LMDC Accomplishments

Sixteen acres of Lower Manhattan were leveled in the attacks on September 11, 2001. Tens of thousands of jobs were lost and miles of electrical, communications and transportation infrastructure were destroyed. But the collateral damage inflicted on September 11 extended far beyond the World Trade Center ("WTC") site. As the financial capital of the world, New York City serves as an engine of the national economy, and the attacks reverberated throughout the United States, affecting nearly every industry. Ensuring that Lower Manhattan retained its place as the financial capital of the world was vital to the long-term prosperity of the nation.

In the aftermath of September 11, 2001, Lower Manhattan Development Corporation ("LMDC") was created to help plan and coordinate the rebuilding and revitalization of Lower Manhattan, defined as everything on or south of Houston Street. LMDC is a joint State-City corporation governed by an eight-member Board of Directors, half appointed by the Governor of New York State and half by the Mayor of New York City. LMDC was charged with ensuring Lower Manhattan recovers from the attacks and emerges stronger than it was before. At the center of its efforts was the creation of a permanent memorial honoring those who were lost while affirming the democratic values that came under attack on September 11.

LMDC was funded through special disaster recovery appropriations made by Congress under the Community Development Block Grant (CDBG) Program of the U.S. Department of Housing and Urban Development (HUD). Two CDBG disaster recovery grants totaling $2.783 billion were awarded to support Lower Manhattan's recovery in the aftermath of the September 11, 2001, terrorist attacks on the WTC.

From its inception, LMDC was committed to an open and inclusive outreach and planning process that gave the public a central role in shaping the future of Lower Manhattan, while working with partners in the public and private sectors to rebuild the WTC site and surrounding communities. LMDC consulted a broad spectrum of individuals and groups affected by the WTC attacks, including families of victims, business owners, and downtown residents, all of whom shared a commitment to the revitalization of Lower Manhattan. To help inform its work, LMDC established eight Advisory Councils representing Families; Residents; Restaurants, Retailers and Small Business; Arts, Education and Tourism; Financial and Professional Firms; Commuters and Transportation; and Development. The councils, which included federal, state, and local elected officials, along with business and civic groups, provided valuable public input. LMDC also held public hearings, participated in Community Board meetings, and met with community groups, and civic organizations as well as public officials to ensure that a broad range of voices was heard.

The programs and initiatives implemented by LMDC spurred significant residential and commercial growth in Lower Manhattan. While the broader recovery planning process was underway, LMDC took immediate action to assist individuals living in communities closest to the former WTC site by funding and administering the Residential Grant Program, recognizing the extended hardship and quality-of-life disruption suffered by residents of Lower Manhattan. Through the Residential Grant Program, LMDC distributed over 65,000 grants totaling $220 million in financial assistance to support residents impacted by the disaster. Efforts to increase the lower Manhattan occupancy rate were successful, which saw an increase from 60% shortly after the attacks to 95% by September 2002, benefiting the residents and area businesses. An Employee Training and Assistance Program was implemented to provide job training assistance to affected individuals whose jobs no longer existed. Additional LMDC funding supplemented various Empire State Development ("ESD") administered business recovery and job creation programs.

Additional early action focused on utility restoration and infrastructure rebuilding at the WTC site, where conditions resulting from the attacks posed a serious and immediate threat to the health or welfare of the City and its residents. This funding helped offset uncompensated emergency response, restoration, and rebuilding costs borne by the utility service providers that otherwise would have been passed through to customers. This program was administered by ESD, in cooperation with the New York City Economic Development Corporation, and in consultation with LMDC.

LMDC was charged with assisting New York City in recovering from the WTC terrorist attacks, in part by working with The Port Authority of New York and New Jersey (the "Port Authority") on the WTC site. Two primary components to this effort were set forth in LMDC's WTC Memorial and Cultural Program General Project Plan (the "GPP"). The first was a "Memorial Program," carried out by LMDC that included the planning and construction of the WTC Memorial, Memorial Museum, and a performing arts center. The second component is a "Redevelopment Program," carried out by the Port Authority, which includes commercial and retail space, open space areas, and other improvements. The WTC Memorial opened in September 2011 and has welcomed over 100 million visitors from all 50 states and countries around the world, while the Memorial Museum, which opened in May 2014 has welcomed over 28 million visitors. The Perelman Performing Arts Center at the WTC site opened in September 2023 as a flexible performance space offering a wide range of programming. Since opening, it has welcomed over 380,000 visitors and presented nearly 500 free performances.

Beyond the WTC site, LMDC provided $15 million towards the reconstruction of Fiterman Hall which sustained damage during the attacks and later provided another $23 million toward the acquisition and fit out of the Spruce Street (PreK through 8) School. More than $9.3 million was provided for lower Manhattan marketing and communications grants with another $6.3 million funding various Chinatown projects.

LMDC funded the planning, design and/or construction of more than 40 parks and open spaces throughout Lower Manhattan, including Pier 26 and other segments of the Hudson River Park. Partnering with various New York City agencies, LMDC funded the Battery Park PlayScape, Bosque and Carousel, as well as major improvements to the East River Waterfront Esplanade and Piers, Peck, Catherine, Rutgers and Montgomery Slips, enhancing access to the East River waterfront, and the Pier 42 project. LMDC further supported infrastructure and transportation planning, design and construction projects, including ongoing improvements along Water Street, as well as projects in the Fulton Corridor, on West Street and in the Stock Exchange area. These investments also included the 230-foot West Thames Street Pedestrian Bridge spanning Route 9A/West Street, from Joseph P. Ward and West Streets to the corner of West Thames and Little West Streets, linking the Financial District and its subway stations to Battery Park City and the Hudson River waterfront. In addition, LMDC distributed $54 million for affordable housing projects and $7 million through the Small Firm Assistance Program, while providing more than $115 million in grants to support over 125 lower Manhattan community and cultural enhancement organizations.

LMDC has been responsible for planning and project implementation; environmental planning and compliance; grant management; financial oversight and reporting; risk management; and project performance and compliance monitoring for its federally funded projects. LMDC also has statutory responsibility for federal and state environmental and land use planning at the WTC site, as well as implementing the real estate transactions necessary to realize those plans. These include transfers of properties to the Port Authority and rationalization of street interests and easements at the WTC site.

The only remaining property available for development on the WTC site is "Site 5" at 130 Liberty Street, formerly the Deutsche Bank Building. LMDC used CDBG funds to acquire and clear 130 Liberty Street to provide Redevelopment Program space to the Port Authority in exchange for the Port Authority land used by LMDC to implement the Memorial Program. Almost $40 million of grant funds remain to be distributed, of which nearly $32M is being held for affordable housing projects or programs.

All $2.783 billion in disaster recovery grants has been allocated to more than 140 activities as identified and described in 15 action plans approved by HUD. Nearly 99% of the grant funds have been paid to the various grant recipients for projects and programs described below:

- $814M – WTC Memorial and Cultural Program
- $483M – Utility Restoration and Infrastructure Rebuilding (WTC emergency response)
- $420M – Economic Development/Business recovery programs
- $344M – Parks and open spaces projects and programs
- $291M – Housing (Affordable Housing and Residential Grant Program)
- $115M – Community and Cultural projects and programs
- $108M – Transportation improvements
- $ 41M – Educational facilities improvements
- $ 36M - Planning and Communication (environmental planning, public hearings, meetings, etc.)
- $ 91M – Administration and planning (less spent than the 5% allowable by HUD)