A Pre- and Post-9/11 Look (2000-2005) at Lower Manhattan

Joseph J. Salvo, Arun Peter Lobo, and Joel A. Alvarez
Population Division, New York City Department of City Planning

Paper prepared for the March 2007 Population Association Meetings in New York City.
The views expressed in this paper are those of the authors and do not necessarily reflect the views of the Department of City Planning or the City of New York.
The authors would like to thank Cynthia Davis, Cody Pfau, and Douglas Hillmer of the U.S. Census Bureau for the special ACS tabulations provided.
Questions and comments may be sent to plobo@planning.nyc.gov

INTRODUCTION

The terrorist attacks of September 11, 2001 resulted not only in a huge loss of life, but inflicted enormous economic damage on New York City. The city's comptroller assessed the total economic damage in Lower Manhattan at nearly $31 billion (Thompson, 2002). Upwards of 30 million square feet of office space was damaged or destroyed, accounting for 60 percent of all Class A Downtown office space (Chernick, 2005). It was also clear that New York City lost a significant number of jobs in the wake of the tragedy. By October of 2001 private-sector employment in the city had plummeted by 51,000 jobs; most of this decline was a result of 9/11 (Bram et al., 2002). Job losses were particularly acute in Lower Manhattan where private-sector employment fell by 17 percent between 2000 and 2002 (NYS Dept. of Labor as cited in Alliance for Downtown New York, 2003). Despite the destruction of office space in Lower Manhattan, vacancy rates *rose* from 7.7 percent just prior to 9/11 to 15.2 percent a year later (Colliers ABR, 2006). Job losses were accompanied by residents leaving in droves. In the first months after the attack, a New York Times survey of 7,000 residential units around the disaster site showed an average vacancy rate of 45 percent (Romano, 2002).

This paper seeks to assess how social, demographic, and economic conditions in Lower Manhattan have changed in the first half of this decade. The decennial census long form, which is sent to approximately one-in-six households, has been the primary source of small area social and economic data used by local policy makers, program planners, and service providers. These data provided detailed information on those who resided in Lower Manhattan in April 2000, and on the huge flows of workers into and out of that area. With these data becoming largely irrelevant due to the dramatic changes brought about by 9/11, it was crucial to gain an understanding of Lower Manhattan's population in the post-9/11 period to help advance the rebuilding process. The dislocation brought about by catastrophic events, such as 9/11, are often manifested in changes in the age structure of the population, the composition and living arrangements of households, and patterns of migration. Furthermore, because the number of persons who work in Lower Manhattan is so large, understanding post-9/11 changes in the flow of workers, their mode of transportation to work, and the origins of their work trips could be brought to bear on decisions about rebuilding infrastructure and investments in programs for these populations. Without an alternative to the traditional census long form, the city would have to wait until 2012 for a post-9/11 view of Lower Manhattan.

Enter the American Community Survey

Early on, the Census Bureau recognized that the increasing demands placed on local data disseminators for more timely information made the decennial cycle of census data increasingly inadequate. This is especially true in cases of catastrophic events such as 9/11 and Hurricane Katrina. After more than 10 years of testing and research, involving 36 test counties in the nation and several large national samples to demonstrate operational feasibility, the American Community Survey (ACS) conducted its first full-scale national data collection in 2005.[1] Estimates from the ACS will replace those from the decennial census long-form, thus becoming the nation's primary source of socioeconomic data for all geographic areas. The ACS data are collected from approximately 250,000 households every month, with annual data issued for all

geographic areas of the nation of at least 65,000 persons. For smaller areas, ACS estimates are created from 3 year samples for places of 20,000 to 65,000, and from five year samples for places of under 20,000.

The ACS represents a significant departure from the decennial census in the methods used for collection of long-form data. Foremost among these are differences in the form and scale of the data collection process. The census employs a "usual residence" concept, while the ACS is based on residence for at least two months at the time of interview. The 2000 census enumerated over 105 million households, including nearly 18 million that got the long-form, over a period lasting about six months (using an April 1 reference point). Follow-up was done on all non-responding households using a large group of temporary workers. In comparison, the ACS contacts a sample of 3 million housing units annually (250,000 per month); a pool of experienced interviewers follow-up on a one-in-three subsample of units not responding by mail or telephone.[2] Estimates are derived from pooling successive monthly samples collected over time, as opposed to data collected using a single point-in-time reference in the census.

In exchange for more timely data provided at regular intervals to data users, the ACS sample will be smaller than that derived from the long-form, which translates into higher levels of sampling variability. The 2010 Census is slated to be a short form only census, which would obtain basic demographic information for the purposes of reapportionment and redistricting. Socioeconomic data for all geographic areas of the nation will now be available exclusively from the ACS.

Many evaluations of the ACS data have been conducted, comparing estimates to those from the census long form (Salvo and Lobo, 2003, 2006). The results in the ACS test sites confirm that despite the higher levels of sampling variability, the ACS enjoys lower levels of non-sampling error related to missing data and consequent imputation. Higher levels of data quality are associated with the use of a cadre of professional interviewers who are regular employees of the Census Bureau. While these results are encouraging, it is in the applications of ACS data that the utility of this approach will ultimately be best demonstrated. This is one such application.

Data

The data for this analysis were acquired through a special arrangement with the Census Bureau. This special ACS file for 2005 provides data for the area immediately around the site of the 9/11 attacks, what we refer to as "Lower Manhattan." This area includes 14 census tracts south of Canal Street, encompassing the following neighborhoods: all of the Financial District, Battery Park City, Tribeca, and the Civic Center, as well as a small portion of Chinatown (Map 1).

Special data were required, since the area did not meet the ACS population threshold for single-year estimates (65,000). Further, we acquired a specially-prepared journey-to-work profile of persons who worked in Lower Manhattan. (While workers in Lower Manhattan substantially exceeded the ACS threshold of 65,000 for annual data, these data are not yet publicly available, thus requiring a special request of the Bureau.)

Use of the 2000 Census for comparative purposes presented some challenges due to the issues of comparability between the Census and ACS, mentioned above. Of greatest concern was the exclusion of the group quarters population from ACS data. For several variables, it was not possible to limit the Census 2000 summary file data to just the household population. Therefore, we used the 5 percent Public Use Microdata Sample to determine the proportion that the group quarters population comprised in an area that was somewhat coterminous with Lower Manhattan and extracted this proportion from the 2000 summary file variables that were used in this analysis.[3]

Working with these data permits us to evaluate a real world application of the ACS at a sub-county level. It affords us an opportunity to work with a representative sample to describe changes in the characteristics of residents and workers in Lower Manhattan. Before the ACS, we would have had to resort to some combination of ad hoc surveys and administrative data, tenuous sources at best.

CHANGES IN LOWER MANHATTAN, 2000-2005

Growth in the Housing Stock

In the late 1990s, Lower Manhattan was in the midst of transitioning from a primarily commercial area to a mixed commercial/residential area, with housing units increasing by 4,900 during the decade. The events of 9/11 only temporarily upended this transition, with the number of housing units growing by 5,200 in just 5 years, from 20,300 units in 2000 to 25,500 units in 2005, an increase of 26 percent (Table 1). Administrative data, however, show that 6,300 new residential units were added to Lower Manhattan's housing stock in the first half of this decade. Over two-thirds of the new units added were a result of converting non-residential units to residential use,[4] aided by tax abatements and exemptions available under the 421g Residential Conversion program established in 1995. New housing in Lower Manhattan was also aided by $1.6 billion in Liberty Bonds (triple-tax exempt financing) that were set aside to aid residential projects, of which $1.06 billion had been allocated by the end of 2004 (Regional Plan Association, 2004). All of this combined with a weak market for office space helped spur Lower Manhattan's continuing transition to a mixed commercial/residential area.

The housing stock in Lower Manhattan is disproportionately in high rises. Over 82 percent of all units in 2005 were in structures with 20 or more units – the highest category coded by the ACS – with one-bedroom units accounting for 54 percent of all units. The overwhelming majority (80 percent) of occupied housing units in Lower Manhattan in 2005 were renter-occupied, with a median gross rent of $1,775, well above the median rent for the rest of Manhattan ($1,110). Over one-third of householders in rentals were shouldering heavy rent burdens, paying 35 percent or more of their household income towards rent.

Population Growth and Components of Population Change

While the immediate aftermath of the 9/11 attacks saw as many as 4,500 residents of Lower Manhattan leave (Romano, 2002), the population not only rebounded, but returned to considerable growth. The household population increased one-quarter, from 34,700 in 2000 to 43,700 in 2005. This growth dwarfed the overall population increases in the rest of Manhattan and New York City, which grew 3 percent and 1.7 percent, respectively. An examination of the components of population change shows that 2000-2005 saw a net inflow of 6,900 persons into Lower Manhattan. Thus, Lower Manhattan not only recouped its initial losses in the aftermath of 9/11, but saw a large net inflow as measured between 2000 and 2005. Net migration accounted for three-quarters of population growth, all the more impressive considering most of New York City's neighborhoods witnessed net outflows during this period.

Although net migration was the major component of the population surge, natural increase was still relatively high, at nearly 2,070, with births (3,100) outnumbering deaths (1,030) by over a three-to-one margin. Women in Lower Manhattan not only had relatively high fertility compared to women in the rest of Manhattan, but they were disproportionately in the child-bearing ages, resulting in a large number of children being born. Similarly, the low number of deaths can be explained by the demographic make-up of Lower Manhattan, with over one-half of all residents in 2005 between the ages 25 and 44, compared to 38 percent for the rest of Manhattan. Moreover, this age group in Lower Manhattan grew 46 percent in the first half of the decade. Thus, relatively high fertility rates and the large number of women in the childbearing ages, combined with fewer deaths due to the youthfulness of the age distribution, all contributed to produce a marked level of natural increase.

The return of residents to Lower Manhattan in the immediate aftermath of 9/11 was greatly aided by a federally funded *Residential Grant Program* that sought to maintain the existing population and draw new residents to the area. Households could receive up to $14,500 towards rent depending on their distance from the World Trade Center and the duration of time they committed to stay in Lower Manhattan (Romano, 2002). The program distributed $226 million to more than 65,000 households living in or moving into the larger downtown area (Lower Manhattan Development Corporation, 2004), greatly facilitating a rebound in the residential population in the months after 9/11. Indeed, survey data from 2004 showed that 41 percent of residents had moved to Lower Manhattan after 9/11 (Alliance for Downtown New York, 2004).

The flow of residents to Lower Manhattan has continued in the past year. The one year migration question from the 2005 ACS shows that 22 percent of residents of Lower Manhattan were living in a different home just one year earlier, two-thirds higher than the rate for the remainder of Manhattan; nearly 14 percent of Lower Manhattan residents had moved from within the borough.

Demographic Characteristics

In 2000, Lower Manhattan was overwhelmingly white nonhispanic (63 percent) and Asian nonhispanic (27 percent). Asians grew by over one-third in the first half of the

decade, and by 2005 they accounted for 29 percent of the population; the share of whites dropped to 58 percent. With respect to nativity, the foreign-born accounted for 32 percent of the population, compared to 28 percent in the rest of Manhattan. Moreover, while nearly one-half of immigrants in the rest of Manhattan were from Latin America, 56 percent of Lower Manhattan's foreign-born population was Asian and 24 percent was European.

Households are classified either as family or nonfamily. Families in Lower Manhattan increased nine percent in the first half of this decade, though this change was not statistically significant, and comprised over one-third of all households in 2005. Neither did the total population of children under 18 grow substantially between 2000 and 2005. While children under the age of 5 increased 59 percent during this period, this change was not statistically significant. However, data on births show that 3,100 children were born in the past five years, suggesting real growth in this age group.

As with many Manhattan neighborhoods, nonfamily households dominated in Lower Manhattan. These households, which are either single person households, or households with two or more unrelated individuals, accounted for 58 percent of all households in 2000. In the first half of the decade, there was a 3,750 increase (36 percent) in nonfamily households in Lower Manhattan, accounting for 85 percent of the total growth in households. By 2005, nonfamily households accounted for 63 percent of all households in Lower Manhattan, substantially above the average for the rest of Manhattan (58 percent) and for the city (39 percent). The growth in nonfamily households (and of one-bedroom units, noted earlier) is related to the surge in the number of young male residents in Lower Manhattan. The overall male population increased by nearly 40 percent in the first half of the decade, accounting for over three-fourths of the total population change during this period. Most of the increase in males was among those ages 25 to 44. As a result of the disproportionate increase in males, the sex ratio increased from 101 males per 100 females in 2000, to 126 males per 100 females in 2005.

Socioeconomic Characteristics

The 2000 profile of Lower Manhattan residents shows a group with high levels of education, occupational skills, and income. The 2005 picture shows even higher levels of education, occupation, and income. The inflow of highly educated people into Lower Manhattan in the first half of this decade is evidenced in the 54 percent increase in those with a college degree or higher. By 2005, 73 percent of residents ages 25 and over had a bachelor's degree or higher, compared to 59 percent in 2000. These figures are well above the 2005 averages for the rest of Manhattan (57 percent) or the city overall (32 percent).

Congruent with high educational attainment is the exceedingly high share (71 percent) of the 2005 population that worked in management, professional, and related occupations. This represented a five percentage point increase since 2000, which is in line with the increase in educational attainment during this period. High educational and occupational attainment resulted in a median household income of $82,000 in 2000, which rose to $98,100 in 2005, an increase of 20 percent, after adjusting for inflation. In contrast, the

median household income for the rest of Manhattan was $57,000 in 2005, relatively unchanged from 2000. With respect to poverty, the percent of persons living below poverty in Lower Manhattan dropped over 2 points from 12 percent in 2000 to under 10 percent in 2005, but this decline was not statistically significant. Poverty in the city during this period increased marginally to 19 percent in 2005.

Despite the events of 9/11, Lower Manhattan remains the second largest business district in the city and the fourth largest in the country (the largest being Midtown Manhattan). Not surprisingly then, nearly one-third of the residents of Lower Manhattan walked to work, compared to just 19 percent for the rest of Manhattan. Partly as a result of the high proportion who could walk to work, workers in Lower Manhattan had a commute that averaged just 23 minutes, compared to an average of 39 minutes for the city overall.

WORKERS IN LOWER MANHATTAN

Even prior to 9/11, Lower Manhattan was making a transition from a commercial area to a mixed commercial/residential area. The events of 9/11 accelerated this process, with the number of workers in Lower Manhattan declining 10 percent, from 386,000 in 2000 to 347,500 in 2005 (Table 2). Many of the 38,500 jobs lost in Lower Manhattan moved to other parts of Manhattan, where jobs increased by 111,800, or 6.7 percent.

Commuting

In 2000, nearly 69 percent of those working in Lower Manhattan lived in the five boroughs of New York City, while 31 percent commuted from suburban counties. Despite accounting for less than one-third of workers in Lower Manhattan, workers from the suburbs accounted for one-half of the 38,500 decline in workers between 2000 and 2005. As a result, the share of workers in Lower Manhattan who lived in the city increased slightly to 71 percent in 2005, while workers from outside the city declined to 29 percent.

With respect to mode of commuting, 59 percent of workers in Lower Manhattan used a subway or bus in 2000 as a primary means of transportation, 16 percent used the railroad, and 18 percent drove. Given the disproportionate decline in commuters from the suburbs, those using the railroad declined to 13 percent of all commuters, while those driving fell to just 15 percent; in contrast, those using the subway or bus increased by nearly 4 points to 63 percent. Given the decline in the overall number of workers, each of these categories witnessed an absolute decline in usage into Lower Manhattan. However, those using “other means” of transportation – walking to work, or using bicycles, taxicabs, motorcycles, or ferries – saw an absolute increase, and an increase of 2 percentage points, to 9 percent of all commuters.

Industry

In 2000, the largest industry grouping in Lower Manhattan was *FIRE* (*finance, insurance, and real estate*), which employed 151,200 workers or 39 percent of the workforce. However, this industry grouping was greatly affected by the 9/11 attacks, with the ACS showing a loss of nearly one-fifth or 30,000 workers between 2000 and 2005. By 2005, FIRE accounted for just over one-third of all employment in Lower Manhattan.

Encouraged by federal and state regulators, many *FIRE* businesses dispersed their operations from Lower Manhattan to other parts of the city and region (Bagli, 2000). Indeed, while Lower Manhattan lost 30,000 workers in *FIRE* between 2000 and 2005, the rest of Manhattan gained 46,800 *FIRE* workers during this period.

Other industries in Lower Manhattan saw even more substantial proportionate declines between 2000 and 2005. *Manufacturing* declined by 36 percent, *Wholesale Trade* by 32 percent, and *Information* by 27 percent. However, the overall impact of these declines was relatively small as each of these industries accounted for less than five percent of employment in Lower Manhattan in 2005.

After *FIRE*, the two important industries in Lower Manhattan were *Professional, Scientific, Management,* A*dministrative, and Waste Management Services* (*Professional Services*, for short) and *Public Administration. Professional Services* accounted for 61,700 jobs or 16 percent of all employment in 2000, while *Public Administration* accounted for 46,600 positions or 12 percent; neither share was significantly different in 2005.

Educational Services, Health Care, and Social Assistance was the only industry grouping that saw a significant increase between 2000 and 2005, growing by nearly one-quarter to 33,300 jobs. As a result, its share of all jobs increased from under 7 percent to nearly 10 percent during this period.

Occupation and Class of Worker

In 2000, *Management* positions numbered 182,700 and accounted for 47 percent of all workers in Lower Manhattan. While workers overall declined 10 percent, *Management* positions declined by just 5 percent, and increased their share to one-half of all workers in Lower Manhattan in 2005. *Sales and Office* positions were the next largest occupational grouping, numbering 123,600. Between 2000 and 2005, these jobs declined by nearly one-fifth, or 22,500 positions. While accounting for 32 percent of all jobs in 2000, S*ales and Office* occupations were responsible for nearly six-in-ten of all job losses. By 2005, S*ales and Office* occupations accounted for just 29 percent of all jobs in Lower Manhattan.

An examination of the class of workers offers additional insight into the changes that took place in Lower Manhattan. In 2000, the 288,800 P*rivate Wage, Salary* and U*npaid Family* workers were the largest classes of workers, accounting for nearly three-quarters of all workers. Between 2000 and 2005, this class fell by 37,600 workers or 13 percent, and their share declined to 72 percent in 2005. At 21,200, the S*elf-Employed* were the smallest class of workers, and fell even more dramatically, by one-half; their share declined from under 6 percent in 2000 to 3 percent in 2005.[5] In contrast, the 76,100 *Government* workers increased by over 12 percent or 9,400 workers, and their share of all workers increased from under one-fifth in 2000 to nearly one-quarter in 2005. (*Government* workers include those working in industries such as *Public Administration*,

which, as noted earlier, saw no significant increase, as well as *Educational Services, Health Care, and Social Assistance,* which saw an increase.)

CONCLUSION

The ACS allows us to chronicle Lower Manhattan's accelerated transition this decade into a mixed office and residential community. Despite a substantial degree of population, employment, and business dislocation due to 9/11, the population and housing increased by nearly one-quarter in the first half of the decade, well above growth in the rest of Manhattan. The population and housing increases were driven by large scale housing development, which was already at work in the late 1990s.

The abundance of new housing, most of it a result of commercial to residential building conversions, has served to draw residents primarily from the rest of the borough, as well as migrants from other parts of the nation. As of 2005, one-in-five Lower Manhattan residents lived somewhere else one year prior to being interviewed. At the same time, this in-migration has been enhanced by the close proximity to the center of New York's financial industries. This can best be seen in the large number of residents who work in these industries and who walk to work. Overall, the components of population change show that in-migration accounted for three-quarters of the population increase in Lower Manhattan in the first half of the decade. Many of these in-migrants have very high levels of educational attainment, occupational skills, and income, resulting in significant increases in these attributes over the period.

While Lower Manhattan's residential population increased dramatically, the number of those working there declined by 10 percent, reflecting the disruption of 9/11. The largest percent declines were experienced by workers who commuted from points outside of New York City. Compared to 2000, workers coming to Lower Manhattan in 2005 were more likely to originate in the five boroughs. As a consequence, the share of work trips utilizing public transit was up. Moreover, as mentioned above, the increasing importance of Lower Manhattan as a mixed residential and office area has translated into more workers walking to work. In the coming years, the completion of 7 World Trade Center, coupled with the construction the headquarters for Goldman Sachs and other office space at the World Trade Center site, may even reverse the decline of workers in Lower Manhattan.

So, what difference does the ACS really make in a local government's capacity to assess needs, deliver services, and develop policies and programs aimed at enhancing New York's communities? The city envisages Lower Manhattan as an attractive, family-friendly residential neighborhood (Bloomberg, 2002). Parks, recreational space, schools, and special housing initiatives are all part of the package that local government has been putting together in the last few years in an effort to spur this kind of residential development. Indeed, anecdotal evidence points to an increase in families in this community. Lower Manhattan is one of the few areas in the city where births have been increasing and school enrollment has been growing. Due to surging enrollment, some schools have been experiencing overcrowded conditions.

While this picture is undoubtedly true, it is incomplete. The ACS is able to capture a representative view of what is happening. It shows that Lower Manhattan mirrors many other Manhattan neighborhoods in the disproportionate presence of non-family households. Average household size in Lower Manhattan remains under two persons per household, slightly lower than that for Manhattan as a whole. While birth data point to a large increase in the population under the age of 5, the overall population of children under the age of 18 has not increased significantly. City initiatives need to be set against these patterns, which may change as more families move in. Any city actions involving the communities of Lower Manhattan need to take great care distinguishing the needs of what are likely some very different neighborhoods within the larger Lower Manhattan area. Analyses of these smaller areas will be possible when the more geographically detailed ACS data become available. It is possible that many of these communities will emulate a pattern found in many Manhattan neighborhoods, where singles migrate into a neighborhood, find partners and have children, and then suburbanize or move out of the region altogether in an effort to acquire more space.

While workers in Lower Manhattan have declined in the first half of this decade, they still outnumber residents 8 to 1. The development of Lower Manhattan as a major residential location is an ongoing process in many of its constituent neighborhoods. Residences are being created right alongside financial establishments, frequently in buildings that once housed financial operations. An additional 6,400 new units are already in the pipeline, and likely to be constructed by 2010. As local government implements its plans, and the story of increased residential development in Lower Manhattan unfolds, the ACS will be there to paint an annual portrait of this area, including its myriad evolving neighborhoods.

BIBLIOGRAPHY

Alliance for Downtown New York. *Lower Manhattan Residents: A community in transition*. 2004

Bagli, Charles V. “As Companies Scatter, Doubts on Return of Financial District.” *New York Times*, 16 September 2002, B1.

Bloomberg, Michael. “Vision For 21st Century Lower Manhattan.” Speech delivered at the Regent Wall Street Hotel, 12 December, 2002.

Bram, Jason, James Orr, and Carol Rapaport. “Measuring the Effects of the September 11 Attack on New York City.” *Federal Reserve Bank of New York Economic Policy Review* 8 (November 2002): 5-20.

Chernick, Howard. “Introduction.” In *Resilient City: The economic impact of 9/11*, edited by Chernick, Howard, 1-20. New York: Russell Sage. 2005.

Colliers ABR, as cited in: “Lower Manhattan Shows Signs of Recovery.” Roland Jones in MSNBC, 11 September, 2006.

Lower Manhattan Development Corporation. *Progress report 2001-2004*. New York: Lower Manhattan Development Corp., 2004.

New York State Department of Labor, as cited in: "State of Lower Manhattan." *Alliance for Downtown New York*. 2003.

Regional Plan Association. *A Civic Assessment of the Lower Manhattan Planning Process: A Regional Plan Association report to the Civic Alliance*. 2004.

Romano, Jay. "Aid Plans for Areas Hurt on 9/11." *New York Times*, 25 August 2002, J5.

Salvo, Joseph J. and Arun Peter Lobo. "Moving from a Decennial Census to a Continuous Measurement Survey: Factors Affecting Nonresponse at the Neighborhood Level." *Population Research and Policy Review*, 25 (2006): 225-41.

Salvo, Joseph J. and Arun Peter Lobo. "Evaluating Continuous Measurement: Data Quality in the Bronx Test Site of the American Community Survey." *Journal of Economic and Social Measurement*, 28 (2003): 263-77.

Thompson, William C. *One Year Later: The Fiscal Impact of 9/11 on New York City*. New York: Comptroller's Office. September 4, 2002.

ENDNOTES

[1] The 2005 ACS data collection excluded the group quarters population for budgetary reasons.

[2] The sub-sample used in follow-up now varies depending on mail response. Census tracts with low mail response will have larger CAPI (Computer Assisted Personal Interviewing) subsamples.

[3] 2000 Census data were compiled for PUMA 3810, which largely captured the Lower Manhattan study area. Tabulations were constructed for the population in group quarters to determine their distribution by labor force, occupation, industry and a number of other key variables. Once we determined the relative share of group quarters residents in each category of a table, we then used these percentages to "weight" each of the cells in the Lower Manhattan tabulations for 2000, allowing us to "remove" group quarters population. For example, if group quarters residents constituted 4 percent of all persons in a broad occupational group in the PUMA, we assumed the same about the data for the study area. We pursued this course because several thousand residents, about one-half of the group quarters population residing in the study area were college students, many with part-time jobs that could skew the labor force picture.

[4] The fact that such a substantial proportion of the new units came from conversions was reflected in changes in land use for Community District 1 which encompasses Lower Manhattan (and is more-or-less coterminous with the Lower Manhattan study area). Between 1998 and 2005, residential and mixed commercial/residential space increased in area by 1.4 million sq. ft., or 55 percent, while commercial/office and industrial space decreased by 1.5 million sq. ft., or 14.7 percent.

[5] There was also a steep decline in self-employment in the rest of Manhattan, which runs counter to administrative data that show a post-2000 increase in self-employment. Many of the newly self-employed work at home, but these persons are excluded from the ACS worker data, which may help to explain the difference.

Map 1
Lower Manhattan Study Area

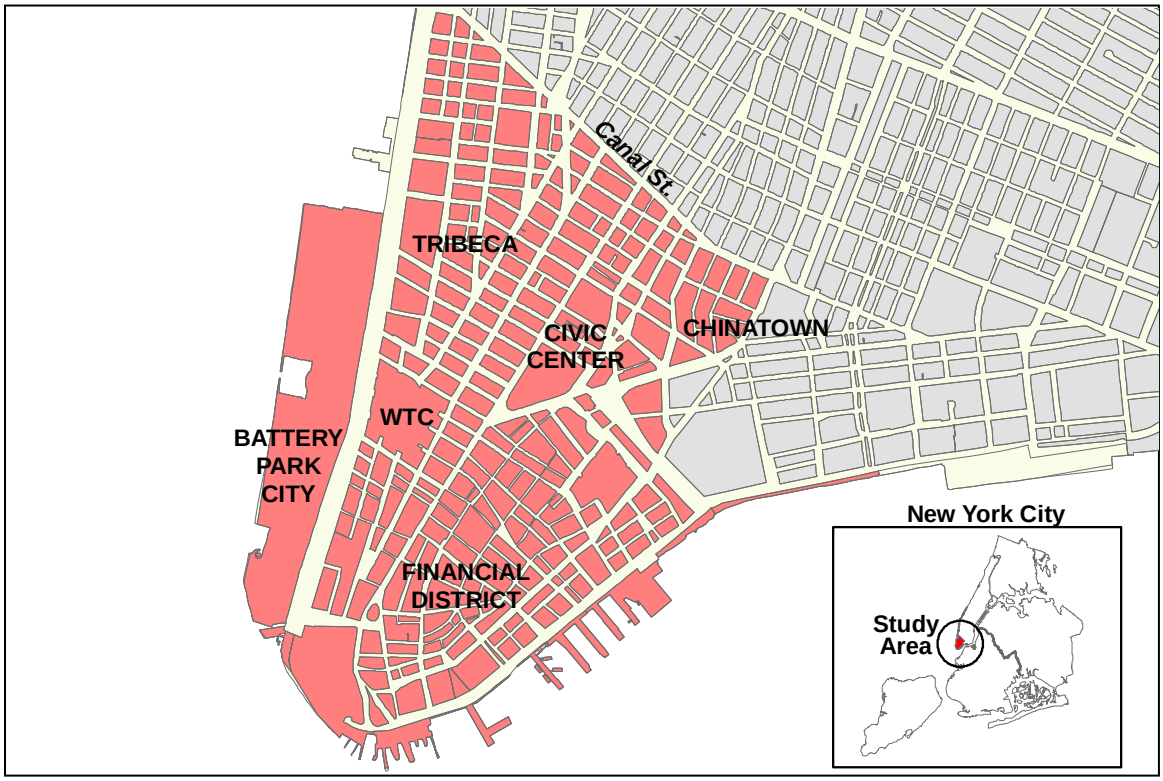

Table 1. Selected Housing, Demographic, and Socioeconomic Characteristics of Residents in Lower Manhattan and Remainder of the Borough, 2000-2005

	Lower Manhattan						Remainder of Manhattan					
	2000		2005		Change, 2000-2005		2000		2005		Change, 2000-2005	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
HOUSING CHARACTERISTICS												
Housing Units	20,326	100.0	25,525	100.0	5,199 *	25.6	777,818	100.0	794,270	100.0	16,452 *	2.1
UNITS IN STRUCTURE												
20 or more Units	16,002	78.7	20,955	82.1	4,953 *	31.0	602,005	77.4	622,750	78.4	20,745 *	3.4
BEDROOMS												
1 Bedroom	9,588	47.2	13,760	53.9	4,172 *	43.5	317,309	40.8	342,205	43.1	24,896 *	7.8
HOUSING TENURE												
Occupied Housing Units	17,988	100.0	22,395	100.0	4,407 *	24.5	720,656	100.0	709,040	100.0	-11,616 *	-1.6
Renter-occupied	13,554	75.4	17,875	79.8	4,321 *	31.9	576,358	80.0	546,850	77.1	-29,508 *	-5.1
GROSS RENT (in 2005 $$)												
Median Gross Rent	$1,657	-	$1,775	-	$118 *	7.1	$894	-	$1,008	-	$114 *	12.8
GROSS RENT AS A PERCENTAGE OF HH INCOME												
Renter-occupied Units	13,554	100.0	17,875	100.0	4,321 *	31.9	576,358	100.0	546,850	100.0	-29,508 *	-5.1
35% of Households Income or more	4,366	32.2	6,090	34.1	1,724 *	39.5	175,018	30.4	188,815	34.5	13,797 *	7.9
DEMOGRAPHIC CHARACTERISTICS												
Household Population	34,698	100.0	43,650	100.0	8,952 *	25.8	1,442,660	100.0	1,486,120	100.0	43,460 *	3.0
RACE [1]												
White, nonhispanic	22,004	63.4	25,445	58.3	3,441 *	15.6	663,461	46.0	700,575	47.1	37,114 *	5.6
Asian, nonhispanic	9,489	27.3	12,790	29.3	3,301 *	34.8	131,866	9.1	146,735	9.9	14,869 *	11.3
PLACE OF BIRTH [1]												
Foreign-born	11,208	32.3	13,840	31.7	2,632	23.5	438,859	30.4	414,840	27.9	-24,019 *	-5.5
REGION OF BIRTH OF FOREIGN BORN [1]												
Foreign-born	11,208	100.0	13,840	100.0	2,632	23.5	438,859	100.0	414,840	100.0	-24,019 *	-5.5
Asia	7,430	66.3	7,785	56.3	355	4.8	114,271	26.0	115,035	27.7	764	0.7
Europe	2,293	20.5	3,295	23.8	1,002	43.7	80,378	18.3	72,200	17.4	-8,178 *	-10.2
Household Population	34,698	100.0	43,650	100.0	8,952 *	25.8	1,442,660	100.0	1,486,120	100.0	43,460 *	3.0
SEX												
Male	17,440	50.3	24,370	55.8	6,930 *	39.7	681,719	47.3	701,360	47.2	19,641 *	2.9
Female	17,258	49.7	19,280	44.2	2,022	11.7	760,941	52.7	784,760	52.8	23,819 *	3.1
Sex Ratio - males per 100 females	101	-	126	-	25 *	-	90	-	90	-	0	-
AGE												
Under 18	4,759	13.7	5,325	12.2	566	11.9	249,610	17.3	263,910	17.8	14,300 *	5.7
Under 5	1,730	5.0	2,755	6.3	1,025	59.2	72,886	5.1	96,785	6.5	23,899 *	32.8
25 to 44	15,182	43.8	22,115	50.7	6,933 *	45.7	558,825	38.7	567,860	38.2	9,035	1.6
RESIDENCE 1 YEAR AGO												
Population 1 year and Over	N/A	-	42,590	100.0	-	-	N/A	-	1,465,765	100.0	-	-
Different house	N/A	-	9,425	22.1	-	-	N/A	-	195,035	13.3	-	-
Different house in Manhattan	N/A	-	5,775	13.6	-	-	N/A	-	95,675	6.5	-	-
HOUSEHOLD TYPE												
Households	17,988	100.0	22,395	100.0	4,407 *	24.5	720,656	100.0	709,040	100.0	-11,616 *	-1.6
Family	7,638	42.5	8,300	37.1	662	8.7	294,332	40.8	297,620	42.0	3,288	1.1
Married-couple families	6,031	33.5	6,670	29.8	639	10.6	179,992	25.0	185,585	26.2	5,593	3.1
Nonfamily	10,350	57.5	14,100	63.0	3,750 *	36.2	426,324	59.2	411,425	58.0	-14,899 *	-3.5
Average Household Size	1.93	-	1.95	-	0.02	1.0	2.00	-	2.10	-	0.10 *	5.0

Table 1 (CONTINUED). Selected Housing, Demographic, and Socioeconomic Characteristics of Residents in Lower Manhattan and Remainder of the Borough, 2000-2005

	Lower Manhattan						Remainder of Manhattan					
	2000		2005		Change, 2000-2005		2000		2005		Change, 2000-2005	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
SOCIOECONOMIC CHARACTERISTICS												
EDUCATIONAL ATTAINMENT[1]												
Population 25 years and Over	28,652	100.0	35,425	100.0	6,773 *	23.6	1,071,477	100.0	1,118,990	100.0	47,513 *	4.4
Less than a High School Diploma	4,893	17.1	2,630	7.4	-2,263 *	-46.3	225,045	21.0	170,920	15.3	-54,125 *	-24.1
Bachelor's Degree or Higher	16,911	59.0	25,975	73.3	9,064 *	53.6	534,204	49.9	637,745	57.0	103,541 *	19.4
OCCUPATION[1]												
Civilian Employed Population 16 Years and Over	21,033	100.0	28,650	100.0	7,617 *	36.2	740,008	100.0	776,950	100.0	36,942 *	5.0
Mgmt., Professional, & Related Occupations	13,830	65.8	20,360	71.1	6,530 *	47.2	409,038	55.3	451,005	58.0	41,967 *	10.3
INCOME (in 2005 $$)												
Median Household Income	$81,999	-	$98,121	-	$16,122 *	19.7	$54,818	-	$56,981	-	$2,163	3.9
EMPLOYMENT STATUS[1]												
Population 16 Years & Over in Civilian Labor Force	24,597	100.0	29,155	100.0	4,558 *	18.5	805,348	100.0	837,530	100.0	32,182 *	4.0
Unemployed	1,239	5.0	505	1.7	-734 *	-59.3	62,676	7.8	60,550	7.2	-2,126	-3.4
POVERTY STATUS												
Percent Below Poverty	12.0	-	9.8	-	-2.2	-	20.2	-	N/A	-	-	-
COMMUTING TO WORK[1]												
Workers 16 years and Over	21,313	100.0	27,830	100.0	7,319 *	34.3	727,022	100.0	752,670	100.0	25,648 *	3.5
Walked	6,631	32.3	9,090	32.7	2,459 *	37.1	154,016	21.2	145,455	19.3	-8,561 *	-5.6

* Difference between 2005 ACS and Census 2000 is significant at the .10 level.

[1] Group quarters population was removed from the 2000 tract data to make them comparable to the ACS universe of population in households. The 2000 group quarters population was derived from the 5% Public Use Microdata Sample.

Table 2. Selected Characteristics of Workers[1] in Lower Manhattan and in the Remainder of the Borough, 2000- 2005

	Lower Manhattan						Remainder of Manhattan					
	2000		2005		Change, 2000-2005		2000		2005		Change, 2000-2005	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
COUNTY OF ORIGIN												
Total Commuters	386,003	100.0	347,505	100.0	-38,498 *	-10.0	1,660,077	100.0	1,771,840	100.0	111,763 *	6.7
New York City	264,974	68.6	245,830	70.7	-19,144 *	-7.2	1,222,648	73.7	1,291,770	72.9	69,122 *	5.7
Outside of New York City	121,029	31.4	101,680	29.3	-19,349 *	-16.0	437,429	26.3	480,070	27.1	42,641 *	9.7
MODE OF COMMUTING												
Total Commuters	386,000	100.0	347,505	100.0	-38,495 *	-10.0	1,659,615	100.0	1,771,840	100.0	112,225 *	6.8
Subway or bus	226,900	58.8	217,495	62.6	-9,405 *	-4.1	954,750	57.5	1,102,485	62.2	147,735 *	15.5
Car, truck, or van	70,398	18.2	51,535	14.8	-18,863 *	-26.8	295,122	17.8	250,095	14.1	-45,027 *	-15.3
Railroad	60,670	15.7	46,360	13.3	-14,310 *	-23.6	197,466	11.9	205,830	11.6	8,364 *	4.2
Other	28,032	7.3	32,115	9.2	4,083 *	14.6	212,277	12.8	213,420	12.0	1,143	0.5
INDUSTRY												
Civilian employed population 16 years and over	385,902	100.0	347,350	100.0	-38,552 *	-10.0	1,659,649	100.0	1,771,505	100.0	111,856 *	6.7
Finance, insurance, real estate, rental & leasing	151,241	39.2	121,235	34.9	-30,006 *	-19.8	226,041	13.6	272,825	15.4	46,784 *	20.7
Prof, scientif, mgmt, admin & waste mgmt services[2]	61,705	16.0	58,215	16.8	-3,490	-5.7	293,375	17.7	320,155	18.1	26,780 *	9.1
Public administration	46,645	12.1	48,140	13.9	1,495	3.2	46,933	2.8	49,170	2.8	2,237	4.8
Educational services, health care, & social assistance	26,711	6.9	33,295	9.6	6,584 *	24.6	282,617	17.0	308,095	17.4	25,478 *	9.0
Information	19,096	4.9	13,965	4.0	-5,131 *	-26.9	153,401	9.2	138,590	7.8	-14,811 *	-9.7
Manufacturing	9,060	2.3	5,800	1.7	-3,260 *	-36.0	105,877	6.4	93,885	5.3	-11,992 *	-11.3
Wholesale trade	4,606	1.2	3,155	0.9	-1,451 *	-31.5	57,080	3.4	53,515	3.0	-3,565	-6.2
OCCUPATION												
Civilian employed population 16 years and over	385,919	100.0	347,350	100.0	-38,569 *	-10.0	1,660,094	100.0	1,771,505	100.0	111,411 *	6.7
Management, professional, and related occupations	182,711	47.3	173,445	49.9	-9,266 *	-5.1	768,214	46.3	835,255	47.1	67,041 *	8.7
Sales and office occupations	123,557	32.0	101,080	29.1	-22,477 *	-18.2	451,686	27.2	467,260	26.4	15,574 *	3.4
CLASS OF WORKER												
Civilian employed population 16 years and over	386,012	100.0	347,350	100.0	-38,662 *	-10.0	1,660,119	100.0	1,771,505	100.0	111,386 *	6.7
Private wage and salary and unpaid family workers	288,765	74.8	251,185	72.3	-37,580 *	-13.0	1,368,535	82.4	1,537,205	86.8	168,670 *	12.3
Government workers	76,064	19.7	85,455	24.6	9,391 *	12.3	156,154	9.4	147,285	8.3	-8,869 *	-5.7
Self-employed workers in own not incorp. business	21,185	5.5	10,710	3.1	-10,475 *	-49.4	135,435	8.2	87,030	4.9	-48,405 *	-35.7

* Difference between 2005 ACS and Census 2000 is significant at the .10 level.

[1] Worker data are derived from journey-to-work data and thus excludes workers who worked at home. Due to data suppression, worker totals may differ for each variable examined. Unlike the 2005 ACS, 2000 census data on workers in Lower Manhattan included the group quarters population. The inclusion of group quarters in 2000 is unlikely to affect comparisons with 2005 as this population numbered only 1,185 workers, or 0.3% of the workforce. Furthermore, unlike in 2005, the "class of worker" variable in 2000 included an estimated 100 workers from the Armed Forces.

[2] Professional, scientific, management, administrative & waste management services