NYC 9/11 Public Portal Document

Returning to Red Zone: Buildings near WTC site to reopen

Continued from Page 1

not have to pay business interruption costs. There's big money at stake. Buildings such as 2.1 million-square-foot 1 Liberty Plaza collect $10 million in monthly rent when the tenants are all in residence.

"Everybody wants to get back to work, and we want to get them back to work," says Scott Resnick, the president of Jack Resnick & Sons Inc., which plans to reopen 520,000-square-foot 75 Park Place at the end of the month.

There are still huge obstacles. Some real estate executives privately question how willing traumatized tenants will be to return to the scene. And some landlords in the Red Zone can't prepare buildings for the return of refugee businesses just yet.

Too damaged

Their buildings are either so close to the trade center site or so damaged that they can't determine whether their properties are salvageable, much less schedule reconstruction work. Plus, there are a handful of buildings with structural damage—such as Verizon's landmarked 140 West St., which has a gaping hole four stories high in its facade—whose owner-occupants aren't talking yet about their restoration plans.

But others, such as Brookfield, are making a fast recovery.

The day after the Sept. 11 terrorist attacks, the publicly traded developer ordered 600 new windows for its Liberty Plaza property. The collapse of the Twin Towers caused wind damage like a hurricane's and shattered a third of the building's windows, says Ric Clark, the chief executive of Brookfield's U.S. operations.

Brookfield aims to put 1 Liberty Plaza back in business on Oct. 22. The firm, itself a displaced tenant, is also working on nearby 1 World Financial Center. It's putting up plywood while waiting for special-order glass to match the tints of the skyscraper's windows.

Mr. Clark expects to reopen the 1.5 million-square-foot building on Nov. 19 and thinks that Merrill Lynch, which leases 2 World Financial Center from his firm, will bring that 2.6 million-square-foot building online a week or two later.

He anticipates that some of his tenants with only a couple of years left on their leases might not move back. These include investment bank CIBC World Markets, for which he's building a new tower on Madison Avenue and East 42nd Street.

But Mr. Clark says that all of his tenants with long-term leases plan to return, despite the psychological burden of working in a disaster zone where the foul smell of burning rubble taints the air and the sight of wreckage is sickening. "They have an emotional attachment to downtown," he says.

Buildings like Boston Properties Inc.'s 90 Church St. aren't on as fast a renovation track as Brookfield's. Boston Properties doesn't know when its tenants will be able to return to its 950,000-square-foot office building, which it master-leases from the U.S. Postal Service. The property doesn't have full electric power. And since it sits right on the edge of the disaster site, it's unclear when the city will allow tenants to have free access to it, says Robert Selsam, a senior vice president.

The fate of 90 West St. is even murkier. Landlord Aegon USA Realty Advisors Inc. says it doesn't know whether the building can be saved.

Pieces of the trade center's steel skeleton are imbedded in the pre-World War I landmark. The city maintains control of the building while emergency workers shore up the floors and remove the steel.

Eventually, Brookfield—which earlier this year bid unsuccessfully for the 99-year lease for the trade center—intends to do more than just restore its damaged properties. The company wants to expand the World Financial Center's Winter Garden retail atrium to include a subway and PATH train hub. That would replace the station buried beneath the rubble.

Future public dialogue

The developer has hired urban planner Cooper Robertson & Partners to design the garden and examine broader issues like moving part of West Street underground. Cooper Robertson will also sketch out suggestions for rebuilding Ground Zero, so Brookfield will have ideas to contribute when public dialogue about its reconstruction gets under way.

Such efforts will take years.

At this moment, the resurrection of the disaster site seems overwhelmingly complicated. But the British were able to rebuild successfully after the London blitz of World War II, and New Yorkers should be able to do the same, insists Brookfield Chairman John Zuccotti.

"This is a tragic experience," Mr. Zuccotti says. "But I don't think we as Americans are any less capable of handling disaster than other nations." ■

THE RED ZONE REGROUPS

Status of buildings near the World Trade Center site.

BUILDING	STATUS
1 Liberty Plaza	Reopening on Oct. 22
100 Church St.	Reopening at end of October
75 Park Place	Reopening at end of October
1 World Financial Center	Reopening on Nov. 19
22 Cortlandt St.	Reopening in January at the earliest
90 Church St.	Renovation under way
101 Barclay St.	Damaged
3 World Financial Center	Damaged
140 West St.	Damaged
1 Bankers Trust Plaza	Damaged
90 West St.	Severely damaged; fate undetermined

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