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LOWER MANHATTAN: ON THE THRESHOLD OF A NEW DOWNTOWN

Monday, December 2, 2002

THANK YOU. IT'S GREAT TO BE HERE WITH YOU TODAY TO DISCUSS THE FUTURE OF LOWER MANHATTAN. I FEEL A KINSHIP WITH THE PEOPLE IN THIS ROOM BECAUSE FUNDAMENTALLY, WHAT YOU DO AND WHAT WE TRY TO DO IS VERY SIMILAR. AS PUBLIC FINANCE PROFESSIONALS, YOU MAKE IT POSSIBLE FOR GREAT IDEAS TO BE REALIZED FOR THE BENEFIT OF THE PUBLIC GOOD. ALTHOUGH YOUR LABOR GOES UNNOTICED BY MANY, YOUR WORK IS KNOWN TO ALL. BEHIND EVERY GREAT PUBLIC IMPROVEMENT ARE PUBLIC FINANCE PROFESSIONALS WHO AMASS THE CAPITAL TO TRANSFORM PLANS INTO REALITY. YOU ARE, IN ESSENCE, FOUNDATION BUILDERS.

LIKEWISE, I LOOK UPON MUCH OF LMDC'S WORK OVER THE LAST YEAR AS LAYING THE FOUNDATION FOR THE FUTURE OF LOWER MANHATTAN, UNDER THE LEADERSHIP OF GOVERNOR PATAKI AND MAYOR BLOOMBERG.

IN BUILDING THAT FOUNDATION, THE LMDC FOCUSES ON ITS MISSION TO REVITALIZE LOWER MANHATTAN SOUTH OF HOUSTON STREET BY PURSUING FOUR PRINCIPAL ACTIVITIES:

- STABILIZING THE RESIDENTIAL BASE

- SECURING FUNDS TO REVAMP THE TRANSPORTATION INFRASTRUCTURE
- CREATING A FITTING MEMORIAL AND
- PARTNERING WITH THE PORT AUTHORITY TO PLAN THE FUTURE OF THE WORLD TRADE CENTER SITE.

UNDERSTANDING THE IMPORTANCE OF EACH AREA IS USEFUL TO KNOWING WHAT TO EXPECT IN THE NEXT PHASE OF THE PLANNING PROCESS.

ONE OF LMDC'S FIRST PRIORITIES WAS TO STABILIZE LOWER MANHATTAN'S RESIDENTIAL BASE. AFTER THE ATTACKS, OCCUPANCY RATES IN LOWER MANHATTAN HAD PLUMMETED, IN SOME AREAS, BELOW 50 PERCENT. TO CREATE THE KIND OF MIXED USED COMMUNITY WE HAVE ALWAYS SOUGHT IN LOWER MANHATTAN BUT NEVER REALIZED, WE HAD TO RETAIN EXISTING RESIDENTS AND ATTRACT NEW ONES. THE LMDC LAUNCHED A \$300 MILLION PROGRAM OFFERING FINANCIAL INCENTIVES TO RESIDENTS WHO MAKE A TWO-YEAR COMMITMENT. WITHIN MONTHS OF APPROVING THE PROGRAM AND BEFORE THE FIRST CHECK WENT OUT, OCCUPANCY RATES RETURNED TO NORMAL – HIGHER THAN 95 PERCENT. NOW THE CHALLENGE IS TO CREATE EVEN MORE HOUSING IN LOWER MANHATTAN, A GOAL WE ARE WORKING CLOSELY WITH THE CITY TO ACHIEVE.

WE ALSO RECOGNIZED THAT REVAMPING LOWER MANHATTAN'S TRANSPORTATION INFRASTRUCTURE IS THE GREATEST INVESTMENT WE COULD MAKE IN THE FUTURE OF DOWNTOWN. A MODERN TRANSPORTATION SYSTEM IS ABSOLUTELY ESSENTIAL TO THE REBIRTH OF COMMERCE, THE EFFICIENT MOVEMENT OF TOURISTS AND VISITORS, AND THE COMFORT AND CONVENIENCE OF RESIDENTS. WE HEAR NO IMPERATIVE TO REBIRTH MORE CLEARLY THAN THE UNITED VOICES OF NEW YORKERS ON THE ISSUE OF BETTER TRANSPORTATION.

EARLIER THIS YEAR, WE WORKED WITH OUR PARTNERS IN CONGRESS AND CITY, STATE AND FEDERAL GOVERNMENT TO HELP SECURE 4.55 BILLION DOLLARS IN FEDERAL AID. SINCE EVERY DOLLAR OF THESE FUNDS IS PRECIOUS, THE PORT AUTHORITY, MTA, NEW YORK STATE DOT, THE CITY AND LMDC REFINED THE LIST OF PROJECTS THAT WERE PRESENTED IN WASHINGTON TO SECURE THESE FUNDS. IN OCTOBER, THE GOVERNOR SENT THE LIST OF PROJECTS TO FEMA AND THE FTA, WHICH INCLUDE:

- A GRAND POINT OF ARRIVAL
- THE DOWNTOWN PATH TERMINAL
- THE FULTON STREET TRANSIT CENTER
- THE SOUTH FERRY TERMINAL SUBWAY STATION
- STUDY OF ACCESS TO REGIONAL AIRPORTS
- BUS FACILITIES

- AND IMPROVEMENTS TO WEST STREET

SOME OF THE PROJECTS, SUCH AS REBUILDING THE NASSAU FULTON STREET SUBWAY STATION, ARE IN PRELIMINARY DESIGN. OTHERS, SUCH AS A REDESIGNED WEST STREET AND A GRAND POINT OF ARRIVAL, AWAIT THE DEVELOPMENT OF A FINAL LAND USE PLAN.

THE CREATION OF A GRAND POINT OF ARRIVAL IN LOWER MANHATTAN WILL UNITE 13 SUBWAY LINES AND PATH INTO ONE CENTRAL HUB. TO GIVE MANHATTAN A COMPETITIVE ADVANTAGE, WE WILL STUDY HOW TO DEVELOP RAIL ACCESS AND DIRECT ACCESS TO OUR REGION'S AIRPORTS. THESE PROJECTS WILL ALSO ENSURE THAT WE CAN ACCOMMODATE THE MILLIONS OF PEOPLE YEARLY WHO WILL ONE DAY JOURNEY TO THE PERMANENT MEMORIAL.

TO CREATE THE MEMORIAL, WE HAVE DEVELOPED A PROCESS BASED UPON UNPRECEDENTED PUBLIC CONSULTATION. WE HELD PUBLIC HEARINGS IN EVERY BOROUGH, MET WITH FAMILIES IN THE REGION, AND TRAVELED AROUND THE CITY – AND THE NATION – TO SEE FIRSTHAND HOW OTHERS FACED THE CHALLENGE OF REMEMBERING THOSE LOST. WE CONTINUE TO DRAW UPON THOSE LESSONS AS WE PREPARE TO LAUNCH AN INTERNATIONAL DESIGN COMPETITION EARLY NEXT YEAR. TWO COMMITTEES, EACH A CROSS SECTION OF THE DIFFERENT GROUPS AFFECTED BY SEPTEMBER 11, ARE NOW LAYING THE GROUNDWORK TO GUIDE THE COMPETITION.

ONE COMMITTEE IS DRAFTING A MEMORIAL MISSION STATEMENT AND THE OTHER, A PROGRAM OUTLINING THE ELEMENTS TO BE INCORPORATED IN THE MEMORIAL. A DRAFT MISSION STATEMENT AND PROGRAM WILL BE AVAILABLE BY THE BEGINNING OF JANUARY. THIS WILL MAKE IT POSSIBLE TO EVALUATE EACH OF THE PROPOSED SITE PLANS ON HOW IT WOULD MEET THE NEEDS OF THE PROGRAM.

MEANWHILE, THE SITE PLANNING EFFORTS AND THE MEMORIAL ARE BEING CLOSELY COORDINATED, SO THAT EACH INFORMS THE OTHER. EARLY NEXT YEAR, THE LMDC WILL LAUNCH AN INTERNATIONAL DESIGN COMPETITION FOR THE MEMORIAL, GUIDED BY THE MISSION STATEMENT AND USING THE PROGRAM AS THE BASIS FOR COMPETITION GUIDELINES. A DISTINGUISHED JURY WILL BE FORMED TO EVALUATE THE PROPOSALS AND THE GOAL IS TO HAVE A DESIGN FOR THE MEMORIAL SELECTED BY SEPTEMBER 11, 2003.

BUT ONE OVERRIDING LESSON WE LEARNED FROM OTHER MEMORIALS IS THAT THE QUALITY OF THE MEMORIAL SHOULD DRIVE THE TIMELINE. IF WE NEED TO SLOW DOWN, WE WILL.

THE LMDC HAS NEVER LOST SIGHT OF THE FACT THAT ALL OF LOWER MANHATTAN WAS VICTIMIZED ON SEPTEMBER 11. THE ATTACK LEVELED 20 ACRES, BUT THE EFFECTS RADIATED FAR BEYOND THOSE BLOCKS IN THE SHADOWS OF THE TWIN TOWERS. WE HAVE PARTNERED

WITH THE CITY OF NEW YORK ON MANY INITIATIVES TO REVITALIZE ALL OF LOWER MANHATTAN SOUTH OF HOUSTON STREET.

WHETHER FINDING WAYS TO INCREASE HOUSING DOWNTOWN OR TO IMPROVE TRAFFIC IN CHINATOWN, GOVERNOR PATAKI AND MAYOR BLOOMBERG ARE COMMITTED TO ENSURING ALL OF LOWER MANHATTAN EMERGES FROM THIS TRAGEDY BETTER THAN IT WAS BEFORE. WE ARE EXCITED AS WE ANTICIPATE THE RELEASE OF THE MAYOR'S VISION FOR THE FUTURE OF LOWER MANHATTAN SHORTLY AND WE LOOK FORWARD TO HELP HELPING THE CITY ACHIEVE ITS GOALS.

LASTLY, TO PLAN FOR THE FUTURE OF THE WORLD TRADE CENTER SITE ITSELF, THE LMDC ENTERED INTO AN HISTORIC AGREEMENT WITH THE PORT AUTHORITY. THERE HAVE BEEN MANY SPIRITED DEBATES WITHIN OUR STAFF AND BOARD AND WITH THE PORT AUTHORITY ON HOW TO ACHIEVE THE LEVEL OF EXCELLENCE WE ALL HOPE FOR IN RECOVERING FROM THE DEVASTATION AND CHARTING A NEW COURSE FOR DOWNTOWN. WE HAVE ALWAYS RESOLVED OUR DIFFERENCES AND ACHIEVED BETTER RESULTS BECAUSE OF OUR THOUGHTFUL DEBATES ABOUT WHAT'S BEST FOR THE FUTURE OF LOWER MANHATTAN. THE PORT AUTHORITY, AND JOE SEYMOUR IN PARTICULAR, HAVE BEEN GREAT PARTNERS IN THIS EFFORT.

TOGETHER, THE LMDC AND PORT AUTHORITY EMBARKED ON THE MOST AMBITIOUS OUTREACH CAMPAIGN EVER UNDERTAKEN. AND AFTER

THE RELEASE OF SIX INITIAL PLANS IN JULY, TOGETHER WE VOWED THAT PUBLIC COMMENT WOULD HELP SHAPE A NEW, MORE FLEXIBLE PROGRAM.

ELEMENTS OF THE NEW PROGRAM INCLUDE A RANGE OF COMMERCIAL SPACE ON THE SITE, RESPECTING THE FOOTPRINTS AS MEMORIAL SPACE, AND CALLING FOR A POWERFUL SYMBOL TO RISE AGAIN IN LOWER MANHATTAN'S SKYLINE. TO TRANSFORM THE NEW PROGRAM INTO PLANS, WE PARTNERED WITH NEW YORK NEW VISIONS AND INVITED THE BEST AND BRIGHTEST MINDS IN THE WORLD INTO THE SITE PLANNING PROCESS. SEVEN TEAMS OF ARCHITECTS, PLANNERS AND ARTISTS HAVE BEEN WORKING CONTINUOUSLY TO CONCEIVE A VISION FOR THE WORLD TRADE CENTER SITE.

IN JUST 16 DAYS, THE LMDC WILL RELEASE THE TEAMS' PLANS, WHICH WILL INCLUDE VERY DIFFERENT ALTERNATIVES FOR THE SITE. THIS TIME, THE PLANNERS AND ARCHITECTS ARE BEING ENCOURAGED TO SHARE THEIR CONCEPTS IN THEIR OWN DISTINCTIVE VOICE AND STYLE, TO EXPLORE A RANGE OF IDEAS, AND ABOVE ALL ELSE, TO INSPIRE THE PUBLIC.

ONCE THOSE PLANS ARE RELEASED, INSTEAD OF RELAXING OUR EFFORTS, WE MUST MOVE FORWARD WITH THE SAME SENSE OF URGENCY. THE WORLD TRADE CENTER SITE PLAN IS NOT AN END TO ITSELF, BUT THE BEGINNING OF A BROADER RENAISSANCE IN LOWER MANHATTAN. IT IS THE ULTIMATE FOUNDATION DOCUMENT. YET UNTIL

AN AGREED-UPON LAND USE PLAN IS IN PLACE, MUCH OF THE SITE-RELATED TRANSPORTATION WORK - BEYOND RESTORATION OF PATH, CONSTRUCTION OF THE NEW NASSAU FULTON STATION, AND THE CONNECTION BETWEEN IT AND PATH - CANNOT PROCEED IN EARNEST, AND TRANSPORTATION IS KEY TO THE REVITALIZATION EFFORT.

A LAND USE PLAN WILL DETERMINE THE CONFIGURATION OF THE STREETS AND PUBLIC SPACES ON THE SITE, THE VARIOUS USES ON THE SITE, SUCH AS THE MEMORIAL SPACE AND COMMERCIAL SPACE, AND HOW THEY WOULD RELATE TO EACH OTHER. A LAND USE PLAN, HOWEVER, IS NOT THE DESIGN OF INDIVIDUAL BUILDINGS. YET IT'S IMPORTANT TO UNDERSTAND HOW THE SITE COULD BE EXPERIENCED AS IT IS DEVELOPED IN PHASES. THEREFORE, THE ALTERNATIVES WILL SUGGEST BUILDING FORMS TO HELP THE PUBLIC UNDERSTAND HOW THE SITE MIGHT LOOK WHEN A PLAN IS FULLY REALIZED.

ULTIMATELY, IT IS THE MARKET THAT WILL DETERMINE IF, WHEN AND WHAT GETS BUILT ON THE SITE. AND IT IS THE MARKET THAT DEMANDS BETTER TRANSPORTATION.

FOR EXAMPLE, MANY LARGE TENANTS IN LOWER MANHATTAN WILL DECIDE IN THE NEXT FIVE YEARS WHETHER TO STAY DOWNTOWN. IF WE CAN MAKE SIGNIFICANT PROGRESS ON THE TRANSPORTATION INFRASTRUCTURE BY THEN, BUSINESSES WILL HAVE EVEN GREATER INCENTIVE TO REMAIN IN LOWER MANHATTAN.

AND SO WE MUST MOVE QUICKLY TO ARRIVE AT A FINAL LAND USE PLAN. AFTER THE RELEASE OF THE ALTERNATIVES IN MID-DECEMBER, THE LMDC WILL MAKE THEM AVAILABLE TO AS MANY PEOPLE AS POSSIBLE, BY HOSTING AN EXHIBIT AT THE WINTER GARDEN AND POSTING THEM ON OUR WEBSITE. AT THE SAME TIME, THE LMDC WILL WORK WITH THE PORT AUTHORITY TO EVALUATE EACH PLAN BASED ON MUCH MORE THAN AESTHETICS. FOR EXAMPLE, WE WILL LOOK AT NON-QUANTITATIVE FACTORS, SUCH AS THE TREATMENT OF THE SKYLINE, THE MEMORIAL SETTING AND APPROACH, THE PUBLIC SPACES, CULTURAL FACILITIES, THE STREET GRID AND PUBLIC COMMENT.

WE WILL ALSO EVALUATE EACH PLAN BASED ON QUANTITATIVE FACTORS, SUCH AS COST AND FUNDABILITY, TRAFFIC IMPACT, ENGINEERING CONSIDERATIONS, AND STAGING.

WHILE IT IS AN AMBITIOUS GOAL, WE HOPE TO HAVE A FINAL PLAN SELECTED BY NEXT FEBRUARY. I SHOULD NOTE THAT THE TERM 'FINAL PLAN' IS SOMEWHAT OF A MISNOMER, SINCE THE PLAN WILL BE IN PLACE FOR MANY YEARS AND WILL LIKELY BE REFINED MANY TIMES, FOR EXAMPLE, IN RESPONSE TO THE DESIGN FOR THE MEMORIAL.

NEXT YEAR WILL BE AN EXCITING YEAR IN LOWER MANHATTAN. IT WILL BE A YEAR OF DRAMATIC PROGRESS AND SOLID RESULTS. IN EARLY JANUARY, THE LMDC WILL RELEASE A STUDY OF TRANSPORTATION PROJECTS FOR LOWER MANHATTAN. ALSO IN JANUARY, THE LMDC WILL

RELEASE A DRAFT MISSION STATEMENT AND PROGRAM. IN FEBRUARY, A FINAL LAND USE PLAN FOR THE SITE WILL BE SELECTED AND SOON THEREAFTER, AN INTERNATIONAL DESIGN COMPETITION FOR THE MEMORIAL WILL BE LAUNCHED. MEANWHILE, THE LMDC WILL DEVELOP SPENDING PRIORITIES FOR THE REMAINDER OF 2.8 BILLION DOLLARS THE PRESIDENT AND CONGRESS APPROPRIATED TO LMDC. THESE FUNDS WILL GO TOWARD REVITALIZING NOT ONLY THE WORLD TRADE CENTER SITE, BUT ALL OF LOWER MANHATTAN SOUTH OF HOUSTON STREET.

IN CLOSING, I WANT TO REFLECT FOR A MOMENT ON AN IMPORTANT MILESTONE IN THE REBUILDING EFFORT. TWO WEEKS AGO, THE FIRST CEREMONIAL SHOVEL WAS PLACED IN THE GROUND AT SEVEN WORLD TRADE CENTER. IN TRUTH, CONSTRUCTION ACTUALLY BEGAN LAST MAY, JUST EIGHT MONTHS AFTER THE ATTACK. 7 WORLD TRADE STAND WILL ALWAYS SYMBOLIZE WHAT CAN BE ACCOMPLISHED WHEN THE CITY, STATE, FEDERAL GOVERNMENT AND PRIVATE SECTOR JOIN FORCES IN DEFIANCE OF TERRORISM AND IN PURSUIT OF A NEW LOWER MANHATTAN. LARRY SILVERSTEIN SHOULD BE COMMENDED FOR HIS UNWAVERING DETERMINATION TO STAY DOWNTOWN. WITHIN DAYS OF THE ATTACK, LARRY AND MANY OTHERS VOWED TO RETURN AND REMAIN.

BUT STILL MORE PEOPLE AND COMPANIES MUST FOLLOW SUIT AND
COMMIT TO LOWER MANHATTAN – COMMIT TO OCCUPYING THE
COMMERICAL SPACE WE BUILD, TO LIVE IN THE HOUSING WE
CONSTRUCT, TO WORK AT THE JOBS WE CREATE...AND TO NEVER
SUCCUMB TO THE EVIL THAT WAS VISITED UPON US ON SEPTEMBER 11,
2001.

THANK YOU.