NYC 9/11 Public Portal Document

THE NEW YORK TIMES, MONDAY, SEPTEMBER 24, 2001

Rebuilding Downtown

Virtually everyone in New York City, and indeed most of the country, understands the importance and urgency of rebuilding downtown Manhattan. In the aftermath of the terrorist attack, it is vital to reaffirm the city's status as a premier financial capital and restore hope to a battered neighborhood.

Among New York's senior political figures, there is an emerging consensus that a special commission or authority should be created to oversee the reconstruction. The stars in New York's fractious political firmament are in unusually close alignment at this time of emergency. The task now is for Gov. George Pataki and Mayor Rudolph Giuliani to transform this moment of harmony into a workable plan.

Step one is to create a commission with the necessary powers to get the job done quickly and correctly. As some of the candidates for mayor pointed out over the weekend, it is critical that this body include representation of both the state and the city. An equal number of members from each might be best, with a tie-breaking chairman who was mutually acceptable to both sides.

Part of the authority's or commission's job will be aesthetic and, to some extent, spiritual — defining the scale and scope of the restored district, and designing an appropriate memorial to the World Trade Center victims. The group's basic responsibility, however, will be economic — encouraging the construction of new buildings while making sure there are tenants to occupy them. Speed is important here. Major companies displaced by the collapse of the trade center are less likely to sign long-term leases elsewhere if they can be confident that space downtown will be available in a timely manner.

A package of financial incentives will almost certainly be required to persuade the anchor tenants to return. The devastation displaced nearly 100,000 workers and removed at least 15 million square feet of prime office space, or the equivalent of 15 Empire State Buildings, from the market. The city and state have so far done an extraordinary job of meeting the needs of the smaller firms needing less than 50,000 square feet. But the key to downtown's rebirth will be the big players — Merrill Lynch, Citigroup, Morgan Stanley Dean Witter, American Express, Lehman Brothers — that need acres of contiguous space.

The commission may be able to dip into the $20 billion in federal emergency relief funds for some of these purposes, but it would be a mistake to rely too heavily on that source. With the cleanup alone costing $30 million a day, and expected to go on for months, much of that $20 billion will be spent on clearing the rubble, replacing infrastructure like the PATH and subway stations and readying the land for development. A more reliable way of persuading the old businesses to return would be to deploy the traditional array of economic devices — tax credits, loan guarantees and the like — that states and cities use to lure and retain businesses.

History suggests that all this is doable. People have been predicting the demise of the financial district for almost 40 years. The World Trade Center itself helped lead an earlier revival in the 1970's, even as law firms and investment banks were migrating to central Manhattan. In the early 1990's, a recession left empty one of every four floors of downtown office space, nearly all of which were full by the end of the decade. The district will never be the same. But there is every reason to believe that if our elected leaders and the best minds in the financial and architectural communities are willing to seize the moment, it can be made even more vibrant than it was before Sept. 11.

CITY_21MC100_011829918

NYC-WTC_000412563