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POST OPINION: REBUILDING NEW YORK

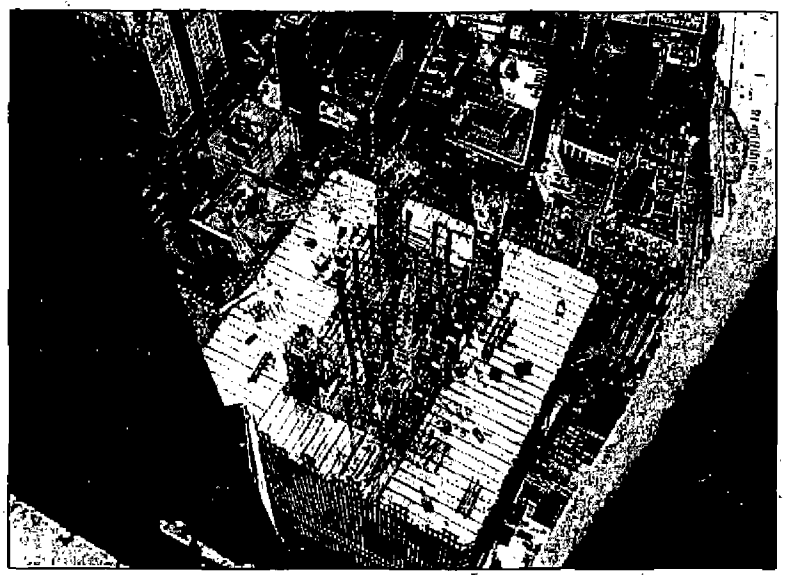
Our Next WTC

The right way to build anew



STEVEN MALANGA

THIRD IN A SERIES



From the ground up: The south tower as seen from the north tower in 1970. This time around, government must not dictate the size and location of every brick laid. AP

THE original World Trade Center was the quintessential New York-style centrally planned government project: ill-suited for the marketplace and unsuccessful for years despite its heavy state subsidies.

The Port Authority intended the building of the towers as a means to turn the district into a hub of international trade and thereby re-energize the region's struggling ports. But the towers never fulfilled that mission, and the millions of extra square feet they added to the market actually *depressed* downtown's commercial real estate for years. As late as 1995, the towers were 16 percent vacant.

It's important to keep that experience in mind when the cleanup downtown begins winding down and federal, state and city officials begin contemplating how to rebuild lower Manhattan.

NEW York City does not need another massive, government controlled process that decides not only what to build, but how to build it and who should construct it.

Already, federal, state, and city officials are wheeling and dealing to figure out who will manage the process of replacing these towers.

The federal government will, and should, demand some say in the rebuilding because of the vast sums it is providing for cleanup. The state already has in place the much needed tax incentives that will make building and luring tenants easier, and it has the power of eminent domain that could be necessary to sort out the complex ownership issues on the site.

The city has its own tax incentives in place, and it has the planning and zoning powers necessary to make the changes downtown that might be necessary for redevelopment.

But government's involvement shouldn't go too far beyond that.

Above all, the endless talk right now about setting up a special government authority or commission to conceive and carry out the rebuilding should be tabled. That way lies disaster. The result will be political infighting and paralysis.

IF something finally does get built, it will rise years too late, at much too high a cost, and will probably bear no relation to what the market needs.

Therefore, Gov. Pataki (who controls half the Port Authority's board and appoints its executive director) will need to use his leverage to get the Port Authority out of the rebuilding of the WTC site. It is not a real-estate agency and has its hands full now ensuring security at the area's airports, bridges, and tunnels.

The governor also will need to limit the role of the state's Empire State Development Corporation, the successor to the Urban Development Corp., notorious for mismanaging everything from the Times Square renewal project to the construction of the Javits Center.

Soon after the bombing, state economic-development czar Charles Gargano tactlessly rushed to claim primary authority for the state in the redevelopment effort. And various other officials have squabbled, in a way that is disturbingly reminiscent of former battles, over the makeup of a proposed city-state authority designated to rebuild the area.

HERE *is what government* should do. First, the federal government should provide the capital to clean up the site and ready it for rebuilding, just as it would with any disaster-relief effort. Washington should provide the funds to rebuild the surrounding infrastructure, too, including the demolished subway tunnels and stations and the PATH station serving commuters from New Jersey.

The feds would also do the WTC area an incalculable favor by providing mass-transit financing, if available, to extend Metro-North train service from Grand Central to downtown, which currently has no direct commuter rail lines.

Federal aid should come with the maximum number of strings attached. Washington *should set and enforce strict* deadlines on spending the money it sends to New York, especially for infrastructure projects, so that the rebuilding does not get entangled in the kinds of local squabbles and indecision that have plagued big projects in the city.

IT will fall to city and state agencies — the Metropolitan Transportation Authority and its subsidiaries, above all — actually to carry out the infrastructure rebuilding projects, *and these will be massive* undertakings. City and state officials, along with New York's congressional delegation, will have their hands full with making the case in Washington for generous help in rebuilding the infrastructure.

But beyond that, city and state officials' main task ought to be preparing the way for private developers to build whatever the market wants at the site as expeditiously as possible. The ownership issues at the site are presently murky, and here the governor, armed with the state's power of eminent domain, will have the ultimate authority to clarify matters.

Once he has eased the Port Authority, the owner of the land, out of the picture, Pataki needs to make sure, possibly by *using his powers of condemnation*, that Larry Silverstein, who recently purchased a 99-year lease on the Twin Towers (but did not own them or the land beneath them), does not automatically become the site's developer.

Insurance will cover Silverstein's losses and allow him to pay the remainder of the $3.2 billion he owes to the Port Authority. The billions of dollars that government will spend to clean up the site — far beyond what Silverstein himself could pay — makes it imperative that the redevelopment process gets opened up to other major developers to propose the best market-driven alternatives.

To allow whatever rises on the WTC site to be more in line with what downtown has become over the last decade — a 24-hour community, where offices sit side by side with residences, as in urbanist Jane Jacobs's vision — the new mayor and City Council should reconstitute the street grid in the 12-block area of the trade center, providing thoroughfares through the neighborhood.

The shops and restaurants encased in the plaza under the old design can emerge at street level, providing a continuous line of stores, eateries, and other amenities throughout much of the area, drawing people into the district, reviving its street life, and providing Jane Jacobs's "eyes on the street," day and night.

The city can also connect this new district to Battery Park City by rebuilding West Street, the quasi-highway that cut off Battery Park City from its neighbors, into a classic, pedestrian-friendly city boulevard, like Park Avenue.

AS to what exactly should go on those new streets, the city and state should appoint a small group of mostly private-sector leaders — real-estate executives, New York City CEOs, architects, and urbanists — to a special task force to solicit ideas on redevelopment and then select a developer or team of developers to build without needing a constant stream of approvals from government for each stage in the rebuilding.

The site, once rejoined to the city grid, can easily accommodate office towers, apartment buildings, cultural and entertainment components, perhaps a theater, or a movie complex, if the market demands them. The designated developer or developers will get to determine all that. But the new development should center on a memorial to the thousands who died in the attack, a two-block park or mall, with monuments linked architecturally to the surrounding buildings.

Not only will it commemorate the dead, *but it will be an* amenity on the order of Bryant Park or Rockefeller Center's Channel Gardens, improving *the quality of life of those who* work and live there and boosting real-estate values. As it is a monument to those killed in war, the feds should contribute to its cost, and it should rise as soon as the site is cleared, a symbol of the city's intention to rebuild.

"A special government authority or commission to conceive and carry out the rebuilding? That way lies disaster."

DONE correctly, the redevelopment can give the city a huge boost. "People worry about downtown dying because of what happened to the trade center, but I think the potential *is for a better downtown, with* newer, more attractive, technologically sophisticated buildings," says Marc Goloven, a regional economist for J.P. Morgan Chase.

"This could become the premier destination in New York."

Adapted from the coming issue of The Manhattan Institute's City Journal, where Steven Malanga is a senior editor.

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