

**Remarks by Avi Schick**  
**Chairman, Lower Manhattan Development Corporation**  
**Crain's Business Breakfast Forum, October 11<sup>th</sup>, 2007**

I'm honored to talk with you today about the administration's vision for the future of Lower Manhattan and the LMDC's role in achieving that vision.

Lower Manhattan occupies a unique place in our history. It's where Washington gave his first inaugural address, where the U.S. Congress first met, where Alexander Hamilton founded the Bank of New York - the nation's first bank - and where, Hamilton, Jefferson and Madison worked and lived. As the writer Russell Shorto has observed, acre for acre, the triangle of real estate that gave birth to our great city and nation is perhaps the most historic real estate in the country.

Over almost two centuries, Lower Manhattan evolved into a business and commercial district. But by the time the World Trade Center towers were conceived, the area only had about 4000 residents. So for most people, redevelopment of Lower Manhattan is synonymous with the 16 acres of the World Trade Center site and not much else.

While the World Trade Center is certainly at the heart of Lower Manhattan, today I want to share a broader vision for Lower Manhattan that extends beyond Ground Zero. We are committed to rebuilding a Lower Manhattan that has world-class office towers, but one that also has a rich and diverse housing stock, acres of open space, and premier cultural amenities.

So far this year our primary focus has been on the rebuilding at Ground Zero. And we've made substantial progress.

In February, the Governor green-lighted the Freedom Tower, and today the steel beams are emerging from the ground, making their way toward the sky.

In May, the Governor settled the long-running insurance dispute and freed up \$2 billion for Ground Zero rebuilding.

In June, the Governor announced JP Morgan Chase's commitment to move its investment banking headquarters and 7500 employees Downtown. Along with Goldman Sachs, Merrill and JP Morgan Chase, this will ensure Lower Manhattan's continued dominance as the world's financial capital.

And over the summer, the LMDC settled the dispute over the Survivors' Staircase by forging a compromise supported by survivors, preservationists, and developers. The LMDC has transformed the staircase from a symbol of Ground Zero intractability to an artifact of our shared experience, and a testament to the possibility of harmonizing respectful memory with renewal and progress.

In short, during the first eight months of this year, we brought certainty to Ground Zero – to its planning, to its funding, and to its occupancy. We have replaced political impasses with partnerships, progress and results.

Of course, that progress was tempered by tragedy in mid-August after a fire at the Deutsche Bank building claimed the lives of two of New York's

bravest. We are working with the City to ensure that the conditions that led to blaze, that exacerbated it, and that contributed to the difficulty of fighting it are completely eradicated.

We are also working closely with city, state and federal regulators to ensure that when the deconstruction of the building resumes it protects the public from any possible environmental harm and ensures the safety of first responders who must rush into the building in the event of an emergency.

This year, before the tragic fire, we had already demolished a third of the building. Today I want to reiterate my commitment to finishing that job. We will bring that building down. We will do it safely. We will do it carefully.

We will do it expeditiously. But we will remove this last ugly vestige and reminder of September 11<sup>th</sup>.

Now that the planning for the World Trade Center site is largely complete, and construction is underway, some wonder whether our work downtown is finished. But to paraphrase Winston Churchill, this is not the end. It is not even the beginning of the end. It is the end of the beginning.

The next chapter calls for the public and private sectors to partner in support of Lower Manhattan's growth and revitalization beyond the borders of Ground Zero, and to strike the appropriate balance between the commercial uses planned for the World Trade Center site and the need to develop Lower Manhattan as a viable, full-service New York community.

As the agency charged with overseeing the rebuilding after the terror attacks, the LMDC will now turn its attention to the enhancements necessary to create a thriving, vibrant Downtown. Its streets will still wake up to the footsteps of a growing workforce, but it will also beckon residents and visitors who want to watch a dance company, stroll along the waterfront, or shop along the beautified streetscape of a new Fulton Street.

With the recent surge in residential development, Lower Manhattan is close to being a true mixed-use neighborhood for the first time in more than a century. In the last few years, Lower Manhattan's apartment inventory has increased by over twenty percent and there is now a growing retail market that has followed those new residents. There are nearly two dozen hotel projects – some still on the drawing board, many under construction – that will bring more than 3,000 new hotel rooms downtown.

We are on the verge of a radically changed Lower Manhattan – the beginnings of a truly sustainable community. But for a community to work it needs commerce, good transportation links, open space, and arts and culture.

Lower Manhattan is soon to have an unparalleled convergence of public transportation options. The new PATH Station by Santiago Calatrava, the restored Fulton Street Transit Center, the Staten Island Ferry terminal, and the new South Ferry and Cortland Street subway stations will make Lower Manhattan the easiest place to travel to and from in New York.

Once finished, these improvements will entirely transform access to Lower Manhattan, connect the dozen subway lines that link Lower Manhattan to

the rest of the City, and provide seamless river-to-river access downtown. It will enable residents and visitors to take in the views of the East River at the South Street Seaport and then easily get to Battery Park City to compare them to those of the Hudson River.

To foster the growth of a successful residential, commercial, and cultural district we must also make Lower Manhattan less congested. One enormous challenge is the issue of how we deal with the overwhelming flow of commuter and tourist buses. This is already a substantial problem, with idling buses polluting our air and double parked buses clogging our streets. It will only get worse when the magnificent Memorial & Museum open to an estimated 5 million visitors a year.

I'm pleased to announce that to address this problem the LMDC and the MTA are working together to explore the conversion of the MTA garage on West Street from private passenger vehicle use to bus use. This conversion would provide parking for 175 buses, more than enough to support the increased bus traffic we expect in the near future.

In addition to solving the bus problem, the creation of the bus parking garage will also enable us to unlock 3 million square feet of residential development rights that will transform the Greenwich Street South corridor.

These development rights provide what could be the last opportunity in Lower Manhattan for a substantial affordable housing program. Working with our City and Federal partners, we will explore all options to bring life

to this moribund area and to increase the mixed-income housing stock in Lower Manhattan.

To build a great community we will also need major cultural institutions. I don't need to tell anyone in this room how much of a struggle there has been to bring performing arts to the World Trade Center site.

LMDC is committed to supporting the arts in Lower Manhattan - not just performing arts but visual arts as well. Our goal is to make Lower Manhattan more than a home for one particular arts institution. We see Lower Manhattan as an important arts district with a number of major institutions, both large and small.

We will build a great new theater to support the performing arts. And we will ensure that any performing arts center will contain an array of rehearsal spaces, smaller performance spaces and gallery space. We will do this in partnership with important cultural institutions even as we continue to support the arts through direct grants.

We must also fill Lower Manhattan with major public spaces that diversify the experience in an area traditionally known for its commercial towers. With the completion of Hudson River Park, and the enhancements LMDC is paying for in Battery Park and on the East River waterfront, we will transform the waterfront use of Lower Manhattan from industrial to recreational.

This is urban waterfront renewal on an unprecedented scale. It is also an accomplishment which has taken generations. We cannot stop now. We will continue to create the continuous esplanade around Battery Park through the Staten Island Ferry terminal, past the Battery Maritime Building and up the East River past the Brooklyn Bridge. All told, LMDC has committed a quarter billion dollars to improve these open spaces.

From studies of other waterfront developments, it is clear this will stimulate activity in the streets nearby. With the completion of a continuous esplanade we can expect that retail use will change as they have in other places in the city. We will begin to see more destination restaurants and first-class retail.

But we are not just focused on the waterfront. LMDC is funding new parks at Burling Slip, Peck Slip, along Fulton Street, in Chinatown, and supporting Mayor Bloomberg's program to plant more street trees.

Finally, among the great untapped resources in this City is Governor's Island. With acres of open space, unparalleled views of the harbor, the City's bridges, and the Statue of Liberty, Governor's Island has the potential to be the Central Park of Lower Manhattan.

People flock downtown every day to see the World Trade Center site and to work in the neighborhoods that surround it. Imagine how many more people will come downtown to visit, work, live and play when the site is rebuilt within a community enriched by art, culture, parks, a vibrant street life, and a network of public transportation unrivaled in this City.

So I want to conclude by asking each of you to join me in the commitment to create a community in Lower Manhattan that will be unrivaled anywhere in the world. Together, we can accomplish this by drawing from the story of Lower Manhattan's birth, from the same civic vision that inspired Hamilton, Jefferson and Madison.

New York was born on the tip of this island out of a spirit of ambition, creativity, and perseverance, and so too will Lower Manhattan be reborn. This is the mission of the LMDC and of this administration. I look forward to working together with our partners in the public and private sectors to achieve it.

###