November 2001

The Recast Scope of Public Possibility: Lessons from Times Square

Lynne B. Sagalyn
University of Pennsylvania, lsagyaln@pobox.upenn.edu

Follow this and additional works at: https://repository.upenn.edu/cplan_papers

https://repository.upenn.edu/cplan_papers/12

Based on material from Downtown Roulette: Remaking the City Icon, by Lynne B. Sagalyn (Cambridge: The MIT Press, 2001), 37 pages.

This paper is posted at ScholarlyCommons. https://repository.upenn.edu/cplan_papers/12
For more information, please contact repository@pobox.upenn.edu.
The Recast Scope of Public Possibility: Lessons from Times Square

Comments
Based on material from *Downtown Roulette: Remaking the City Icon*, by Lynne B. Sagalyn (Cambridge: The MIT Press, 2001), 37 pages.
THE RECAST SCOPE OF PUBLIC POSSIBILITY: LESSONS FROM TIMES SQUARE*

Lynne B. Sagalyn
Columbia University
Graduate School of Business

Paper prepared for the ACSP Conference
November 10, 2001

* Drawn from Lynne B. Sagalyn. *Times Square Roulette: Remaking the City Icon.*
The MIT Press, 2001
THE RECAST LANDSCAPE OF PUBLIC POSSIBILITY:
LESSONS FROM TIMES SQUARE*

Lynne B. Sagalyn

By the 1991, after more than a decade of sustained effort, the 42nd Street Development Project was well on its way to being labeled a "great planning disaster" as put forth by the British geographer and planner Peter Hall. Great, because at a projected sum of $2.5 billion, this was the nation's largest redevelopment effort, and an enormous amount of money had already been spent on an extensive pre-development work, litigation proceedings, and condemnation awards. Planning, because the 13-acre project involved processes of decision making affecting the physical environment. Disaster, because many people perceived that planning process to have gone seriously awry, particularly by the political benchmark established at the start by City Planning Commission chairman Herbert J. Sturz: "The biggest risk we perceived was that the project would fail," he said, "that it would be one more articulated plan that would go nowhere." To other observers, especially reporters, the "miscalculations in Times Square" evoked comparison with the failed massive-clearance model of urban renewal put forth aggressively by the federal government during the 1950s and 1960s and reinforced the lesson that "renewal needs more than bulldozers."2

Advance the clock: By millennium New Year's Eve 2000, which drew a crowd of revelers estimated at a dubious two million, the transformation throughout the 20-plus-block core of Times Square (Exhibit 1) district was visible, surprising, and worth understanding, regardless of whether one looked

favorably upon the reshaped landscape or considered it in terms of nostalgic loss. The new Times Square was now home to the most unlikely tenants: Morgan Stanley, a white-collar, blue-chip investment banking firm, and Condé Nast, a trendy, upscale publishing giant; soon they would welcome Reuters American Holdings, Inc., a conservative U.K. communications company, and Ernst & Young, Inc., a giant tax-and-audit firm. International media giants Bertelsmann, A.G. and Viacom headquartered there as well. West 42nd Street was morphing into a ribbon of popular-entertainment venues capitalized by the biggest corporate names in businesses: Disney, Warner Brothers, Sony, AMC, Madame Tussaud’s, SFX Entertainment. MTV Networks and ABC “Good Morning America” were broadcasting live a few blocks away from sidewalk-fronting television studios. The sidewalks commonly overflowed to the point of pedestrian gridlock—investment bankers, lawyers, accountants, and media types angling to get somewhere in a hurry, mixed together with camera-totting tourists and teenage tourist-truants looking about and lolling around more casually. Real estate values had skyrocketed. Economic pressures had ignited changes in land use on seedy Eighth Avenue and in the aged Garment Center. The street Rolling Stone magazine in 1981 called the “sleaziest block in America” was now a family entertainment venue. The “magical” transformation of West 42nd Street had even become a model for other cities. City and state officials’ hopes at the start of the 42nd Street Development Project (42DP) in 1980 were high, but these results were improbable. It was time to revise one’s mental map of Times Square.

How did this all happen? How is it that a high-profile development project well on its way to being labeled a “great planning disaster” turned into an internationally recognized symbol of urban redemption? How did the icon of sleaze and pornography transmute back into the icon of popular entertainment and glitzy commercialism? What is it about the character of the transformation of place that derivatively wiped away New York’s image as a “big, bad city” and, in the process, put a shine on city life in general?

The story is long, complicated, and, in several respects, counterintuitive. Played out over two decades, the policy-driven transformation of West 42nd Street became a dual test of political power and
market imperatives. Left solely to its own dynamic, the market could not have effectuated physical and social change on such a large scale, within a time frame deemed acceptable by most mayors, especially New York’s Edward I. Koch. The transformation had to be invented, and even the first invention failed before the planners moved away from their initial over-ambitious program for commercial development—even unpopular and tortured for ten years. Lawsuits, long delays, and market reversals defined the 42DP’s every key episode. Yet the high-profile public controversies significantly shaped the rescripting process and gave the new vision for West 42nd Street much of its acclaimed character. From a policy perspective, the rescripted plan, known as 42nd Street Now!, marked an unusual inversion of intended influence: The broader renewal of Times Square was supposed to spark from the catalytic 42DP, instead, it led the way to the new 42nd Street. What one sees in Times Square today is the result of successful public intervention, testimony that runs counter to the prevailing notion that cities do not have the capacity to effect large-scale change.

The Gamble

The transformation of Times Square poses questions of planning and policy broader in import than the domain of New York. Is it possible for cities to reshape what the market is likely to deliver in an area? What set of policy tools is best-suited to large-scale development ambitions? Is the ambition of large-scale development even a plausible political objective in the post-federal urban-renewal policy environment, especially when aggressive actions like condemnation are deemed a necessary part of the strategy. In New York, for example, where city officials and redevelopment specialists operate under the ever-present shadow of Robert Moses, New York’s legendary master builder, and the haunting legacy of failure of the Westway highway project, large-scale ambitions have been handicapped from the start. “Public Projects: Are They Viable In The City Anymore?” asked the seasoned New York Times reporter Martin Gottlieb in 1985. “Can a city that often has trouble running its subways smoothly or keeping its streets clean perform
important public services adequately? Can a city whose sense of identity is enhanced by such hallmark public projects as the Brooklyn Bridge, Central Park and the Gothic-style campus of City College still build functionally, elegantly and with civic purpose?" The presumptive answer was no. Confidence in government performance in New York and elsewhere had been falling for years and had not yet hit its nadir.

As a class, large-scale public projects have been considered an endangered species for a number of compelling reasons. They often demand the use of condemnation powers, yet since the passing of the federal urban-renewal program—"synonymous in the popular mind with bulldozers and heartless displacement of the poor and the powerless"—its characteristic heavy-handed tactic of wholesale clearance has been a political taboo. "Its enduring lessons were negative," wrote urban historian Jon C. Teaford in a recent review of the program and its aftermath. "It taught America what not to do in the future." Large-scale projects are also often prohibitively expensive without federal funds. And they are guaranteed targets of intense and continuous litigation by which opponents can kill a project without ever winning a lawsuit. The scale of their ambitions typically aims to wipe away the investment negatives of an urban environment—age, dilapidation, disorder, social problems—yet context and the need to conform with the urban physical context had become the new orthodoxy of post-modern architecture: buildings should fit into the existing environment, not clash with it. Again, the federal urban-renewal benchmark is relevant. "For most urban renewal planners," said Teaford, "there was no reason to conform to the urban context. That context was the very thing they were trying to destroy." Because they take so long to execute, large-scale public projects typically suffer what one city official called the "disease of bureaucracy," getting passed around and around from staff person to staff person "with none of them having more than limited concern for its overall well-being" and no institutional knowledge to inform their efforts. In short, embarking on large-scale long-term complicated development projects is a gamble—potential political suicide for mayors or governors with a "normal" time horizon for tenure in office. Such ambition does not
fit with the conventional notion that "Mayors, especially, want quick results and viable successes." The

In New York and elsewhere across the nation, problems of project implementation during the 1960s and 1970s bequeathed a general lack of faith in the capacity of government to influence change, which led many a mayor to focus on small-scale discrete projects like downtown shopping malls. The success of the 42DP upset all the reasonably pessimistic explanations for why the pursuit of large-scale development was an improbable goal for a city's highest elected official at the same time that it confirmed the high selectivity of the effort. Cities are continually shaped by large-scale gestures, in no small part because politicians continue to pursue ambitions of growth, progress, and economic development through physical change. Also, business interests who often seek large-scale solutions are a powerful constituency. In other words, despite their well-known risks, large-scale projects have remained politically alluring. In the very different political cultures of Los Angeles, San Francisco, Chicago, and New York, big-city mayors coped with the controversy and battle of getting ambitious large-scale public developments built.

The desire to control development directly and thus shape the broad canvas of city growth was central to the public-development strategy as executed in big cities throughout the nation. To do so, cities typically needed to act ahead of market demand, which they did by absorbing the front-end risks of market-shaping development; an institutional mechanism, deal making, which provided for expanded governmental influence over the development process; and a means of fiscal independence from the annual budget appropriations process to empower long-term decision making over development, which in practical terms meant a politically viable plan for self-sufficient project financing and revenue generation from privately owned commercial uses on the site. In an era when most big cities operated with dwindling sources of federal aid and constant fiscal pressures to maintain existing levels of municipal services, public spending for large-scale development projects also demanded a form of government intervention that could capture enough of the appreciation in land values to finance the needed up-front public investment, or else other means around this most essential precondition for action. Regulatory policies requiring subway
improvements or public amenities could generate the public benefits—when developers initiated projects and, most successfully, in strong real estate markets. Yet the sums needed to redirect the pattern of development in ways envisioned by cities generally exceeded the financial capability of any single-building development, even a large one.

From its beginning in 1980, New York’s cleanup strategy for West 42nd Street grabbed center stage as a high-profile public initiative. As policy intervention, public redevelopment represented the only strategy not yet tried by the city in what had become a frustratingly long-term effort that failed to amount to anything more than an “exercise in redundant futility.”11 (See Appendix for a list of cleanup policy actions.) Aggressively pushed forward by both the major and the governor, it reflected in both real and symbolic terms the city’s agenda—and constant efforts—to rebuild itself, economically as well as physically, and stem the continuous flight of its middle class to the suburbs. By the end of the decade, the effort had reached a stalemate, bogged down by litigation and entrapped in the cyclic character of a real estate downturn. The question of whether it was possible to execute a project as large and with as many components as the 42DP (Exhibit 2)—simultaneously—seemed to have been answered in the negative. By the mid-1990s, economic and social forces had recast the long-running pessimistic prognosis for the 42DP: Opportunity born out of excessive office overbuilding coincident with a shift in tastes favorable to cities fused with a new entertainment-oriented vision for West 42nd Street and turned this second plan into reality. As the use activity on the street shifted dramatically from drug dealing, prostitution, and pornography to legitimate theater, family entertainment, tourism, and office employment, ironies of change defined the transformation—in symbolic as well as physical terms.

From a planning perspective, several big-picture questions are present: How can the unique history of a place be capitalized upon to make distinct places? What are the associations that give identity to a place and bind people to its legacy, its memories, even in the midst of decay? To phrase it another way, to what extent can city planning rewrite a place’s legacy? The answer firmly embedded in the Times Square
saga—not a lot and only at great political cost.

Three sets of economic interests were actively battling for this prized—and from a real estate perspective, underdeveloped—turf in the heart of Manhattan (Exhibit 3): the sex industry which sought to retain its position of location centrality (Exhibit 4); the performing-arts industry, which sought to preserve its Broadway brand; and the real estate industry, which sought assistance in clearing the investment bottleneck that held in check westward expansion of the central business district. (The street’s economic fundamentals had been strong enough by the 1920s to put in play real estate pressures that ultimately might have reshaped the area, if not for three unpredictable intervening events: Prohibition, the Great Depression, and World War II.) A cast of community groups and civic interests also held strong opinions of what a cleanup should amount to. Some interests wanted to clean out and clear out the “garbage;” others, to do something directly about the area’s social problems; and still others, to reconstruct the “verve” and “raciness” of the legendary place.

The bricks-and-mortar strategy adopted by the city and state did not aim to deal directly with the social disorder and dysfunction that prevailed on West 42nd Street; rather, it would clear out the “bad” uses by substituting “good” uses. In terms of the deal making, this meant granting most-favored status to development of four extraordinarily high-density office towers. In Times Square, such a singular use focus was untenable and, therefore, unsustainable, politically. Years of tortured execution finally gave way under the weight of a dramatic city-wide market collapse. The strong and clear lesson on programming from that experience is that planners cannot make plans, big or small, that explicitly or implicitly destroy what is special about a place, then hope to steam roll through their implementation as did Robert Moses. This, more than wholesale clearance per se, is the real lesson of four decades of experience with urban renewal.

When long-term large-scale projects get carried over one or more real estate cycles and multiple political administrations, what holds a project together? What keeps an often diverse and fragile coalition
from fragmenting? Implementation is not static. It takes alliances, and these alliances often shift; at times, even die-hard opponents sign on to back the effort. How do public servants bridge the gap between big vision and slow progress? How do they maintain the momentum of a project when nothing is happening? How can they avoid (or finesse) failure that comes, not from a single, massive blow of a show of opposition, but from what Gerald D. Suttles describes as the slow destruction of the political and economic conditions that gave rise to the initiative?\(^{12}\) How do public officials minimize political exposure when thinking big requires taking equally big risks? How can the public sector use public power to command resources not of its own to take unprecedented risk? What, in other words, can private developers do that the public sector would otherwise have to take on? These are all tactical questions that critically shape the management of large-scale projects. How skillfully—or not—public officials managed the politics of the process would emerge as one of the most striking lessons of the 42DP experience. Visions depend upon people, and in executing a vision, often the planner’s role is to form the public interest, develop a consensus and persuade people.\(^{13}\) Specific individuals, as “leaders,” can make things happen apart from market and political forces and institutional context, especially when opportunity presents itself.

Politics matters—not just in formulating policy but in shaping implementation. Since the publication of Paul E. Peterson’s award-winning City Politics in which he put forth the policy-formulates-politics argument, a debate has ensued about the role of conflict in urban politics. Given the difficulties, conflicts, and escalating costs expected in executing public projects, however, “governing officials may shape policies to facilitate the political task—that is, they may adopt politics that contribute to both building and maintaining coalitions and to managing conflict.”\(^{14}\) Times Square Roulette falls solidly in the alternative politics-shapes-policy camp articulated by Clarence H. Stone and Heywood T. Sanders. Using the 42DP as a case study, it first argues that the political imperatives facing the administration of Mayor Koch post-fiscal crisis and the politics of historic preservation as played out in Times Square directly shaped the policy strategy for this high-profile project in two commanding ways: first, by making firm a
financial ground rule that the city would take no risk for escalating costs for land acquisition and second, by eliciting guarantees from public officials that the 42nd Street theaters would be protected from the bulldozer slated to clear nearly the rest of the block. The full story in the book further argues that the politically treacherous task of implementing the first corporate-oriented vision begat a level of contention and conflict so deep and threatening as to cause a rare reversal of the planning program—all but for the economic dependence on the four high-density office towers, the project’s financial generator.

The pieces of Peterson’s theory—development policy has a consensual quality, group conflict is minimal, support is broad and continuous, and there is no need for bargaining over value trade-offs or mutual adjustments because development is in the unitary interest of the whole community—define away conflict. The case of Times Square proves otherwise. While support for 42DP plan was broad, it would be hard to conclude that it was continuous. Likewise, support did not grow over time as the “benefits” became clearer. Rather than dissolving “conflicts in a sea of collective economic well-being,” the move to implementation seemed “to heighten controversy and to compound problems.” By explaining how conflict and controversy shaped the task of implementation, the story of Times Square’s transformation contributes to the theoretical dialogue on the politics of urban development. At the same time, it addresses the question, how do public officials get big plans implemented in a political context?

As a case study, the Times Square story offers lessons on several aspects of the political economy of urban development: on how a city is forced to take risks—both financial and political—to foster large-scale physical redevelopment; on how divergent forces of opposition to a high-profile project—litigation and civic activism—re-scripted a flawed plan; on how a city’s cleverly constructed—but untried and unconventional—effort to shift the financial risk of redevelopment to the private sector succeeded but not before turning back on itself, exacerbating the political risks of what many perceived to be a discredited policy of large-scale condemnation; on how the very complexity of the off-budget financing resulted in a house of cards which in the end made for impossible accountability, inflexibility in dealing with a changing
market, unreasonable private risks that would only be carried out by naive institutional investors with deep pockets, and most probably higher costs than piecemeal development.

Though the initial plan was conventional in its vision of urban renewal, the 42DP was an atypical redevelopment project. Not for its size, though it was the nation’s largest urban project. Not for its cleanup focus, nor its programmatic content (corporate financial services, theater preservation, infrastructure improvement), for these were conventional elements of urban-redevelopment strategies. Rather, its status as an atypical project derived from the defining spatial centrality of West 42nd Street and Times Square—as a vital transportation node in the heart of midtown Manhattan (Exhibit 5), as the ever-pulsating entertainment center of the city, as a built-up district dense with First-Amendment protected uses, as the place of civic celebrations—and derivative of the past and present legacy, its role as the symbolic soul of the city. It has been an enduring icon of city life.

The iconic value of the place represented an idealized holdover from the boogie-woogie 1930s-1950s days pre-pornography, before the images so vividly captured in the movie Midnight Cowboy came to define the reality of the street in the 1960s and 1970s. The image, however, was out of sync with the reality of the place, and remained ahead of the reality of change until the late-1990s. The degraded social environment placed the district outside the mainstream of market-driven economic development. Always seemingly prime real estate, the Deuce—argot for the infamous block of West 42nd Street between Seventh and Eighth Avenues—had long been a physical and psychological bottleneck constraining the westward expansion of midtown business activity. New zoning incentives put in place at about the same time as the 42DP altered the market dynamic of the area’s quiescent commercial potential (Exhibit 6). The range of social, civic and economic interests challenged by the public sector’s proposed changes for West 42nd Street immediately triggered nearly every hot button of public controversy in America: free speech, property taking through eminent domain, development density, tax subsidy, historic preservation.

Throughout the twenty-year development period, symbolism was used by all of the drama’s players
to shape the debate and promote alternative visions of what the new 42nd Street should be. For the
project's promoters, it served as a rationale for advancing a large-scale development strategy predicated on
condemnation, a cleanup designed to return the street to its former legendary glory. Promising that the
midblock historic theaters would be preserved, city officials used symbolism as political leverage to build a
coalition of support among preservationists, culturally minded civic groups, and performing artists.
Developers too, fearing a presaged return to the days of porn, evoked symbolic as well as real images of the
past as an argument against allowing movies on the street. The argument against demolition of the
architecturally defaced former Times Tower rested solely on symbolism: It was revered not as architecture,
but as an irreplaceable icon of the place, of New York. Civic groups in pushing forth their agenda for
strong urban-design controls in Times Square vociferously argued in terms calculated to evoke symbolic
meaning: Don't let corporate culture dull and dim the Great White Way. And finally, the project's planners
evoked the razzle-dazzle visual images of the Great White Way to promote 42nd Street Now!

What was the public good represented by the project—clearing a moral eyesore, accelerating
development in a key transit location, preserving cultural institutions, improving infrastructure, helping to
develop the cultural/services economy, recasting the civic psyche? Could these goals have been
accomplished by targeting public efforts more cheaply? What were the alternatives—wait until land values
drifting low enough at some indefinite time in the future for the market to effect piecemeal change? How
critical was the public effort toward attracting Disney and other entertainment giants such as Madame
Tussaud's? Where did the porn go? What are the spillover effects of such large-scale change?

The symbolism embedded in the transformation goes beyond the immediate context of New York.
If festival marketplaces such as Boston's Faneuil Hall were "half-way house[s] for people from the car
culture who are trying to learn to love cities again," then successfully reestablishing pornographic-ridden
Times Square as an entertainment center for the middle class twenty years later signifies the full-scale re-
emergence of cities as places of public entertainment—going out, seeing others and being seen by others,
experiencing night life, courting a little danger and naughtiness. Times Square is not “a theatrical presentation of street life.” It is New York’s re-incarnated center of popular entertainment—unvarnished, unabashedly commercial, and branded with corporate capital.

Entertainment—legitimate or sub rosa, cultured or streetwise, elite or popular—has long been one of the defining characteristics of cities. For many, cities in themselves are entertainment. Behind the re-scripted vision of West 42nd Street, city and state officials staked a big gamble on the middle class—if Times Square could be made safe and, once again, attractive to the middle class, metropolitan residents from the city’s other boroughs, New Jersey, and Connecticut as well as tourists from around the nation and the world—then New York could reposition itself to benefit from its singular competitive advantage: agglomerations of pleasure-seeking activity. It was a big gamble the city could not afford not to take. It could become, once again, a metaphor for the allure of city life.

Revisionist Lessons

The new Times Square represents a “made dynamic” fashioned by a set of public policies and market opportunities. It is not an accident, though pieces of its planning vision and execution are the consequence of conflict and controversy; it is an invention. The process was grinding, created as it was out of a highly politicized context that would have been anathema to the man who defined the definitive command-and-control style of public development.

Characterized as The Power Broker by his biographer, Robert A. Caro, Robert Moses would have judged the institutional coalition of city and state entities needed to push forward the 42DP as well as other large-scale projects in New York too diffuse a power base from which to operate because it precludes the type of unilateral decision making he exercised continuously through personalized and consolidated control of the city’s urban renewal and building-related authorities. Most likely the deal making would have been familiar, though. Having consolidated power—at the height of his powers, he occupied 12 appointed
positions simultaneously—Moses did not need to be patiently persevering, as do today's renewal officials. Nor did he need to compromise. The public authorities he controlled could access the weighty financial resources required, beyond the riches he was able to get from Washington, to push through his aggressive building agendas.

Today, as so evident in the case of the 42DP, public-development officials operate in a far more constrained environment—politically fragmented and financially dependent upon scarce local resources. The region's public authorities are no longer as autonomous as they were during the decades following Moses' handiwork in crafting that quasi-public institution, which operates in an important niche between the purely political and the professional worlds of urban development, as a previously invulnerable power base. And, in the new world of urban-development politics, the traditional build-and-grow coalition of government and business can no longer control the process. Too many interest groups exist, and they are able to gain power and voice, however temporary, by exercising procedural rights of review and leveraging the political system. Through freedom-of-information law (FOIL) requests, they can also access certain types of information that Moses would have kept secret. As a consequence, the ability to build—and sustain—multi-faceted coalitions across demanding political circumstances has become a prerequisite condition for pursuing ambitious urban projects.

If the multibillion transformation of Times Square offers compelling testimony that it is still possible to think big and execute ambitious city-building agendas, the turbulent experience of rebuilding leaves in its wake revisionist lessons about the politics of urban development. First, it has recalibrated the scope of public possibility by reaffirming what was a less-than-certain planning notion—that it is possible for cities to reshape what the market is likely to deliver. It does so, however, only by adding substantive heft to Jane Jacobs' enduring and influential argument that you cannot remake a neighborhood at the expense of bulldozing what makes a place distinctive in the minds and memories of its residents and frequenters. Jacobs maintained that big schemes for clearance and renewal could never work; only small-
scale interventions and private investments could deliver the type of renewal that brought with it urban vitality. Respect for the cityscape—its physical context of place, its street pattern, its older structures, and its inherent human qualities—was at the core of her orthodoxy, and it profoundly shaped the planning profession during the late twentieth century. Though it violated most of the premises of this new orthodoxy save for preserving the 42nd Street theaters, the tortured process of rebuilding West 42nd Street vividly demonstrates that if renewal calls for a significant amount of bulldozing, the public’s plans must provide for a rebuilding that is consistent with the symbolic legacy of the past (Exhibit 7, note the Urban Design Regulatory District). Not to do so is to invite more than the inevitable amount of opposition and controversy signaling the potential for failure, as both a planning initiative and a political program. Selectively chosen and skillfully executed large-scale projects might not be preternaturally doomed to failure. However, to view the cityscape, once again as did Moses, as “fluid, ever alterable, something for him to mold into an efficiently integrated whole,”¹⁷ would be to misread this message of renewal.

Second, the means by which project officials maneuvered around fiscal constraints, both budgetary and political, has revealed a latent ability on the part of the city to use public power to command resources not of its own. This hidden fiscal muscle is the core of the public-private alliance that has defined the post-fiscal-crisis era of city building in New York, the third and last of the century (the first being the largely unfettered, laissez-faire building curtailed by the 1916 zoning law and halted by the stock-market crash of 1919; the second, the fifty years of Robert Moses ended by his retirement and buried deep by the 1974-75 fiscal crisis.¹⁸) Tax abatements and incentive zoning had been its primary lubricants, until density financing reached new heights with 42DP. Privatizing the cost of land acquisition meant forfeiting public control over certain aspects of the project, something Moses would most certainly would have resented, and mortgaging almost in perpetuity half the revenues of the project’s biggest fiscal engine, which otherwise would have flowed into city coffers. Yet in an era of renewal definitely marked by a dearth of federal dollars for cities, it proved to be an amazingly resilient strategy for “getting things done,” a goal Moses
most surely would have endorsed. The private sector—that is, Prudential Life Insurance Company of America—delivered on its open-ended promise to advance the vast funds necessary to push the condemnation forward at a time of great skepticism, though it did not deliver on the other promised and promoted benefit of funds for a renovated Times Square subway station. A drastically changed climate for development made the mayor and his officials unwilling to enforce the terms of the city’s deal for this key public benefit because the politics of pushing for the economically impossible or, alternatively, relying on the extreme remedy of a default posed too risky a scenario. In the end, the private sector was able to do what the city could not, but the public sector could not maneuver completely around the necessity to take on risk itself if it was to achieve its ambitions for rebuilding West 42nd Street. In later rounds of the process, it did not even try.

For more than three decades beginning with Fiorello H. LaGuardia’s eight-year mayoralty and stretching across the much long tenure of Robert Moses, the physical rebuilding of New York—its parks, recreation areas, highways and bridges, public housing and urban-renewal projects—depended upon the largess of Washington. It was a product of the political moment, both of the New Deal and later, of the federal government’s commitment to slum clearance and urban renewal. LaGuardia, one scholar wrote, “managed to make his city into the New Deal’s favorite laboratory for urban and social initiatives.” However much he may have agreed with the goals of comprehensive reform that defined his Fusion Party, when it came to accessing money from Washington, LaGuardia acted on the pragmatic basis that “piecemeal was better than no meal at all,” and in his quest for concrete achievement, steered his commissioners “toward what was reasonable and could be sold to Washington.” Washington’s agenda setting continued to be an especially powerful force for fiscally pressed cities throughout the 1960s and 1970s. Less so in the 1980s. Not at all in the 1990s.

As only one, albeit significant, project in the twentieth-century physical history of New York, the rebuilding of Times Square and West 42nd Street has set a course apart from that long-established model,
as did the co-contemporaneous public development of Battery Park City and MetroTech Center. These projects, as well as several other large-scale public-private efforts initiated by local governments across the nation in the last two decades of the twentieth century, have been realized without any, or in the case of the UDAG era, very few direct resources from Washington. In the realm of place-making urban policy, the federal government has all but ceased to exist as a player. Its role had steadily declined throughout the 1980s, along with the portion of city revenues derived from the federal government; cities ceased looking toward Washington when it came to making their plans. By the 1990s, except for a small program targeted on empowerment zones, the former agenda-setting, rule-making power that reigned from afar for so long had all but disappeared from the local orbit of policy making for city building.

"The impact of the federal urban-renewal program, however, was never as great as some observers assumed, and its physical legacy was limited," wrote urban historian Jon C. Teaford. While others, including myself, would question his assessment of minimal physical impact, his overall conclusion on the program's policy image and his insights about its critics are sharply to the point. The program fell short of its supporters' high expectations, despite some successes, while the "hated bulldozer tarnished Uncle Sam's image as a benevolent big brother" and discouraged local officials from fashioning like-type clearance programs. It became "a good 'bad example' that observers with a variety of gripes could cite to support their arguments....Its supposed failure served the interests of a number of malcontents dissatisfied with the status quo." Most significantly, Teaford argued, it was an experiment that became a lesson in what not to do: "its record influenced later federal revitalization programs that granted local authorities greater flexibility and emphasized rehabilitation and the urban context."

If the political and social disasters of Washington's well-intentioned but cumbersome and bureaucratic ways did away with one model of action, another—the public-private partnership—quickly moved into the vacated space. No time to develop new theories of action or city planning. No time to set too many new policy protocols. The age of cities as entrepreneurs came into being with the boom real
estate market of the 1980s. It was learn by doing. Those cities that could draw on public officials with a bent toward real estate or could hire sophisticated consulting talent moved quickest, took on the boldest initiatives. Others took lessons from a small, experienced cadre of UDAG program officers who educated city officials on how to bargain with developers, especially for a share of future financial returns. Deal making became the policy strategy of choice, a mark of a savvy city. As deals got more complex and the emphasis on product (versus process) took over, serious questions of policy—levels and amounts of subsidy, slippery sense or absence of accountability—arose in the writings of academic experts. The flexibility and adaptability of the public-private partnership model to local circumstances, economic and political, proved impressive, though; and it was hard to ignore its get-it-done effectiveness—as was the case with the 42DP.

When Koch rejected *The City at 42nd Street* (the trigger event in 1980 for the city’ initiative on West 42nd Street) the move sent a signal to the business community that times were changing. The private coalition backing this first vision might have believed that it would get its way by presenting carefully prepared plans backed by technical reports and strong corporate interest and developer commitments. Such progrowth coalitions were characteristic of rebuilding efforts in cities around the nation. "The business elite of the city met privately, agreed upon more or less comprehensive plans for the redevelopment of the central city, and presented the plans to the press, the politicians and the public as their contribution to the civic welfare."21 Koch wanted a public process, though having made the political decision to preserve the 42nd Street theaters, he most likely did not anticipate the level of influence—through conflict—the civics and preservationists would eventually have in rescripting the program for the 42DP. This is the third big lesson of renewal, one that has revealed a more complex picture of urban-development politics than that which underlies the prevailing progrowth-coalition theory, which argues that a solid alliance of business and government governs decision making for redevelopment. A long line of writings by political scientists, first advanced by Robert A. Dahl’s pioneering study of pluralism and the role of elites in New Haven in the
1950s, *Who Governs*, and later by John Mollenkopf and Harvey L. Molotch among others, draw on
descriptions of urban power structures from that era of urban renewal dominated by federal agenda-setting
dollars, whereas the reality of urban-development politics today differs, in part because the resources to be
allocated are local. Later studies defining the role of interest-group politics and community-group
processes have updated these theories and, in the particular case of New York help explain the contentious
and tortuous nature of implementing the plan for the 42DP; Norman I. Fainstein and Susan S. Fainstein’s
work is one such example. But it is the elevated status of a particular small but vocal interest, the aesthetic
opposition—mobilized and managed by organizations such as the MAS—that stands out as an emergent
piece of the coalition essential to the politics of large-scale public interventions today—not just in New
York and the case of the 42DP, which Alexander J. Reichl discusses, but in other cities like Chicago, San
Francisco, and Boston where preservationists have been more frequently winning “tempestuous triumphs.”

Fourth, the excruciating process of executing the 42DP has attested to how democratic
accountability, as a standard for large urban projects, is comprised of multiple meanings. Community
participatory planning and public review emerged in the 1970s as an integral part of the planning process
after the collapse of top-down planning and command-and-control as a strategy for urban renewal. These
new procedural elements, however, have proved to be insufficient for the type of financially complex
public-private development projects that now characterize city-financed renewal efforts. They do not
provide for the type of information elected officials need to make informed decisions about large-scale
projects in which the public sector puts itself at risk, directly or indirectly, or for informed open discussion
and debate with citizens at large about a project’s costs and benefits. Without clear policy protocols,
technical obfuscation too easily becomes a political asset for city officials, notwithstanding explicit and
pressing questions of accountability raised—usually to no avail—by varied interests who oppose a project.
If deal making is to progress as an effective and politically sustainable strategy in the tool kit of
development officials and city planners, the protocols for democratic accountability need to be further
refined.

Large-scale projects require enormous political capital and an equal amount of persistence. Persistence is needed to surmount the inevitable opposition from varied interest groups, the certain litigation and the procedural demands for public reviews absent during the Moses era of big public-works projects. The Times Square saga has made visible to the public at large what development officials in the post-Moses era have taken as a given: Successful execution a large-scale public-development project means finessing the inherent political gamble of possible failure—over time, usually a decade or two. It requires not just political compromise to assure approval of action, but adaptive accommodation to setbacks and changed circumstances, both economic and political, in order to navigate around the shoals of potential failure. Most significantly, successfully navigating an environment of constraints, ultimately, may pivot on the role of specific individuals as leaders who make things happen apart from market and political forces and institutional context.

"The strength of the old power brokers was largely derived from the institutions they headed," remarked journalist Sam Roberts. "Personality, self promotion, visibility, intelligence and an ability to conceive new ideas and promote them counted too, of course, but they weren't mandatory. Since rank no longer guarantees power, these other attributes have taken on new significance."22 Roberts was explaining the shifts brought about by the new processes of participatory democracy and the accompanying constraints on public officials’ exercise of authority which had elevated process into power and changed the cast of players. Except for the mayor and governor, the interests of the city’s former "urban development repertory company: the Rockefeller family, Robert Moses, labor’s Harry Van Arsdale, Tammany’s Carmine DeSapiio and Francis Cardinal Spellman, if a Catholic school or hospital happened to stand in the way, or if anyone had the temerity to plan a new store that would open on Sundays," were notably missing from the lineup of the "new power elite" behind the 42DP.

Not having the ability to broker power from a commanding position of influence as did Moses,
public-development officials like Carl B. Weisbrod and Rebecca Robertson (consecutively, presidents of the 42nd Street Development, Inc., the state-level project entity, from 1987 to 1989, 1990 to 1997) typically must operate behind a shield of political power. They can overcome a lack of direct power as well as other limitations "when circumstances are propitious, and sometimes even when they are not..." 23 Using words that seem custom-tailored to the situation Robertson faced when she took over leadership of the 42DP and operative failure seemed imminent, the late Lloyd Rodwin further explained: "They often do so when they have made shrewd assessments of what might be done in a particular environment, or of the changes in opportunity and strategy which might be feasible as the environment changes, and they have managed to exploit the situation to the hilt and make things happen—often things which others did not think feasible." The source of innovation in salvaging the 42DP was not the content of the nostalgia-inspired entertainment- and tourist-oriented plan, but rather Robertson's strategy for mobilizing the necessary resources to make it appear that something real might happen when, in fact, the probability of events moving in the opposite direction seemed more likely. In skilfully using the media to keep the project alive and maintain support for her leadership, she seemed to have read the lesson book on public relations written by another of New York's legendary public-authority operatives, Austin Tobin of the Port Authority of New York and New Jersey. Even in an environment of fragmented power and constrained resources, personal motivation "to make a difference" in combination with the opportunity for event-making leadership can have a disproportionate impact on success by giving direction to a floundering project. It the case of the troubled 42DP, it became Robertson's individualized resource for bridging the gap between big vision and little progress. It also became a career-defining success, for which in 1996 she won the AIA's George S. Lewis Award, given annually to someone who helps make New York a better place in which to live and practice architecture. To succeed in the highly political world of public development, today's professionals need to be skilled in managing "soft" resources as well as plans—in other words, to function beyond the training of their core technical competencies.
These then are the elements that made the city’s large-scale ambitions for West 42nd Street a reality: the existence of vested stakeholders who could not readily walk away from the project or whose resources endowed them with staying power that could weigh in as powerfully as direct control; a pragmatism on the part of both private developers and public officials that provided for adaptative accommodation to changed circumstances; and an unwavering political commitment enhanced by an unusual continuity of leadership among the project’s executive officers over its 20-year history. The 42DP did not suffer the “disease of bureaucracy,” nor did it fatally collapse on the weight of continuous litigation (47 lawsuits). It survived because of the politics of persistence; the public sector’s willingness, however reluctantly, to take risks; Prudential’s deep-pocketed ability and willingness to live up to its commitment; and, in a situation of event-making opportunity, the leadership of specific individuals who did more than just hold a project together.

The forward-looking legacy of the project is just beginning to be unfold. If the success of the political gamble is clear, what the ambitions of the transformation have wrought in public benefits beyond the immediate physical changes evident on West 42nd Street (Exhibit 8) and Times Square are just beginning to emerge more clearly. The public costs, on the other hand, remain elusively hidden, though less so the deficiency of the city to deal with the social issues raised by the removal of the “bad uses” that had made West 42nd Street such a civic embarrassment. In a city that long took pride in its tradition of liberal welfare policy, this stands out as either an exception or one of a series of behaviors that marks the end of the broad liberal experiment in New York. Though this shift is part of a bigger set of forces and a story beyond this one, it cannot go unmentioned.

The new Times Square remains synonymous with the city itself, its commercialism, intense energy, urban insouciance, cultural and economic diversity. The five meanings that over time fashioned the symbolism of place of Times Square for New Yorkers and the world at large—Theater District, Turf of Promoters and Showmen, Great White Way, Testing Ground, Quintessential New York—are still in tack,
with some modifications and one exception. In place of the larger-than-life entrepreneurial impresarios—Hammerstein, Ziegfeld, Klaw and Erlanger, Thompson—the Turf of Promoters and Showmen is now home the world’s giant entertainment conglomerates—Disney, SFX Entertainment—who have brought a corporate approach to theater production at the same time that 42nd Street’s other theater marquees have been renamed—the Ford Center for the Performing Arts and the American Airlines Theater. If the commercial aesthetic has found new and highly expensive forms of expression once again relighting Times Square, the place has lost its edge as a social testing ground, for now. As is so evident in the hyperbole and the record-breaking numbers of tourists, Times Square continues to embody the quintessential city image for the nation at large. A number of broad economic and social forces were contributing to New York’s renewed position as the “Shrine of the Good Time” and its glow as a “spectacle of urban life,” at least up to the day of the World Trade Center calamity. As in past, Times Square takes up its historic role by serving as the symbolic metaphor. As an enduring stage for city life, the transformed Times Square presents itself as a work in perpetual progress.
NOTES


5. Ibid.


7. Ibid.


10. Deal making for urban development takes place in a planning context void of overarching theories or singularly dominant prescriptive approaches to building better cities. The grand theories and comprehensive plans have been forsaken by city officials who are focused on pragmatic and concrete results, within their tenure of office. Some in New York, Mayors Koch and Giuliani in particular, have been openly hostile to planners and grand plans, favoring the directness and control of entrepreneurial deal making from city hall. Whether to prime the pump of real estate development, foster economic development, or retain corporate jobs, policy is being made through deal making, and the scope and character of this type of policy making is embedded in the terms and conditions of the public's deals with private developers and private corporations. In other words, the details of a deal matter, a lot. Because every detail and possible contingency cannot be specified up-front, policy choices further evolve over the course of implementation in the political and financial trade-offs that each side must inevitably make along the way in reaching agreements or renegotiating deals. These too reveal themselves through detail. The fragmented and often attenuated process of decision making, the necessary and endless coordination of both city and state development officials responsible for the project and the fragile balance of execution—so
dependent upon the timely alignment of public leadership, political savvy and market feasibility—similarly explain themselves through the build up of story details. The details set context, explain the varying motivations of the cast of players, and add depth of understanding to the nuances of a complex and often shifting tableau of economic and political forces. In short, the story of Times Square's transformation depends upon understanding the colorful and contextual contours of detail.


15. Ibid., 179.


# APPENDIX

POLICY STRATEGIES AND PUBLIC ACTIONS TO IMPROVE CONDITIONS IN TIMES SQUARE 1937 — 1994

<table>
<thead>
<tr>
<th>Strategy/Action</th>
<th>Time Period/Administration</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. PASS LICENSING LAWS, ANTI-SLEAZE LEGISLATION, CURFEWS, HEALTH AND SAFETY REGULATIONS—LEGISLATE IT OUT</strong></td>
<td></td>
</tr>
<tr>
<td>Deny licenses to 14 existing burlesque houses in the city, none new to be issued</td>
<td>1937 LaGuardia</td>
</tr>
<tr>
<td>Pass zoning amendment barring open-door “nuisance” establishments such as penny arcades</td>
<td>1947 O'Dwyer</td>
</tr>
<tr>
<td>Pass antislave law in an attempt to make Times Square a “class” area again</td>
<td>1954 Wagner</td>
</tr>
<tr>
<td>Suspend license of one theater as part of License Commissioner’s clean up of “lurid” sidewalk and lobby displays</td>
<td>1962 Wagner</td>
</tr>
<tr>
<td>Eliminate licencing requirements that had limited massage parlors</td>
<td>1967 Lindsay</td>
</tr>
<tr>
<td>Institute licensing requirements for purported masseuse uses</td>
<td>1973 Lindsay</td>
</tr>
<tr>
<td>Enact antiloitering law (modeled after the British State Offenses Act of 1959); as enforced, subsequently declared unconstitutionally vague and overly broad</td>
<td>1975 Beame</td>
</tr>
<tr>
<td>Pass zoning amendment to sharply restrict the location of “adult physical cultural establishments” (massage parlors) in the area and amortize nonconforming uses within one year; remainder of the city blanketed with a one-year moratorium on new massage parlors</td>
<td>1975 Beame</td>
</tr>
<tr>
<td>Preparation of zoning amendment recommendations to reconcentrate and limit adult uses; legislation flounders, politically</td>
<td>1977 Beame</td>
</tr>
<tr>
<td>Pass nuisance-abatement law making it easier to close illegal sex businesses</td>
<td>1977 Beame</td>
</tr>
<tr>
<td>Study of antipoorn zoning amendment</td>
<td>1993 Dinkins</td>
</tr>
<tr>
<td>Pass anti-porn zoning amendment</td>
<td>1994 Giuliani</td>
</tr>
</tbody>
</table>

**2. ESTABLISH CITIZENS COMMITTEE TO STUDY PROBLEMS AND SUGGEST ACTION—POLITICAL MANAGEMENT**

| Moralistc suppression by private prevention societies welding public-like powers | Committee of 15 (1900), of 14 (1905) |
| Nightly closing of Bryant Park to the public | 1944 LaGuardia |
### APPENDIX

**POLICY STRATEGIES AND PUBLIC ACTIONS TO IMPROVE CONDITIONS IN TIMES SQUARE 1937 — 1994**

<table>
<thead>
<tr>
<th>Strategy/Action</th>
<th>Time Period/Administration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Political support of independent private groups (during the 1950s and 1960s, the Broadway Association and the Greater Times Square Association; beginning in 1992, the Times Square BID)</td>
<td></td>
</tr>
<tr>
<td>Times Square Development Council</td>
<td>1971 Lindsay</td>
</tr>
<tr>
<td>Midtown Citizens Committee</td>
<td>1975 Beame</td>
</tr>
<tr>
<td>Times Square Development Council</td>
<td>1971 Lindsay</td>
</tr>
<tr>
<td>Theater Advisory Council (TAC) (theater preservation)</td>
<td>1982 Koch</td>
</tr>
<tr>
<td>Times Square Advisory (“Bow-Tie”) Committee (urban design)</td>
<td>1984 Koch</td>
</tr>
<tr>
<td>Citizens Cultural Advisory Committee on the 42DP</td>
<td>1986 Koch</td>
</tr>
<tr>
<td>Task Force on the Regulation on Sex-Related Businesses</td>
<td>1993 Borough President Messinger</td>
</tr>
</tbody>
</table>

3. **CLOSE IT DOWN—LAW ENFORCEMENT**

<table>
<thead>
<tr>
<th>Strategy</th>
<th>Time Period/Administration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Institute campaign to cleanup louche bookstores and cinemas; seal up “the Hole,” the IRT entrance through the Rialto Arcade known as a pickup spot for teenagers</td>
<td>1961 Wagner</td>
</tr>
<tr>
<td>Crackdown on prostitution</td>
<td>1971 Lindsay</td>
</tr>
<tr>
<td>Crackdown on peepshows under the state’s Obscenity and Related Offenses Statute</td>
<td>1972 Lindsay</td>
</tr>
<tr>
<td>Create “super precincts” for midtown law enforcement; raids, closings of bookstores, mass arrests of prostitutes</td>
<td>1972 Lindsay</td>
</tr>
<tr>
<td>Create Office of Midtown Enforcement (OME), a special task force for code enforcement based on use of heavy fines, zoning law amendments, and Health Department ordinances aimed at closing down nonconforming establishments in order to return area’s real estate to “good commercial uses”</td>
<td>1976 Beame</td>
</tr>
<tr>
<td>Establish Operations Crossroads police substation</td>
<td>1978 Koch</td>
</tr>
<tr>
<td>Drive to eliminate juvenile prostitution from Times Square by Office of Midtown Enforcement (OME)</td>
<td>1985 Koch</td>
</tr>
</tbody>
</table>
APPENDIX

POLICY STRATEGIES AND PUBLIC ACTIONS
TO IMPROVE CONDITIONS IN TIMES SQUARE
1937 — 1994

<table>
<thead>
<tr>
<th>Strategy/Action</th>
<th>Time Period/Administration</th>
</tr>
</thead>
<tbody>
<tr>
<td>4. INITIATE PROJECTS TO REBUILD AREA/STIMULATE PRIVATE INVESTMENT—REDEVELOPMENT*</td>
<td></td>
</tr>
</tbody>
</table>
| Convention Center (Hudson River at 42nd Street) (Hudson River at 38th Street) | 1968 — Lindsay  
1978 — Koch |
| Portman hotel project/Broadway Plaza (pedestrian mall) | 1973 Lindsay  
1978 Koch |
| UDC headquarters moved to 1515 Broadway | 1979 Cuomo/Koch |
| 42nd Street Development Project (42DP) | 1980 Koch |
| Midtown Zoning Resolution | 1982 Koch |

5. REGULATE BUILDING OR CHARACTER—
PRESERVATION AND AESTHETICS

<table>
<thead>
<tr>
<th>Strategy</th>
<th>Time Period/Administration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Create Special Theater District</td>
<td>1969 Lindsay</td>
</tr>
<tr>
<td>Require special demolition permit for demolition of Broadway theater houses</td>
<td>1982 Koch</td>
</tr>
<tr>
<td>Pass design controls for the Bow-Tie District</td>
<td>1987 Koch</td>
</tr>
<tr>
<td>Landmark 28 theaters</td>
<td>1988 Koch</td>
</tr>
</tbody>
</table>

NOTE:
* The approach directly addresses the problem that law enforcement strategies, particularly the OME’s real estate-based code-enforcement approach, are ill-equipped to deal with—street behaviors. It generally means public control of property decisions in the area, either through condemnation or regulation or outright public development. Therefore, it is a very different strategy than moral legislation or vice control through law enforcement. It is only politically permissible in an era that has already sanctioned, through extensive land-use controls with established legal basis, the power of the state to define the marketplace of property transactions.

EXHIBITS
Exhibit 3

Project Area and Secondary Impact Areas

- Project Area Boundary
- Secondary Impact Area Boundaries
Special Midtown Zoning - 1982

Key:

- District Boundary
- Upzoned or "Growth" Area
- Downzoned or "Stabilization" Area
- 42nd Street Development Project (42DP)

Scale in feet:

North Park
Exhibit 8

42nd Street Development Project
Development Sites - 2001

Key:

- Project Area Boundary
- Site Boundary
- Site Designation
- Office
- Theater
- Theater/Office
- Entertainment/Retail
- Hotel
- Existing Building Excluded from Project

Scale in feet:

- 0
- 100
- 150
- 200

Source: New York City Development Corporation.