



New York City's

Vision

for Lower Manhattan

**Michael R. Bloomberg, Mayor
City of New York**

Lower Manhattan.info
Information to Build On





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Next week, the Lower Manhattan Development Corporation will make public seven proposals for the future of the World Trade Center site—the product of months of work by some of the best design teams in the world.

This is the transcript of a speech given by Mayor Michael R. Bloomberg on Thursday, December 12, 2002.

What you will see will be very different from the six site plans presented last summer. Some of the new designs make eloquent statements about what happened on 9/11; they are truly capable of instructing and inspiring future generations. Some speak of hope and renewal more powerfully than any words can. Some boldly restore the skyline in ways that say, in no uncertain terms, this is New York and the terrorists didn't win. Some do all three.

For this, we must thank the LMDC, led by John Whitehead and Lou Tomson, who have worked so closely with Governor Pataki and me, with the Port Authority, and with the many individuals and groups who have a rightful stake in what gets built at the World Trade Center site.

But no matter how magnificent the best design for the World Trade Center site proves to be, it must be complemented by an equally bold vision for all of Lower Manhattan—a new beginning for Lower Manhattan that meets the needs of all New York City and of the entire region.

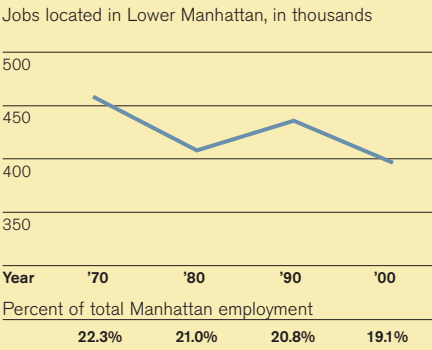
We cannot afford to assume that a grand design for the site will solve the problems of Lower Manhattan.

We've done that before.

When the World Trade Center was first built, it was hailed as a cure-all for everything that plagued Downtown. It came, over time, to embody the spirit of Lower Manhattan. It was commercially bustling, and an international icon. That's why the terrorists destroyed it.

But, if we are honest with ourselves, we will recognize that not everything about the World Trade Center was good. The Twin Towers' voracious appetite for office-space

EMPLOYMENT IN LOWER MANHATTAN



Note: Lower Manhattan is defined here as below Canal Street.
Source: New York State Department of Labor

demand weakened the entire Downtown market. The underground mall, while popular, detracted from the vitality of the streets that surrounded it.

In 1970, as the World Trade Center was being built, 22 percent of all Manhattan jobs were Downtown. By 2000, that had declined to just over 19 percent. During the same period the number of jobs Downtown actually declined by 64,000. Before 9/11, only 25 percent of all tourists to New York came Downtown. In the city that never sleeps, much of Lower Manhattan goes to bed promptly at 6 o'clock.

Of course, it wasn't just the World Trade Center that contributed to this decline. We have underinvested in Lower Manhattan for decades. It's been 70 years since we built a new transit line Downtown. There is far less open space than in other places around the City. There aren't enough schools.

The time has come to put an end to that, to restore Lower Manhattan to its rightful place as a global center of innovation and make it a Downtown for the 21st Century.

We have so much to build on.

First, there's tradition. Lower Manhattan has always been where ideas were first tried, opinions first expressed, news first spread. Our first president was inaugurated here. The harbor was the port for the first steam-powered ferry. When Thomas Edison first turned on streetlights, he did it in Lower Manhattan. New York's first subway began its first run directly under City Hall. The original Great White Way was Downtown. At a long-gone buttonwood tree on Wall Street, the first American stock was traded.

From the very beginning, Lower Manhattan was from the very beginning open to anyone who had a dream and was willing to work. Just 22 years after it was first settled, 18 languages were already spoken here. This mixture of peoples and ideas, fueled by dreams, fed the competitive fires that made Lower Manhattan give birth to the greatest city in the world.

It was no accident that the Statue of Liberty was placed at the foot of Lower Manhattan. And it was no accident that Lower Manhattan has witnessed the construction of the world's tallest building nine times, culminating in the World Trade Center itself.

Then, there's today—when, once again, the potential of Lower Manhattan is unlimited. In addition to already being a civic and financial center, Lower Manhattan is bounded by waterfront on three sides. We have a growing residential population. The crowds that have been drawn to the World Trade Center site are only a harbinger of the crowds to come if we do our job right.



PUBLIC INVESTMENTS IN LOWER MANHATTAN

- 1 World Trade Center site, including memorial
- 2 and 3 PATH hub and MTA transit center (respectively) including JFK and Newark connections
- 4 Ferry routes
- 5 Fulton Street
- 6 Fulton Market Square
- 7 Broadway
- 8 Greenwich Square
- 9 West Street
- 10 Battery Park
- 11 Battery Maritime Building
- 12 Water Street
- 13 East River Waterfront
- 14 Bus Parking (below grade)

Lower Manhattan must become an even more vibrant global hub of culture and commerce, a live-and-work-and-visit community for the world. It should be the world's metronome. On its streets, conversation in every conceivable language should hum from noon to midnight and back to noon again: with parents talking with their kids on the way to school along Greenwich Street in the morning; with businessmen negotiating on Exchange Place in the afternoon; and with novelists and musicians arguing at cafés looking out across the East River at night.

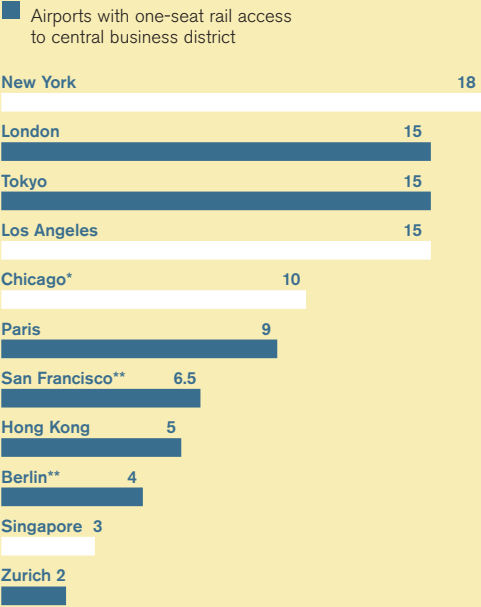
To make it that place, people who reflect all the diversity and drive of New York have to want to live, work, and visit Downtown. The public sector's role is to catalyze this transformation, by making bold investments with the same sense of purpose and urgency that allowed us to clean up the World Trade Center site months ahead of schedule and hundreds of millions of dollars under budget. Those investments will trigger a response by the private market that will create the kind of Lower Manhattan we want.

There are three types of investments the public sector must make: Those that (1) connect Lower Manhattan to the world around it; (2) build new neighborhoods; and (3) create public places that make Lower Manhattan one of the most appealing places in the world. I'll outline those investments and then describe the funding sources that exist for them.

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DIRECT AIRPORT ACCESS
TO CITY CENTER

Population, in millions (metropolitan area)



* O'Hare has subway access, but no commuter rail or dedicated airport-rail service.
** Airport-rail access will open within 3 years (San Francisco, 2003; Berlin, 2005).
Sources: Airports Council International, Westlaw, airport websites, Leigh Fisher

1.
Connect Lower Manhattan

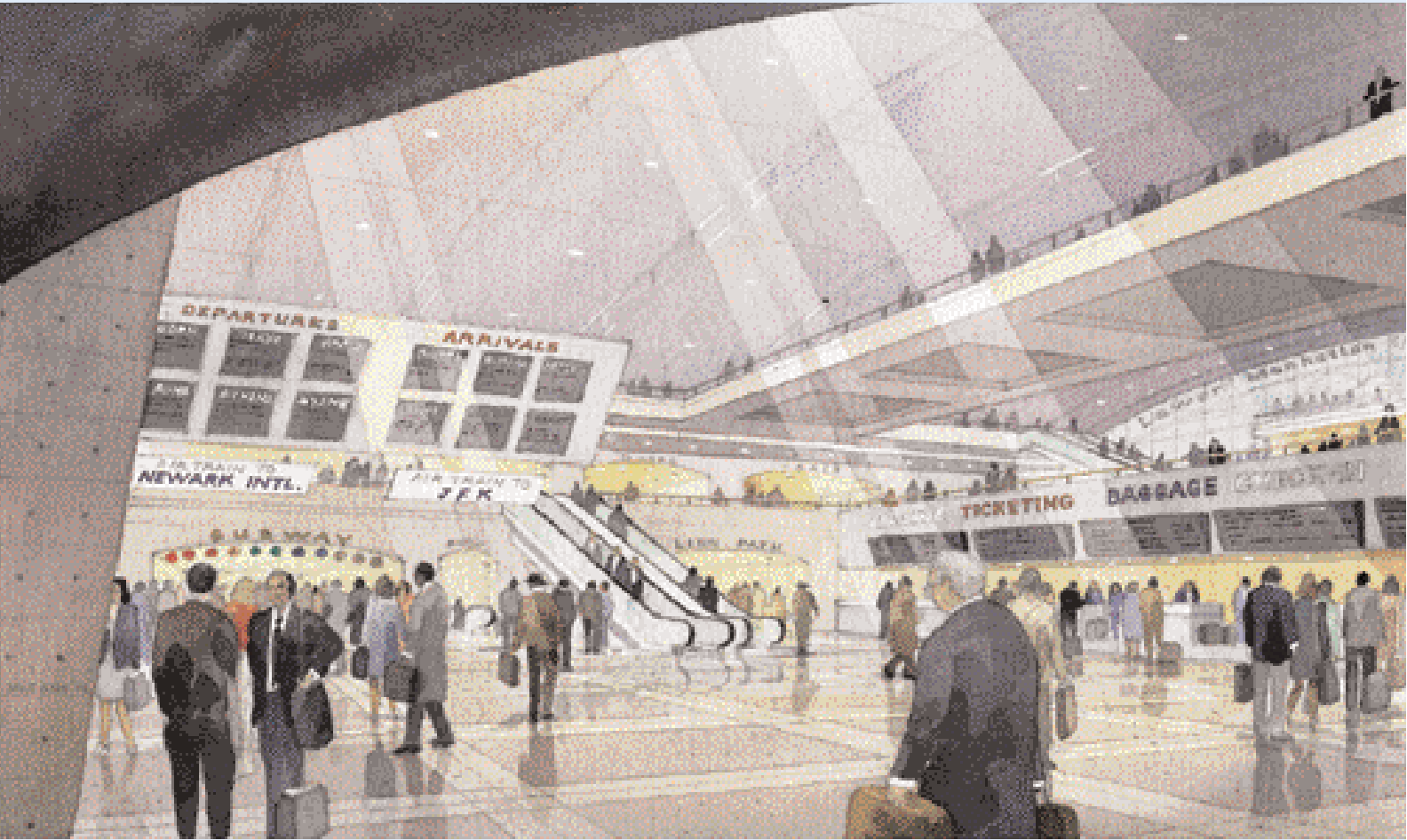
Lower Manhattan's competition to be a global center isn't just Midtown, or even Chicago or Los Angeles. Increasingly, it is London and Berlin and Hong Kong. In this worldwide competition, easy access is becoming more and more important. We must invest in making Downtown more accessible both to the rest of the world, and also to residents of the metropolitan region.

New York is one of the few premier international cities without a direct mass transit link between its airports and the city center. In London, the time from the city center to the airport is as little as 30 minutes. In Hong Kong, it is 23 minutes; in Berlin it will soon be 17 minutes. In New York City, it is often an hour or more.

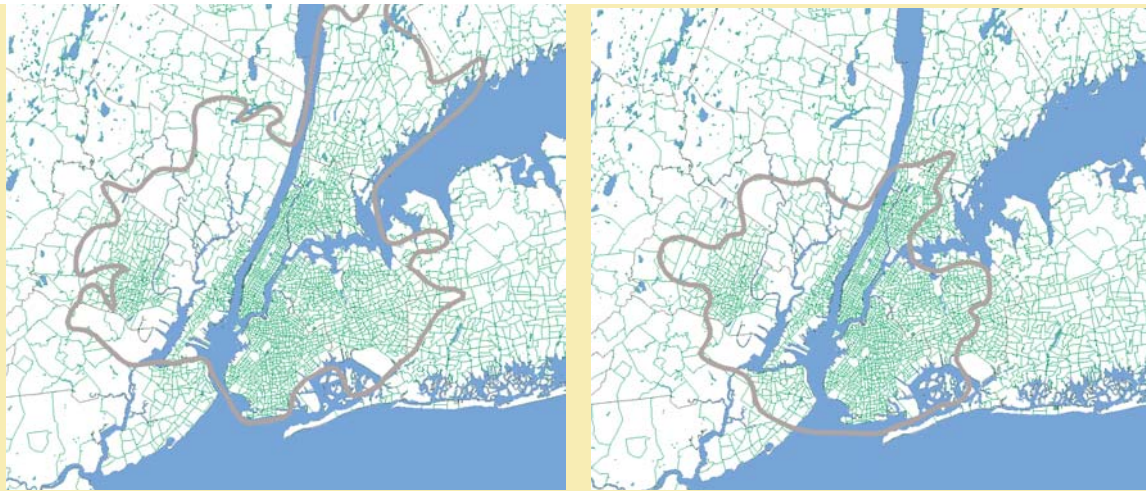
To make Lower Manhattan a global center, our first priority must be direct, one-seat airport access. Imagine checking your bags at a terminal Downtown, stepping into an AirTrain or PATH car, and 30 minutes later walking to your gate at JFK or Newark.

By extending the AirTrain system from JFK through a new tunnel to Lower Manhattan and by extending the PATH train from Penn Station in Newark to Newark Liberty Airport, this can be done. And it must be done.

Commuters could use some of those same airport connections to reach Lower Manhattan more easily. In 1932, when new mass transit was last added to Lower Manhattan, 63 percent of residents of the region lived in New York City. Today that figure is down to 37 percent.



Conceptual view of the interior of the proposed Lower Manhattan transportation terminal



Area within a one-hour commute of Midtown today

Area within a one-hour commute of Lower Manhattan today

Midtown today has easy access from Long Island, Westchester, and New Jersey. More than 3.8 million suburban residents live within an hour’s commute, 50 per cent more than can get to Lower Manhattan in the same amount of time. If we build a new tunnel to carry passengers between Downtown and JFK, Long Island-bound commuters will be able to ride through that tunnel to connect to any Long Island Railroad train at Jamaica.

Over the last year, we have invested heavily in ferry stations to bring more people to Lower Manhattan from more places more conveniently. And we will continue to do so, with investments in links to other parts of the five boroughs, regional service to the suburbs, connections to tourist destinations and, potentially, to LaGuardia airport.

For passengers who are coming from Westchester and Connecticut, we can create a new ferry—linked to MetroNorth by a new station on the Harlem River—to bring train riders Downtown five to ten minutes faster than today, and with a much more pleasant ride.

Today, more than 3,500 buses travel daily to Lower Manhattan, clogging already congested streets. A new bus parking facility, will help keep the streets free and clear by giving these buses a place to go.

Construction has begun on a new PATH station at the World Trade Center site and will begin soon on a new subway station at Fulton and Broadway. The new stations will untangle the knot of 15 subway lines that converge Downtown and then connect to the PATH and AirTrain. Those two stations should also be exhilarating gateways that lift everyone’s eyes and spirits, whether a visitor from Buenos Aires seeing Lower Manhattan for the first time, or a commuter from New Jersey seeing it for the first time that day. They can be the first of Lower Manhattan’s many additions to the landmarks of tomorrow.

2. Build New Neighborhoods

While the number of people who live below Chambers Street has grown significantly—from 12,000 to 20,000 in the past ten years—other than Battery Park City, there isn’t, for residents, a there there. No real supermarkets, not enough open space and not enough schools. And for that reason, families make up a much smaller proportion of the Downtown community than they do other communities throughout the city.

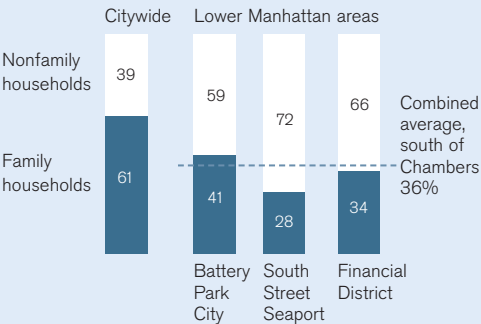
With targeted investments, *we can catalyze the creation of two exciting new neighborhoods* south of Chambers Street: one near Fulton Street, east of Broadway; and the other South of Liberty street, west of Broadway.

Along Fulton Street, the focus for this neighborhood will be a new public square: Fulton Market Square. If you walk along Fulton Street today, you’ll see 99-cent stores and vacant storefronts. Fulton Market Square, established as a public market, can begin the transformation of that street into a great place to shop, see a movie, look at art, or just people-watch.

Reestablishing Fulton Street through the World Trade Center site would make it a thoroughfare that stretches from river to river. With ferry stops on each end and two major transit hubs in the middle, Fulton would join Broadway as one of the two great arteries in Lower Manhattan.

FAMILIES IN LOWER MANHATTAN

Percent of households family versus nonfamily



Source: 2000 U.S. Census

Eighteen percent of Manhattan is open space, compared to only 7 percent Downtown.



View of proposed improvements to Fulton Street and new Fulton Market Square

As to the area south of Liberty: Let's start with the spot where today cars dip into the Brooklyn Battery Tunnel. We propose to build a new park, Greenwich Square, on a deck over the mouth of the tunnel. Roughly comparable in size to Gramercy Park, Greenwich Square will be one of the City's green gems.

And to knit the area south of Liberty to Battery Park City, we will make West Street—today a loud and desolate six-lane highway—into a promenade lined with 700 trees, a Champs-Élysées for Lower Manhattan, as welcoming to walkers as to drivers.

Residents of Battery Park City will finally be able to walk directly east, along an extended Exchange Place, to reach the Financial District and the East River.

To further encourage families to move Downtown, we can build a public library branch and enough new schools to accommodate new students while alleviating crowding in existing Downtown classrooms. And wouldn't it be great if these schools were part of the World Trade Center site? Nothing is more appropriate to remember those we lost than to build something for their children's future.

We also have to connect these new Downtown neighborhoods to the existing communities of Chinatown and the Lower East Side. We've formed an interagency task force that includes City Planning, the Police Department, and the Department of Transportation to develop innovative ways to do just that. The LMDC also has issued a request for proposals on how we can better link these neighborhoods to the rest of Downtown.



View of new Greenwich Square



View of proposed improvements to West Street



View of Battery Maritime Building with proposed plaza extension



View of waterfront colonnade proposed by
Community Board 1 and the Downtown Alliance

3. Create Public Places

New York is New York because it has majestic places, open to the public, that convey the unique thrill of being here. Let me take you on a land-bound Circle Line tour of a reimagined Lower Manhattan.

Starting at the prow of Lower Manhattan—the Battery—we will build on the successes of the Battery Conservancy by dramatically reshaping the park to turn what is today just a place to pass through into a destination in itself, a Sheep’s Meadow for Lower Manhattan.

We’ll also extend the plaza in front of a renovated Battery Maritime Building—one of the City’s most beautiful and, unfortunately, most dilapidated buildings. Water Street, which is today a canyon between office towers, will become a beautiful tree-lined boulevard.

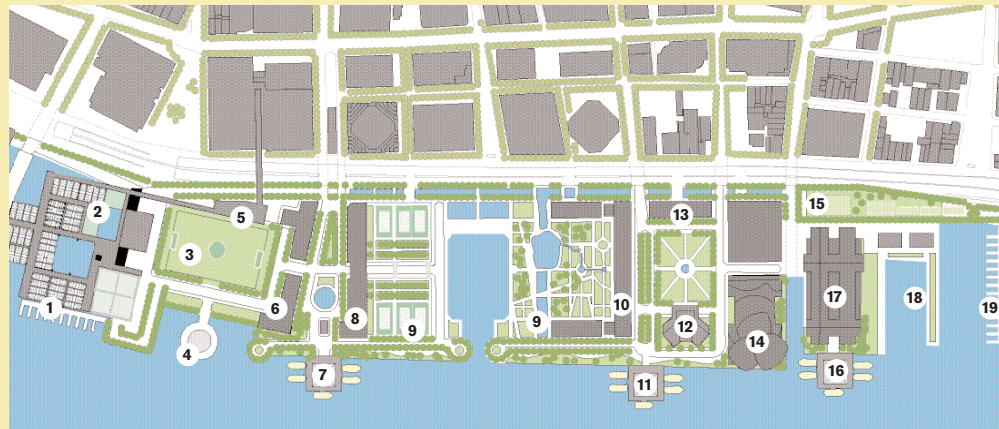
Looking east from Water Street along the area’s historic side streets, pedestrians will glimpse something new and marvelous along the East River. It could be, as envisioned by Community Board 1 and the Downtown Alliance a relaxed place to stroll, with open tables shaded by umbrellas on a sunny day....

If we are bolder, and if we can find environmentally friendly ways to build in the water, the City could expand out onto the river, creating something new on every one of these harborside city blocks. We could dare the world’s greatest cultural institutions to define the view of New York from the air, and surround them with playgrounds, ballfields, open grass, and apartments looking out over it all and across the harbor....

Others have suggested that we stretch our imaginations further, and create a wonderland of open space, with a sea-level ice-skating rink, a garden without soil, and maybe even a forest of trees.



View of proposed improvements to Water Street



- 1 Marina
- 2 Museum
- 3 Playing Fields (Soccer/Softball)
- 4 Heliport
- 5 Park Pavillion
- 6 Residential Towers
- 7 Ferry Landing
- 8 Residential Towers
- 9 Downtown River Park
- 10 Residential Towers
- 11 Ferry Landing
- 12 Performing Arts Pavillion
- 13 Hotel
- 14 Performing Arts Center
- 15 Basketball Courts
- 16 Ferry Landing
- 17 South Street Seaport Pavillion
- 18 South Street Seaport Museum
- 19 Marina

Top and above: East River waterfront park proposal, with housing, cultural institutions, and open space (Peterson/Littenberg)



View of alternate East River waterfront park proposal, with sea-level ice-skating rink and hydroponic garden (Rockwell/Diller + Scofido)

Whatever we choose, our new waterfront will look out onto ferries crisscrossing among Battery Park, Governors Island, the new Brooklyn Bridge Park, the Statue of Liberty, Ellis Island, even Liberty State Park in New Jersey, knitting these green spaces into a collection of open spaces that are, in total, larger than Central Park.

At the northern end of the new park along the East River, Fulton Street will stretch back to the site of the World Trade Center, the nucleus of the new Lower Manhattan. Anchoring the commercial and retail space, and restored streets, will be a memorial that will put a physical shape to our grief and to our hopes for the future, and give us somewhere we can come together to share our thoughts and reflections on how September 11th affected our lives.

We can link all these places with a pathway that loops down West Street, across the Battery, up Water Street, and back across Fulton to the World Trade Center site. Shuttle buses could travel the loop, with step-on, step-off service that's easy to use and free of charge. We can also examine innovative ways to manage streets and traffic Downtown, reinforcing the feeling that this is one place.

Around that loop—only 2.2 miles long, the same as circling from the corner of Fifth Avenue and 57th Street, down Fifth, across 42nd to Times Square and back—we'll add to the 20 cultural institutions that exist today, creating a critical mass.

Cultural institutions can animate a neighborhood and define a community. Together, we will build large-scale performing arts centers to draw people down to Lower Manhattan at night. Museums—some helping to interpret the World Trade Center memorial and some devoted to already-defined missions—could be located on the World Trade Center site as well as on the East River. These institutions would draw tourists and residents during the day. And we can build smaller arts centers to provide much-needed studio and rehearsal space for performing and visual artists and offer a focus for the dynamism and creativity that define the best this city has to offer.

Making It Happen

All in all, these public investments will spark a chain of private market reactions.

Over the next ten years—if we make the investments we've described—the number of new jobs Downtown will be twice what it would have been, justifying the need for 10 million square feet of new commercial space throughout all of Lower Manhattan. New companies in a range of industries will grow Downtown, strengthening the existing financial nerve center while diversifying it.

As the number of successful companies Downtown increases, Lower Manhattan will become more and more attractive to any company that prides itself on drive and creativity, that needs access to a diverse international workforce, and wants its employees in an area that's not only physically attractive but also exciting. Many companies have already recognized this and made long-term commitments to Downtown.

New office space will flourish along a commercial area linked by the spine of Broadway. When we finish the new transit hub at Broadway, new office buildings and maybe even a new hotel will spring up to the east and to the south, completing the Canyon of Heroes.

We will accelerate commercial growth. Insurance proceeds will help lower rents, and all the new commercial construction will be completed with tax-free Liberty Bonds.

And what better living memorial to all those from around the world who worked and gave their lives at the World Trade Center than to see it enveloped by major, formerly foreign, companies?

We have proposed to the federal government a tax plan designed to lure foreign companies to relocate their headquarters to Lower Manhattan. Under the proposal, which we call the World Trade Center Tax Incentive Zone, qualified companies that move their headquarters to the Liberty Zone would be taxed as if they hadn't relocated at all, fully protected from the increased federal taxes associated with moving to the United States.

PROJECTED DEMAND FOR OFFICE SPACE IN LOWER MANHATTAN

If Lower Manhattan continues to lose market share at current rates, 33,000 private-sector office jobs will be created in Lower Manhattan over the next ten years.

If we make the investments described here, it is reasonable to assume that Lower Manhattan will maintain its current share of Manhattan office employment, and will create approximately 35,000 more jobs than it would otherwise.

Assuming each employee requires about 250 square feet of office space, Lower Manhattan's new employees will require about 17 million square feet of office space.

Approximately 7 million square feet of Class A office space are vacant today in Lower Manhattan, and therefore—if we make the investments described here—Lower Manhattan will require 10 million square feet of new office space over the next 10 years.

Sources: Economy.com, New York State Department of Labor, Cushman & Wakefield, Economic Development Corporation analysis.



Private market response to public sector investments: potential sites for commercial and residential construction

As for housing, with the public investments we are proposing, we believe private developers, some of whom will also use Liberty Bonds, will create at least 10,000 new apartments over the next ten years.

To encourage additional housing, we propose relaxing existing density restrictions on residential development in Lower Manhattan. And we'll provide developers with a subsidy to make 20 percent of the new units Downtown affordable to people who couldn't otherwise live in market-rate housing.

We have cataloged the costs of every one of these improvements—down to the last tree, where possible—and calculated when we would be able to make each of these investments. We've estimated the total cost, in today's dollars, will be \$10.6 billion.

Most of those funds, \$8.8 billion, will go to the transportation infrastructure we've described. The connection to John F. Kennedy airport is the costliest project, and the one that takes the longest. Assuming we conclude that a new tunnel is necessary, it would take nine years at a cost of just under \$4 billion. We will continue to examine all alternatives, including the Super Shuttle, before selecting the project that delivers the most for the lowest price.

Of the funds we've received from the federal government, we can use \$5.9 billion for this plan, including \$4.5 billion dedicated to transportation, and funding dedicated to LMDC. The Port Authority can supply some of the rest, with passenger facility charges, contributions from its insurance proceeds and from some of the funds it was—before September 11th—intending to spend on the World Trade Center.

We can also use proceeds from the sale of real estate development rights over the transit hub, Greenwich Square, the East River park, and Fulton Market Square, and taxes from construction at the World Trade Center site itself.

Finally, depending upon what happens with the land swap and with the dispute over one occurrence or two, we hope to use some of the excess insurance proceeds from the leaseholders at the World Trade Center.

In total, we might not need any additional money to get this done. But worst case, we will need to find additional funds from another source—potentially the federal government—to make up a shortfall of up to \$2.6 billion, money we won't need until 2009 at the earliest.

* * *

This kind of far-reaching, city-changing investment of time and money isn't going to be popular with everyone. Some people will inevitably pick on a piece of our

In Lower Manhattan's highest density zoning districts, residential development is limited to 12 FAR, even though these districts generally allow densities of 15 FAR or greater. Eliminating this artificial cap on new residential development in Lower Manhattan would increase the number of new housing units on certain sites and provide more options without affecting the total density allowed in the area.



Opposite: View of proposed improvements to Broadway, including MTA transit hub

vision they don't like and say we shouldn't do any of it. Others will point to the maze of rules and regulations, policies and practices, procedures and protocols, and wonder whether we can get this done. And finally, some will just feel scared, which is natural, and they might ask how we can afford to do this at this point in the city's history.

In fact, listen to these quotes from newspaper articles:

"The very idea is ridiculous."

"The...scheme is humbug and the sooner it is abandoned the better."

Those words appeared in the 1850s, and the idea they were talking about—the "scheme" they derided—was the creation of Central Park. By the time the Park was completed, 20,000 New Yorkers had carted 10 million cartloads of soil by hand to create an oasis the world has never seen before or since.

If you study New York history, you realize that it is often at the moments when New York has faced its greatest challenges that we've had our biggest achievements. Central Park was created on the heels of a financial panic that started in New York City and shook markets throughout the world. The subways were built at the turn of the century as overcrowding Downtown reached life-threatening proportions. During the Great Depression, New York set the national standard by putting its people to work building parks and highways. The Empire State Building, too, was constructed in just 13 months during the Depression's deepest moments.

And again today, *New York has no choice but to transform this City*, to prepare it for the future. We must reinvent Lower Manhattan. We must open the waterfront to the public, not just in Lower Manhattan, but in Downtown Brooklyn, and throughout the City, wherever possible. We must provide housing for those who should be able to afford to live in New York, not just in Lower Manhattan, but throughout the City. And we must ensure New York continues to lead in the global economy. We will not just reinvent Lower Manhattan, but we will also create new business districts throughout the entire City, including on the Far West Side of Manhattan, which can, with an expansion of the Javits Center, drive the tourism industry that is so critical to New York's economic future.

There might be those who doubt whether we can set aside our differences, and there might be those who doubt whether we have the stamina required to get this done. But if history teaches us anything, it's that you should never doubt New York. Never. We can do this—because we have to.

Welcome to a new beginning for Lower Manhattan.