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Times Square's Time

Fueled by the collective energy of public/private sector initiatives, Times Square returns as an icon of American urbanity.

The single event credited by most as marking Times Square's return as a New York landmark was the 1997 reopening by the Walt Disney Company of the New Amsterdam Theater nearly 95 years after it was built and 14 years after it was boarded up. Disney's corporate presence and the vote of confidence it represented helped to encourage others to set up shop in an area that had become best known as an adult-use enclave. Yet, the presence of Disney and other major corporations, such as Ernst & Young, Reuters, Gap, and Morgan Stanley, does not tell the whole story of Times Square's resurgence on the scene. The turnaround in an area once known for prostitution and drug dealing can be attributed to a multipronged approach aimed at safety, aesthetics, and a mix of uses that involved city and state cooperation and the collaboration of a multitude of developers and corporations.

Times Square is technically the triangle north of 42nd Street where Broadway and Seventh Avenue intersect. However, Times Square has come to refer to the neighborhood covered by the Times Square business improvement district (BID)—West 40th to West 53rd Street between Sixth and Eighth avenues, and extending to Ninth Avenue on West 46th Street. The very notion of referring to Times Square as a neighborhood, with the images and notions that word conjures up, is testament to the fact that Times Square has indeed emerged as another New York City success story.

In the early 20th century, the Times Square area, and in particular 42nd Street, became the home of numerous theaters and stages. However, the stock market crash of 1929 and the ensuing Great Depression bankrupted most of the 42nd Street theater owners. Those who remained realized modest profits—not from presenting legitimate performances, but from turning their stages into burlesque houses and movie theaters. The downward trend continued for decades, exacerbated by the post-World War II exodus of the middle class to the city's outlying suburbs. The emigration continued to the point that, by the 1970s, Times Square had become a haven for prostitution and drug dealing, with streets lined by X-rated movie theaters and storefronts filled with pornographic wares.

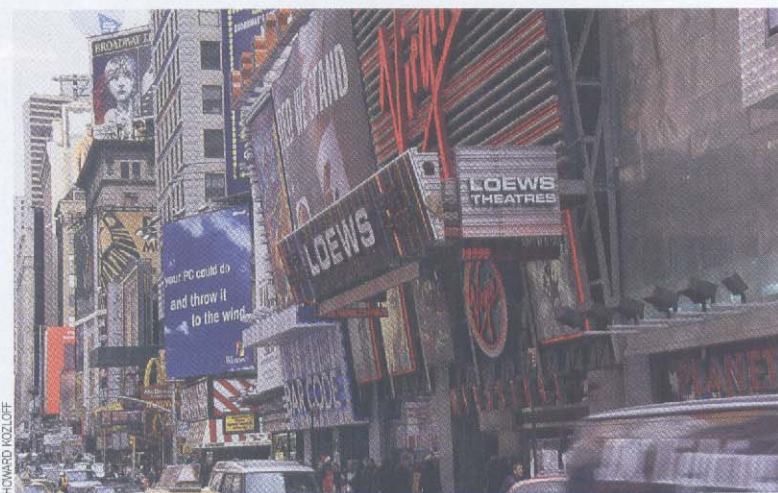
The 1980s brought public realization of the state into which Times Square had fallen. Concomitantly, New York City and New York state, realizing the opportunity cost and the revenue potential of Times Square, cosponsored a \$2.5 billion redevelopment plan for 42nd Street and Times Square. The 42nd Street Development Project, Inc. (42DP), a subsidiary of New York City's Empire State Development Corporation, is the largest urban renewal project ever undertaken in the city. "42nd Street stands today as North America's oldest and newest tourism and entertainment district," says Charles A. Gargano, chairman of 42DP and the Empire State Development Corporation.

The plan called for the construction of four identical postmodern office towers designed by Philip Johnson at the bowtie of Sev-

enth Avenue, Broadway, and 42nd Street. Fortunately for the bright-lights, big-city attitude of Times Square, the late-1980s economic downturn stopped the project. However, the site developers were required to pay \$241 million to the city and state regardless of whether the project was actually built. This money proved significant in giving city planners a substantial starting point to identify and condemn properties in Times Square considered counterproductive to the redevelopment plan.

The 42DP effort was instrumental in clearing key sites on 42nd Street, allowed after a two-year court battle won by the state. As critical as obtaining the key sites were zoning amendments that restricted adult-use establishments. New York City passed the zoning legislation in 1995 and it, too, survived a legal battle, being upheld by the New York State Court of Appeals in 1997. As a result, the number of pornography shops has fallen from 50 to fewer than 20. Today, nearly 20 years after the city and state joined forces, 20 million tourists visit Times Square each year, and 1.5 million people pass through the neighborhood every day.

The Times Square neighborhood, as defined by the boundaries of the BID, attracts a mix of residents, businesspeople, and tourists. Not including residential ownership, there are about 400 property owners in the area representing more than 1,500 businesses and organizations employing approximately 231,000 people. There is 21 million square feet of office space, with more than 2 million square feet under construction, and more than 13,000 hotel rooms—one-fifth of



In all, 40 theaters—including 22 landmark Broadway theaters—are open and operating in Times Square.

the New York City total, with more planned. There also are 27,000 residents and more than 250 restaurants, and nearly \$4 billion in private funds have been invested recently in the Times Square neighborhood.

The Times Square BID, overseer of the area's relatively recent success, started operations in 1992 as a 501(c)(3) nonprofit organization. The BID works in tandem with the private businesses, city agencies,

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community boards, and other not-for-profit organizations already active in the community. Its \$6 million annual budget comes from a mandatory assessment of approximately 0.3 percent of the assessed value of commercial buildings. Residential owners contribute \$1 per year; an additional \$1 million comes from grants and sponsorships.

Public safety has been a primary focus of efforts in Times Square, but so, too, has been the desire to do right by the neighborhood and the city. Times Square arguably strikes a balance between attracting tourists and their money, and the rights and needs of those who work and live in the area. As spelled out by the BID, but applicable to the many public and private players, the organizing principles of


percent, illegal peddling has dropped more than 80 percent, and pickpocketing is down nearly 40 percent. Although the BID rightfully receives the bulk of the praise for Times Square's improved conditions, Bob Esposito, acting president/vice president of operations for the BID, is quick to attribute the improvement to the work of the NYPD, which represents the public sector's commitment to the area.

The benefits of reduced crime extend beyond neighborhood boundaries. "The Bryant Park Restoration Corporation had to turn around Bryant Park, which was only one block away from Times Square, when that area was dangerous and depressing," states Dan Biederman, founder of three BIDs that border Times Square. "Now, Bryant Park has no crime. But the improvement of Times Square over the last few years does make our ongoing management role at Bryant Park somewhat easier. 34th Street and Times Square have very little crime."

Complementing the public safety measures taken in Times Square are the sanitation efforts. Even before PSOs were put in place, sanitation services were underway. Some 50 BID employees work seven days a week sweeping, vacuuming, and scrubbing sidewalks and curbsides, emptying trash cans, and removing graffiti. Additionally, more than 2,000 pieces of street furniture are regularly painted, as are light poles, trash cans, and fire hydrants. In 1992, three months after the cleanup was initiated, the mayor's "sanitation scorecard" rated Times Square's sidewalks more than 93 percent clean, up from 55 percent a year earlier. In the ten years since, the sidewalks regularly exceed 90 percent clean.

In addition to improving safety and sanitation, Times Square also has been responsible for an array of public improvements for locals and visitors alike. For example, a public art fence—a curvilinear structure that includes multicolored images on its side—has been erected in the Broadway median between 44th and 46th streets with the support of such major corporations as Bertelsmann, Inc., Bethlehem Steel, and the New York Marriott Marquis Hotel.

Ten subway lines, serving all five New York boroughs, run through the Times Square station. In all, 344,000 riders use the station and 185,000 commuters pass through the Port Authority Bus Terminal near Times Square every day. Annually, 53 million people enter Times Square's subway stations, making it one of New York's top transportation hubs.

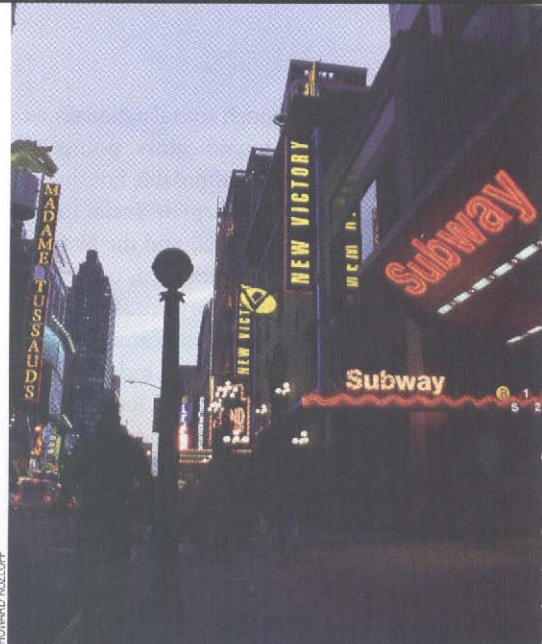


An art fence has been erected in the Broadway median between 44th and 46th streets.

Times Square's comeback are public safety, sanitation, public improvements, community services, and tourism.

The Times Square BID deemed safety and cleanliness to be the primary objectives because people are not likely to congregate in places that are unsafe or dirty, let alone both. Therefore, among the first initiatives it undertook was the hiring of public safety officers (PSOs). In all, a force of 52 unarmed PSOs is on duty more than 14 hours per day, seven days a week. They communicate by radio directly with a dispatcher at New York's public safety headquarters, located on Broadway in Times Square, who is, in turn, linked by radio to the New York Police Department (NYPD). Also, there are two police precincts in the neighborhood, one 24-hour NYPD substation, and one fire station.

In 1993, the PSOs' first full year of service, crime in the Times Square area dropped 23 percent. Since that year, crime is down nearly 60



An additional subway entrance at 42nd Street was opened in July 1997 to accommodate the 53 million people who annually use the subway to visit Times Square.

To deal with the enormous number of riders, the Metropolitan Transit Authority (MTA) opened a new subway entrance at 42nd Street in July 1997. In addition, an \$82.8 million, 45-month rehabilitation program to be completed late this year aims to create better access to the different subway lines by renovating the station and rehabilitating the platform. To complement these and other improvements, a pedestrian passageway enhancement project has been undertaken to ease congestion on sidewalks by increasing the use of midblock tunnels and alleyways through better design, lighting, and signs, among other things.

Times Square's redevelopment strategy is not focused solely on those passing through the area as tourists or employees; there also are efforts and programs to look after the community. Many homeless people remain in the area as reminders of its past, but instead of gentrifying the area by driving them out, there are programs to help them.

The Times Square Consortium for the Homeless (TSC) is one such agency, using \$2.6 million raised from federal and state agencies to address the needs of people such as the mentally ill and substance abusers who have refused services in the past and live permanently on the street. Local lead agencies provide on-street therapy and services, with representatives from the TSC working on the streets 16 hours a day, seven days a week. Over three years, more than 70 homeless people were placed in housing. Supplementing the TSC is an effort called Times Square Delivers, which in two years solicited \$860,000 in goods

from local businesses for delivery to local social service agencies. The BID is active in this arena, too, giving community service grants to local social service providers for public capital improvement projects that benefit both the Times Square community and the respective providers.

Perhaps the most innovative and successful of Times Square's community service efforts is one that, like the BID, addresses issues traditionally handled by the public sector. Begun in 1993, the Midtown Community Court handles quality-of-life offenders in the Times Square neighborhood who otherwise may slip through the legal system because their offenses are minor, such as illegal peddlers, graffiti artists, turnstile jumpers, and some prostitutes and small-time drug dealers. Offenders are sentenced to community service in the Times Square neighborhood; in 1998 alone, more than 1,100 community-service assignments were handed out.

Programs also are in place to serve high school students. A number of arts projects pair professional artists with students from the local Graphic Communication Arts High School. For instance, students created a 225-foot-long mural on the back of the Roseland Ballroom on 53rd Street, and three high school student apprentices working with professionals helped complete restoration of local monuments. Further involvement with high school students includes the effort by the Mayor's Commission on Youth Empowerment Services to place students in jobs at local nonprofit organizations for summer internships, and the publication and distribution by the BID of a newsletter listing entry-level job opportunities in Times Square.

In the end, while city and state support and strong local organizations are essential components of Times Square's revival, it is the vote of confidence and accompanying investment by the private sector that makes the area a desirable destination for locals and tourists. The potential in Times Square has turned into real profits for property owners and businesses, making the levying of assessments all the more palatable. Driving those profits are the tourism dollars being spent and the large-scale development taking place throughout the neighborhood. Although the presence of retail and restaurants in the area is substantial, Times Square's historic reputation as the center of New York's theater world is the major tourist attraction.

The city and state were quick to realize this, taking a major part in the first of the historic theater resurrections. With low-interest loans



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FOR MORE INFORMATION CONTACT:

KENNETH F. BERNSTEIN
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JOEL BRAUN
Senior Vice President, Acquisitions

TIMOTHY J. BRUCE
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20 Soundview Marketplace • Port Washington, NY 11050
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from the city and state covering 75 percent of the costs, the Walt Disney Company completed the \$34 million restoration of the New Amsterdam Theater. Disney's foray into Times Square had immediate impact: on 42nd Street, the historic restoration of the Selwyn Theater, and the opening of the New Victory Theater and the Duke on 42nd Street all helped to reinstate Times Square's reputation. The Duke, an 84,000-square-foot, state-of-the-art studio rehearsal facility for the performing arts, was constructed by New 42nd Street Inc., a not-for-profit entity. The facility includes 15 rehearsal studios, supporting office space, and a 199-seat theater. Even MTV has relocated its main broadcast studios to Times Square, symbolizing the area's new image.

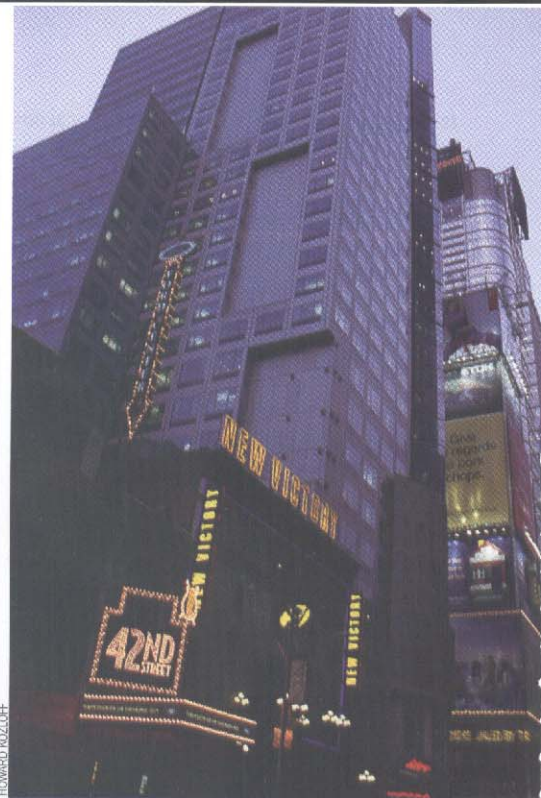
The change was significant and swift. In all, 40 theaters—including all 22 landmark Broadway theaters and the Ford Center for the Performing Arts—are open and operating, and in the 2000–2001 season alone, a record 11.9 million Broadway tickets were sold. Broadway theaters are a substantial component of Times

lion-square-foot office tower at 4 Times Square, developed by the Durst Organization, houses Condé Nast on a site designated for one of the original postmodern office towers not built because of the 1980s economic downturn. Retailers at the ground floor include NASDAQ's Broadcast and Visitors Center and an ESPN Zone restaurant and entertainment center. A 37-story, 1.1 million-square-foot building, 5 Times Square at the southwest corner of Seventh Avenue and 42nd Street, is slated for occupancy by this summer. Developed by Boston Properties and designed by Kohn Pederson Fox, it will be Ernst & Young's national headquarters. Next door, between Broadway and Seventh Avenue, is the Skidmore, Owings & Merrill-designed, 47-story Times Square Tower. Also developed by Boston Properties, this 1.2 million-square-foot, Arthur Andersen-occupied building will be completed by the end of next year.

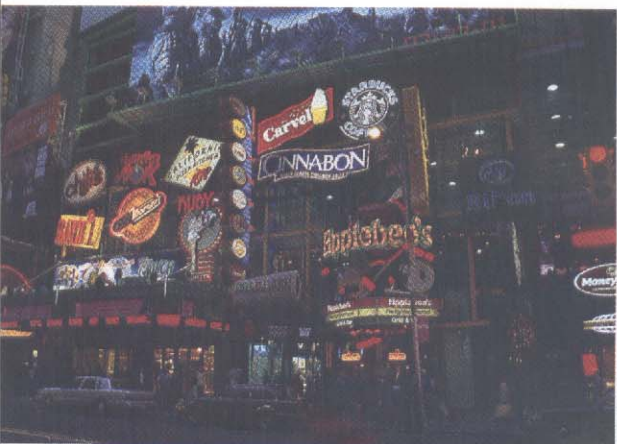
A 1 million-square-foot *New York Times* headquarters at 41st Street and Eighth Avenue is being developed by Forest City Ratner, but it is the developer's high-profile, highly visible mixed-use project on 42nd Street between Seventh and Eighth avenues that adds to Times Square's action. The 350,000-square-foot 42nd Street Retail and Entertainment Complex includes, among other uses, the 60,000-square-foot Madame Tussaud's Wax Museum and a 25-screen AMC Entertainment movie theater. Plus, in keeping with the area's architectural heritage, the project involves restoration of three historic facades, including the Liberty and Empire theaters.

In addition, Forest City Ratner is developing and will be owner of a Hilton hotel, built on the complex's air rights. "42nd Street provides that incredible mix of a very strong leisure/tourist market while also being a very strong financial/media market, which continues to grow by the minute," notes Matt Messinger, senior vice president of hotel investments at Forest City Ratner.

The 871,000-square-foot E-Walk complex on 42nd Street between Broadway and Eighth Avenue is another major mixed-use project in Times Square. Developed by Tishman Urban Development Corporation, it includes, among other uses, the 550-seat B.B. King Blues Club and the 860-room Westin New York Hotel. Other hotel developments in Times Square include DoubleTree's 460-room hotel on 41st Street between Seventh and Eighth avenues, and Starwood's 57-story W Hotel, whose Times



The new Reuters headquarters, 3 Times Square, includes 34,000 square feet of Times Square's legendary neon signage at the northwest corner of 42nd Street and Seventh Avenue.



The 350,000-square-foot 42nd Street Retail and Entertainment Complex includes a 25-screen movie theater.

Square's overall tourism draw, which nets 26 million tourists, with 3.9 million overnight stays in local hotels annually.

Times Square also has been successful in attracting high-credit tenants to Class A buildings, whether office, residential, hotel, or mixed-use. Although Disney's arrival in Times Square was significant, the high-profile office towers and accompanying tenants arguably have been the most invigorating. Around Times Square itself, there are four new buildings representing nearly 4 million square feet of space. The new Reuters headquarters, 3 Times Square, includes 34,000 square feet of Times Square's legendary neon signage at the northwest corner of 42nd Street and Seventh Avenue. A 1.6 mil-

Square location includes a 400-seat, two-level restaurant facing the action on Broadway.

Two residential towers also demonstrate Times Square's return as a desirable locale. The Gershwin, a 35-story, 550-unit residential tower on Eighth Avenue between 49th and 50th streets, and Longacre House, a 26-story, 290-unit apartment building between 50th and 51st streets on Eighth Avenue, help prevent Times Square from becoming an urban amusement park by installing those who will develop a vested interest in the neighborhood.

In a relatively small area, billions of dollars of development and revitalization have been spent in accordance with an overall vision. The bright lights of Times Square continue to define its image, but *The Lion King* and camera-toting tourists have replaced the former backdrop of prostitutes and drug dealers, while an air of reassurance and hospitality pervades the once-neglected area. With support of and belief in Times Square by the likes of Disney, the *New York Times*, and MTV, and the development of Class A office space and residential units, Times Square has contributed substantially to New York's renaissance. ■

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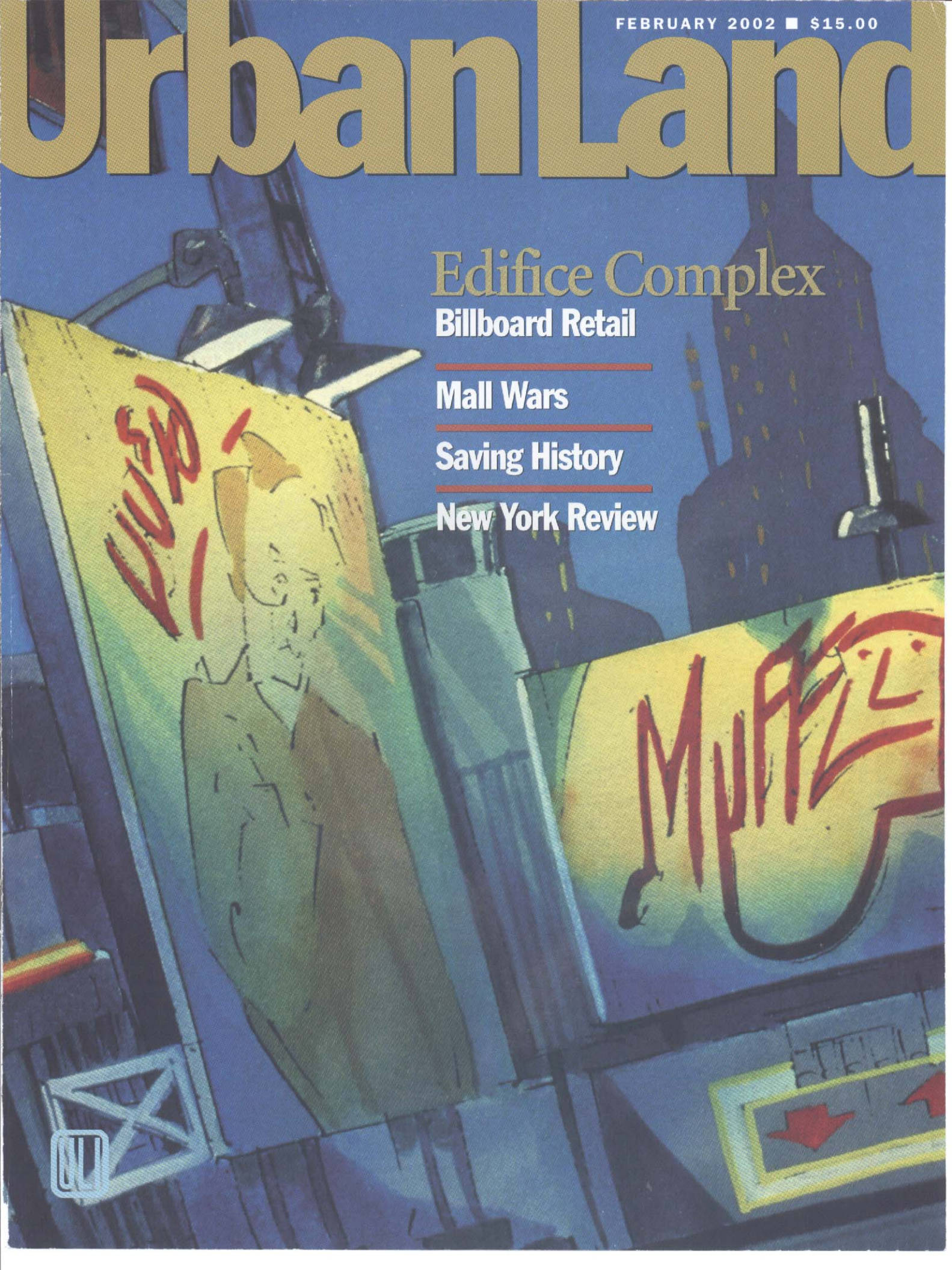
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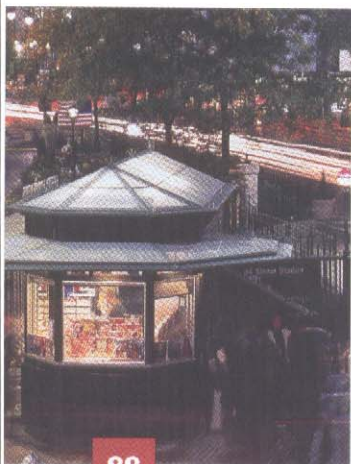
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UrbanLand

PUBLISHER

RACHELLE L. LEVITT

EDITOR IN CHIEF

KRISTINA KESSLER
kkessler@uli.org

MANAGING EDITOR

KAREN SCHAAR
kschaar@uli.org

ASSOCIATE EDITOR

LOUISE CHASE DETTMAN
ldettman@uli.org

SENIOR COPY EDITOR

NANCY H. STEWART

ASSOCIATE COPY EDITOR

JAMES A. MULLIGAN

ASSISTANT COPY EDITOR

DAVID JAMES ROSE

ART DIRECTOR

BETSY VANBUSKIRK
bvanbusk@uli.org

GRAPHIC DESIGNER

MEG BATDORFF
batdorff@uli.org

PRODUCTION MANAGER

DIANN STANLEY-AUSTIN

EDITORIAL ASSISTANT

CECE MINER
cminer@uli.org

ADMINISTRATIVE ASSISTANT

ROBIN GUYSE
rguyse@uli.org

ADVERTISING SALES DIRECTOR

LAURA TEMPLETON
(202-624-7044/ltempleton@uli.org)

SENIOR ADVERTISING MANAGER

CARMELA ACAMPORA
(202-624-7042/carmelaa@uli.org)

ADVERTISING ACCOUNT MANAGERS

YASMINE YATES
(202-624-7175/yyates@uli.org)

KELLY EIGLER

(202-624-7130/keigler@uli.org)

ADVERTISING ASSISTANT

THOMAS MITCHELL
(202-624-7133/tmitchell@uli.org)

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