
	Since Sept. 2001	3 to 4 years	5 to 10 years	More than 10 years
Very likely	29.6	42.2	53.6	73.7
Somewhat likely	35.9	42.2	25.0	15.8
Somewhat unlikely	17.5	8.9	9.5	6.4
Very unlikely	17.0	6.7	11.9	4.1

Relocation

Residents who were either *somewhat or very unlikely* to live in Lower Manhattan in three years were asked where they planned to relocate. Thirty-five percent would consider relocating elsewhere in Manhattan, while 52 percent would look outside of New York City.

Relocation Geography	Percent of responses	Total
Chambers Street to 23 rd Street		12.9
West Side above 23 rd Street		11.2
East Side above 23 rd Street		11.1
Other NYC boroughs		12.9
Other NY metro area		15.5
Outside NY metro area		36.2

} 52%

Reasons to Relocate

Residents who were not likely to stay in Lower Manhattan indicated their reasons why they would relocate. Close to three-quarters cited *rental cost*, while nearly 40 percent, each, mentioned *construction*, *more retail stores*, and *more dining/nightlife* options.

Reasons to Relocate (multiple responses)	Percent	Total
Rental cost		73.5
Construction		38.9
Need better/more retail stores		38.1
Need more dining/nightlife options		37.2
Need more space		31.0
Crowded streets		13.3
Not convenient to work		10.6
Other*		31.0

*School for children (6 mentions), job (5), going to be retired (4), going back to school (3), quality of life (3), security/safety (3), and end of subsidy (1). Each of these represent substantially less than one percent of all responses. Many respondents listed "other" without citing a particular reason.

Cultural Events, Concerts, Museums and Lectures in Lower Manhattan

Three-quarters of residents had attended events in Lower Manhattan in the last year.

Awareness of most concert series was high. The most frequently attended were the year-round performances at the World Financial Center.

Concerts and Cultural Events in Lower Manhattan	Heard of	Attended
Percent		
Concerts and events at World Financial Center	78.0	39.0
River to River Festival	73.7	27.9
Performances in Robert F. Wagner or Nelson A. Rockefeller Park	62.6	25.5
Music at Castle Clinton	52.3	12.9

Despite their high level of awareness of specific concert series, more than half of the respondents wanted more information about the cultural events taking place in Lower Manhattan.

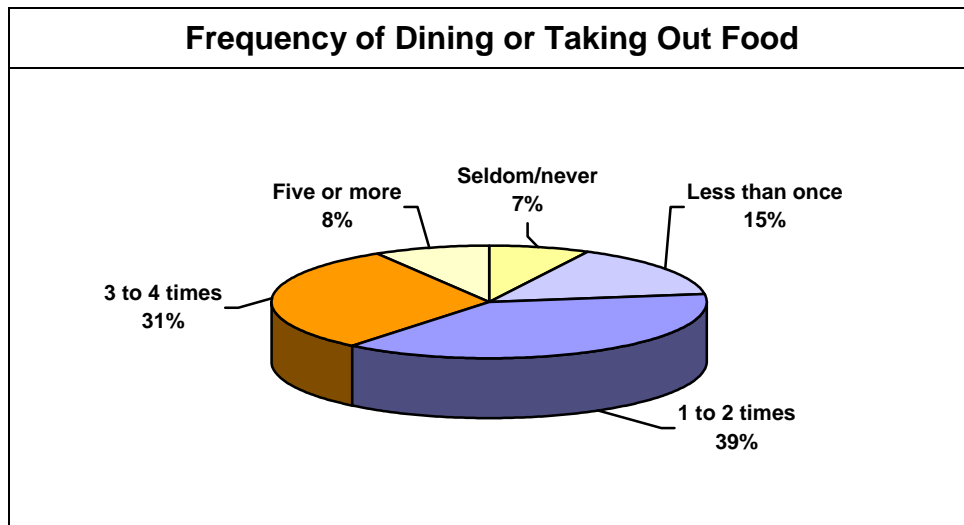
Enough Information Available about Downtown Cultural Events	Total
Percent	
Yes	43.8
No	56.2

The Battery Park City Broadsheet was the number one source of information about Downtown events, even more so than the major dailies (*The New York Times/Post/Daily News*). *Downtown Express* and the *Alliance's* newsletter were also frequently cited.

Restaurants

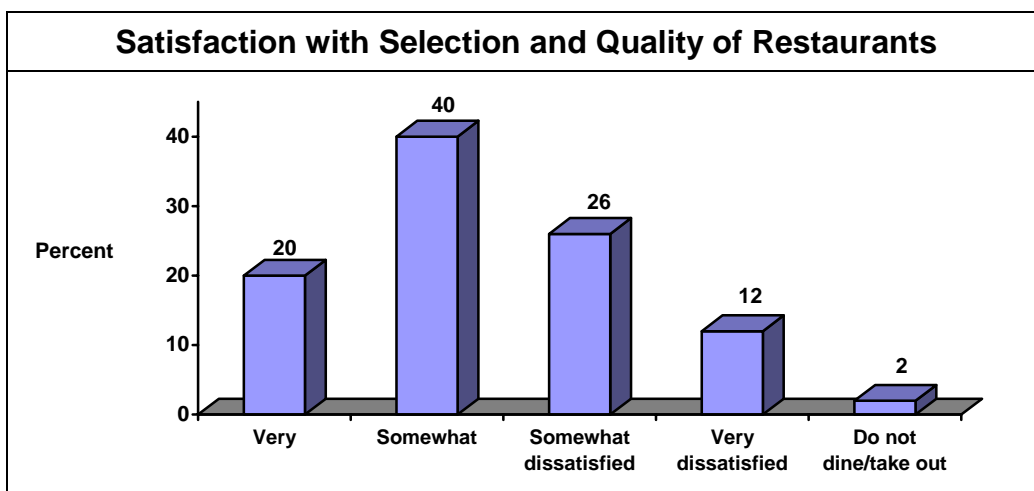
Frequency of Dining or Taking Out Food

Seventy-eight percent of residents dined or took out food in the evenings or on weekends from restaurants in Lower Manhattan at least once a week. About 40 percent had food from outside the home three or more times per week.



Satisfaction

Despite the frequency of dining out cited above, 38 percent were *somewhat* or *very dissatisfied* with their restaurant choices.



Interest in Types of Restaurants

Residents were asked to indicate (on a ten-point scale) how interested they would be in having more of the following types of restaurants in Lower Manhattan. With a mean score of 8.7, the preference was for restaurants with a *relaxed atmosphere, quality food and friendly service*. The second most desired type of dining, with a mean score of 8.0, was *affordable ethnic restaurants*.

Interest in Types of Restaurants to be Located in Lower Manhattan	Percent Rating:			Mean Rating
	1 to 3	4 to 7	8 to 10	
Relaxed atmosphere with quality food and friendly service	2.2	14.7	83.1	8.7
Affordable ethnic restaurant	7.7	23.2	69.1	8.0
Fine dining with a high level of service and good wine list	22.5	34.3	43.2	6.3
Lively setting with a good bar scene	26.5	32.8	40.7	6.0
Celebrity chef restaurant with chic clientele	38.4	37.6	24.0	4.9

Other restaurant suggestions included: affordable/moderately priced (11 mentions), diner (9), child/family friendly (6), vegetarian/health food/organic (4), open longer hours (3).

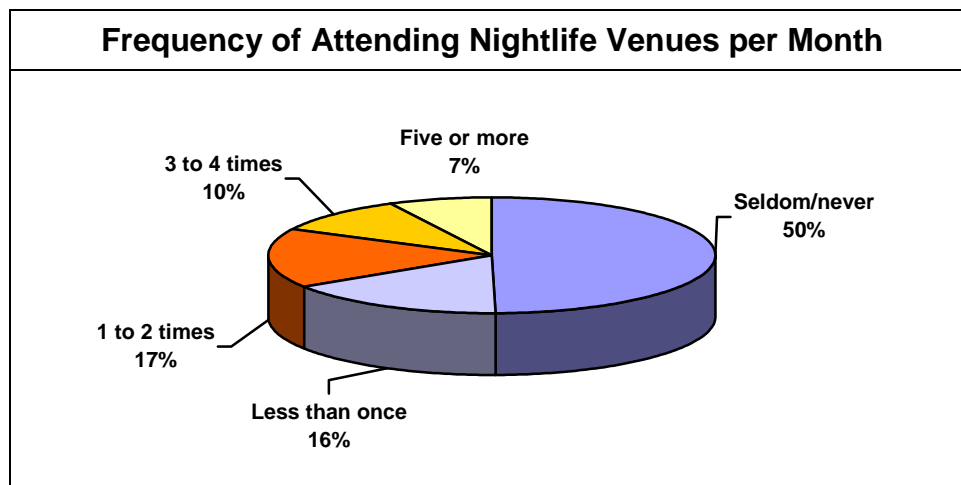
Desired Restaurants to Have a Location in Lower Manhattan

Respondents were asked to list three restaurants not currently located in Lower Manhattan. Out of the 508 survey respondents, 314 offered a total of 776 suggestions of which the following were mentioned most frequently: Carmine's (15), Balthazar (12), Rosa Mexicana (10), Greek Diner (10), Red Lobster (9), Blue Ribbon (8), Houston's (7), Pastis (7), Union Square Café (7), Gramercy Tavern (6), Craft/Craft Bar (6), John's Pizza (6), and Sushi Samba (6). Many of the named restaurants had a relaxed or bistro atmosphere and several served ethnic food.

Nightlife

Frequency of Attendance

Thirty-four percent of residents attended bars, lounges or dance clubs in Lower Manhattan at least once a month. Among residents under 30 years of age, the proportion rose to 47 percent.



Interest in Types of Nightlife Venues

Although no single nightlife category emerged as the clear winner, live music venues and lounges were the most desired.

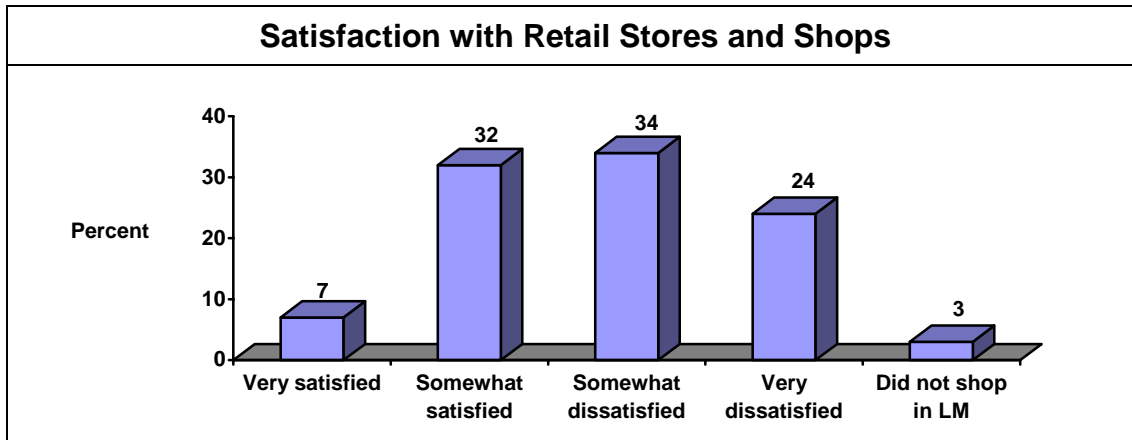
Interest in Nightlife Venues to be located in Lower Manhattan	Percent Rating:			Mean Rating
	1 to 3	4 to 7	8 to 10	
Live music venues	31.7	30.3	38.0	5.7
Lounges	36.9	23.5	39.6	5.5
Bars	44.1	24.4	31.5	4.9
Dance clubs	58.4	24.2	17.4	3.7

Those under 30 years gave the highest ratings to lounges and bars. Lounges were similarly favored among those who moved Downtown after September 2001.

Interest in Nightlife Venues to be Located in Lower Manhattan	Mean Rating	
	Under 30 years	Moved after 9/11
Live music venues	7.01	6.38
Lounges	7.66	6.65
Bars	7.63	6.12
Dance clubs	5.43	4.43

Retail Stores and Shops

A greater proportion of residents were *dissatisfied* with the selection and quality of shops in Lower Manhattan than were *satisfied* – 59 percent versus 39 percent.



On a five-point scale where “5” was the highest, residents gave high ratings to all potential improvements especially a *greater variety of stores*. Owners placed greater importance than renters on each improvement with the exception of extended hours.

Importance of Potential Improvements to Retail Stores	Percent					Mean Rating
	1	2	3	4	5	
Greater variety of stores	3.2	2.7	14.1	21.8	58.2	4.3
More attractive stores and shopping areas	6.4	4.1	17.2	24.5	47.9	4.1
Better quality merchandise	3.4	4.1	19.5	28.5	44.5	4.0
Extended hours of operation	8.1	6.5	22.2	21.8	41.4	3.8

While the majority of residents shopped for *groceries, electronics, and books/music* in Lower Manhattan, most left the area for *clothing, gourmet foods, jewelry/cosmetics* and *home furnishings*. Tribeca, Soho and Chelsea were favorite destinations for *gourmet foods*; many ventured as far as the Upper West Side for specialties. Downtown residents often shopped in Soho and Midtown for *clothing and accessories*. Soho was preferred for *home furnishings*.

Where Shopped Last 3 Months (multiple responses) Percent	LM	Tribeca	Soho	Chelsea	W. Village	Flatiron / Union Square	34 th St.	Midtown	Upper West Side	Upper East Side
Major groceries	68.9	19.7	10.8	19.3	8.9	8.7	0.4	3.5	12.8	3.0
Electronic equipment	61.2	3.6	3.1	4.3	1.4	11.6	5.9	5.5	0.8	0.8
Books or music	58.1	3.7	6.7	8.3	6.9	34.4	3.0	12.4	5.9	3.1
Clothing/Accessories	41.5	11.0	38.6	13.2	11.4	17.1	20.3	31.5	6.3	14.2
Gourmet foods	41.3	23.5	22.2	19.9	14.4	7.5	0.4	5.5	15.0	5.3
Jewelry/Cosmetics	30.5	5.1	25.8	3.9	4.9	7.9	10.4	22.2	3.5	8.3
Home furnishings	12.2	9.5	23.6	12.0	4.9	17.7	8.9	11.8	2.6	6.5

Except for gourmet foods, residents who have moved to Lower Manhattan since September 2001 are less likely to shop Downtown.

Shopped in LM by Category Percent	Moved DT since Sept 2001	Lived DT Prior to Sept 2001
Major Groceries	66	70
Gourmet Foods	43	41
Clothing/Accessories	34	47
Electronic equipment	51	69
Books or music	53	61
Home furnishings	10	14
Jewelry or Cosmetics	21	37

A “Wish List” of Stores for Lower Manhattan

Respondents were asked to list the names of two stores in each merchandise category where they shopped in the last three months that they would like to see open a location in Lower Manhattan. The table below summarizes the names of stores in each category that were mentioned at least 10 times. (The number following each category is the number of respondents, out of a total of 508, who made a suggestion.)

Major groceries (n=368)	Number of Times Suggested	Gourmet foods (n=279)	Number of Times Suggested
Whole Foods	141	Whole Foods	74
Fairway	76	Citarella	58
Food Emporium	47	Dean & Deluca	54
Pathmark	40	Gourmet Garage	45
D'Agastinos	26	Zabar's	37
Gristede's	22	Fairway	25
Gourmet Garage	17	Garden of Eden	14
Dean & Deluca	12		
Shop Rite	12		
Clothing/Accessories (n=250)		Electronic equipment (n=124)	
Banana Republic	30	Best Buy	51
Macy's	28	J&R	26
Old Navy	22	Circuit City	24
Barney's	20	P.C. Richards & Son	12
Bloomingdale's	20		
Saks	18		
H&M	17		
Gap	16		
Century 21	13		

Books or music (n=218)		Home furnishings (n=191)	
Barnes & Noble	146	Bed Bath & Beyond	46
Virgin Records/ Megastore	38	Crate & Barrel	38
Border's	31	Pottery Barn	28
Tower Record	20	Ikea	19
		ABC Carpet	16
		Pier 1 Imports	12
		Target	10
Jewelry or cosmetics (n=153)			
Sephora	76		
Mac	14		

Importance of Potential Improvements in Amenities

Downtown residents were asked to rate the importance of potential improvements in Lower Manhattan. *More stores*, especially *grocery stores*, were at the top of the list. Residents also revealed a strong desire to have even more *parks/open space* than they do now as well as to assure *public safety*. Other strongly desired amenities included more *library branches* and increased *dining and nightlife options*.

Importance of Potential Improvements in Amenities	Percent					Mean Rating
	1	2	3	4	5	
More grocery stores	4.1	3.1	11.1	20.1	61.6	4.3
More parks/open space	6.4	6.6	22.9	20.0	44.2	3.9
More retail stores	6.3	6.9	26.2	28.7	31.9	3.7
Increased public safety/security	7.8	11.4	27.5	18.6	34.7	3.6
More library branches	9.7	14.4	25.6	21.8	28.5	3.5
More nightlife/dining options	15.5	11.3	18.7	25.9	28.7	3.4
More convenient parking	24.3	9.1	15.3	12.8	38.5	3.3
Better access to taxis	15.2	11.6	26.2	19.3	27.7	3.3
Better transportation	13.8	13.8	25.5	17.4	29.4	3.3
More schools/services for children	44.5	9.0	16.9	9.2	20.4	2.5
Greater availability of day care	55.2	11.7	15.3	6.3	11.5	2.1

Prior residents put relatively more weight on public safety than those who moved Downtown after September 2001 (mean of 4.0 vs. 3.4). With a higher proportion of families, and children under 18 in the household, they also more highly valued libraries (3.6 vs. 3.2) and schools (2.8 vs. 2.2). In addition, they rated the importance of better transportation (3.5 vs. 3.2) and convenient parking (3.4 vs. 3.2) more highly.

Those who moved Downtown after September 2001, perhaps because they tend to be younger, rated the importance of improvements in nightlife and dining options higher (3.8 vs. 3.1) than pre-September 11th residents.

Residential Characteristics

Occupancy

On average, 2.0 people occupied each residence, similar to 2002. Long-term residents were more likely to have a greater number of people (including children) occupying a dwelling.

Number of People Living in Each Apartment Percent	Total	Since 9/11	Prior to 9/11
One	32.7	33.5	32.3
Two	43.8	45.1	42.4
Three	12.9	12.6	13.1
4 or more	10.7	8.7	12.1
Mean Number in a Household	2.02	1.97	2.05

Household Composition

One out of three households was comprised of a single individual down from 39 percent in 2002. Post-9/11 residents were three times as likely to share an apartment with unrelated roommates. Prior residents, as we have seen above, were more likely to define themselves as family members (Note: a couple could define themselves as a family or a couple regardless of whether they have children or not).

Household Composition Percent	Total	Since 9/11	Prior to 9/11
Live by myself	32.9	33.5	32.7
Roommates (unrelated)	9.0	14.6	5.1
Couple	32.1	34.0	30.3
Family	26.1	18.0	32.0

Children in the Household

Overall, 19 percent of Lower Manhattan residences had children under 18 living in the household an increase from 2002 when only 13 percent did. Long-term residents were more likely to have children at home – 21 percent versus 16 among newer residents – and to average a slightly higher number of children in each household as well.

Number of Children under the Age of 18 Percent	Total	Since 9/11	Prior to 9/11
None	80.9	83.5	79.0
One	10.6	10.2	11.0
Two	6.7	4.9	8.0
Three	1.6	1.5	1.7
4 or more	0.2	0.0	0.3

Mean # of Children in HHs w/ Children	1.56	1.48	1.58
Mean # of Children prorated across all HHs	0.30	0.25	0.34

Demographics of Respondents

In 2002, the gender split was 50/50, but this year 60 percent of all respondents were females.

Gender (respondent)	Percent	Total	Since 9/11	Prior to 9/11
Male		39.7	36.6	41.8
Female		60.3	63.4	58.2

Although the mean age of all respondents was 44 years, more recent residents were 12 years younger, on average, than pre-9/11 residents. Only four percent of prior residents were under 30 years while 15 percent were of senior age. Conversely, one-third of post-9/11 residents were under 30 and only five percent were 65+. Two years ago, 70 percent of residents were under 45 and now 59 percent are under the same age.

Age (respondent)	Percent	Total	Since 9/11	Prior to 9/11
Under 30		16.1	33.5	3.7
30 to 44		42.5	49.0	37.8
45 to 64		30.6	12.6	43.2
65 and over		10.9	4.9	15.2
Mean Age (years)		44.3	36.9	49.4

Annual household incomes averaged \$152,800 and 46 percent earned \$121,000 or more whereas in 2002, household incomes averaged \$164,500 and 54 percent earned above \$121,000. Incomes of those moving to Lower Manhattan since September 2001 were slightly lower than long-term residents.

Household Income (2004)	Percent	Total	Since 9/11	Prior to 9/11
Under \$30,000		11.5	8.2	13.7
\$30,000 to \$60,000		12.3	10.8	13.4
\$61,000 to \$90,000		16.7	20.1	14.1
\$91,000 to \$120,000		14.0	15.5	12.7
\$121,000 to \$150,000		9.8	8.8	10.6
\$151,000 to \$180,000		9.4	8.8	9.9
\$181,000 to \$210,000		6.7	8.8	5.3
\$211,000 to \$300,000		7.7	9.3	6.7
\$301,000 to \$400,000		3.1	2.6	3.5
Above \$400,000		9.0	7.2	10.2
Mean Household Income		\$152,800	\$150,200	\$154,300

Employment Characteristics

Overall, 77 percent of the residents reported being employed last year while 13 percent were retired. A greater proportion of those who moved to Lower Manhattan in the last three years were employed, while more long-term residents were retired.

Employment Status Percent	Total	Since 9/11	Prior to 9/11
Currently employed	76.7	84.0	71.5
Not currently employed	4.5	2.4	6.0
Retired	13.0	4.4	19.1
Homemaker	2.8	2.9	2.7
Student	2.4	5.3	0.3
Student & employed	0.6	1.0	0.3

On average, 13 percent of residents currently employed claimed their homes as their primary workplace. The figure rose to 16 percent among long-term residents and fell to nine percent among those who moved Downtown after September 2001.

Primary Workplace - currently employed Percent	Total	Since 9/11	Prior to 9/11
At home	13.1	9.2	16.4
Outside of home	86.9	90.8	83.6

Overall, the Lower Manhattan residential workforce was somewhat more likely to work in Midtown than Downtown where 29 percent of residents – similar to 2002. Long-term residents were equally likely to work in Midtown and Downtown, but more recent residents were more likely to travel to Midtown.

Workplace Geography* Percent	Total	Since 9/11	Prior to 9/11
Midtown	33.9	38.2	30.2
Lower Manhattan (below Chambers)	28.9	27.0	30.8
Between LM and 25 th Street	21.1	15.8	25.4
Other Manhattan	5.9	5.9	5.9
Other NYC borough	5.5	6.7	4.8
Suburbs	3.7	5.3	2.4
Other	0.9	1.3	0.6

* Excludes individuals primarily working at home

Fifty-four percent of Lower Manhattan residents rode the *subway* to work, up from 46 percent two years ago, while 29 percent *walked*, essentially unchanged from 2002. Only six percent *drove or carpooled*. Among residents who worked in Lower Manhattan, 76 percent walked to work.

Primary Means of Transportation to Work Percent	2004 Worked Outside the Home	2002 Worked
Subway	54	46
Walk	29	30
Drive self/carpool	6	8
Taxi/car service	4	7
MTA Bus	3	3
Ferry	1	2
Commuter rail	1	NA
PATH	1	1
Bikes/blades	0	2

Lower Manhattan resident employment was concentrated in *financial services, advertising, publishing or broadcasting, and business services*. This is same concentration as 2002. Combining financial services, insurance, and real estate, 27 percent worked in the FIRE sector in 2004 while 31 percent worked in the FIRE sector in 2002.

Downtown residents who worked in Lower Manhattan were far more likely, however, to be employed by a *financial services* company. Overall, 42 percent worked in one of the FIRE industries. Among those who lived Downtown but worked elsewhere, *advertising, publishing or broadcasting* was the largest employer (23 percent).

Industry Where Currently Employed Percent	Total	Work in Lower Manhattan	Work Elsewhere
Financial services (FIRE)	22.9	38.0	18.3
Advertising, publishing or broadcasting	15.8	8.3	23.4
Business services (accounting/legal/consulting)	12.5	15.7	10.6
Health care	7.5	3.7	9.8
Government	5.5	13.0	2.1
High-tech	4.9	5.6	4.7
Retail	3.9	0.0	6.0
Non-profit	3.1	0.9	3.4
Real estate (FIRE)	2.6	1.9	2.6
Insurance (FIRE)	1.3	1.9	1.3
Other*	20.0	11.1	22.1

* Included Education, Entertainment/Arts, Architecture/Design, Hospitality

Conclusion

After September 11th, 2001, the occupancy rate in residential properties plummeted to 60% and there was wide spread concern about the future stability of Lower Manhattan's residential community. It was clear from the survey we undertook in 2002 that the residential grant program initiated by LMDC had the desired immediate short-term positive impact - serving to stabilize and re-invigorate the community. Within a year following the events of September 11th the occupancy rate had climbed to 95% and the residential community was once again vibrant. The market was so strong that numerous residential development projects got under way resulting in the creation of 3000 new units. While the quick rebound was certainly a welcome development, there were lingering concerns about what would happen when the grant program expired.

This 2004 survey tells a good news story. The expiration of the grant program has not led to an exodus of residents. In fact, quite the reverse seems to be occurring. The large majority of residents are satisfied – or better -- with most aspects of life downtown. Both new and recent (post 9/11) residents are committed to continuing to live in the area. Of course, all is not perfect. Residents are dissatisfied with the quality of retail offerings and the paucity of restaurants and night-life options. They are also concerned about construction disruption and rising rental costs. Public policy will need to address these concerns to assure that the residential community continues to thrive over the next five years.

Current residents are pleased with the amount and quality of open space and schools. However, as this report is being written, there are several projects in various stages in the pipeline that would create an additional 5000 units of housing in Lower Manhattan. Many of these anticipated new units will be owner occupied rather than rental units, making it likely an increasing number of families will be attracted to the area. As the population grows the public sector will have to watch community amenities closely to ensure that needs are being met.

Finally, this 2004 residential survey once again demonstrates the interdependence between the residential and commercial communities in Lower Manhattan - each one supporting the other. This is unique to Lower Manhattan. The balance between these two vibrant communities must be recognized, appreciated and maintained if the peaceful coexistence between both constituencies is to continue and strengthen.