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REVIEW & OUTLOOK

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The Private Sector Shows How to Run a City

By JULIA VITULLO-MARTIN

NEW YORK—Mayor Rudolph W. Giuliani has become a poster boy for better city government. But the revolution that revitalized New York started well before Mr. Giuliani became mayor—and was initiated by the private sector.

The most striking symbol of this turnaround is Bryant Park—a seven-acre jewel that now glitters behind the New York Public Library on West 42nd Street. *GQ* magazine calls it “the most urbane setting in America.” Yet in the early '80s, when I had an office overlooking the park, it was a mess—a haven for drug dealers that was the site of 150 reported robberies and 10 rapes a year, countless auto break-ins on the periphery and a murder every other year. As a public park it was so mismanaged that it held down the property values of the surrounding neighborhood.

Now the park, under private management, is virtually crime-free. On an average day it draws 10,000 New Yorkers who sunbathe, picnic, hang out and attend musical, dance and film events. Neighboring businesses are prospering and surrounding property values have soared.

The turnaround effort began in 1980, when a group of property owners and neighbors formed the Bryant Park Restoration Corp. It took seven years of negotiation for the BPRC to persuade the city's Parks Department to give it a 15-year lease, which runs through 2002. In 1987 the BPRC closed the park for five years of rebuilding.

The BPRC's president, Daniel Biederman, embarked on an ambitious reconstruction project. “Since what you have to do is make it safe, the first step in a turnaround is to redesign the place dramatically,” Mr. Biederman says. “You alert everybody that you've taken control while fixing any design flaws that contributed to the problems in the first place.”

The old design—a formal French garden—dated from 1934, when the legendary Parks Commissioner Robert Moses decided to raise and isolate the park above the sidewalk. This isolationist design

made it easy for criminals to take over. The BPRC aimed to make the park more attractive for ordinary city dwellers, while collecting revenues to pay for the expected maintenance of \$2 million annually—far more than the city had spent. The designers cut new entrances, tore down iron fencing, ripped out high hedges, restored fixtures and added neoclassical kiosks for concessions.

Bryant Park reopened in April 1992, and its new management embodied many of the quality-of-life principles the Giuliani administration would embrace two years later. It is patrolled by friendly but firm, unarmed security guards who deter “little pieces of disorder,” as Mr. Biederman calls such misdemeanors as wading in the fountain and walking in the flower beds.

The strict maintenance of order sets high expectations: Because the park is so clean, people know they shouldn't litter and seldom do. BPRC also provides lovely but lightweight movable chairs so that visitors can face each other or move around to avoid the sun. “Keeping the chairs is a daily measure of our social control,” Mr. Biederman says. Yet only one or two of out of some 2,200 are stolen each month.

On the theory that law-abiding people are the best security, the park is programmed to attract visitors with some 380 events a year. When no event is taking place, park-based businesses provide a draw. The immensely successful Bryant Park Grill stands on what was once the site of the park's most active drug market—and it pays the BPRC \$700,000 a year in rent.

The effectiveness of the BPRC's management is best symbolized by the park's public rest rooms. Safe, clean rest rooms

serve as a litmus test consumers apply to the entire operation—as gas stations discovered in the 1950s. Yet when the city government ran things, Bryant Park's rest rooms had been out of service for 35 years, and the park stank of urine. BPRC remodeled the rest rooms and then maintained them scrupulously. The proof of the rest rooms' success, says Mr. Biederman, is that the ladies' room is used as much as the men's.

The BPRC spawned two sister business improvement districts, the Grand Central Partnership and the 34th Street Partnership, which supplement city services from trash collection to tree planting in their neighborhoods. Mr. Biederman is president of both those districts as well. Together, the three BIDs not only constitute by far the nation's largest privately managed urban district, but also encompass nearly half of all the real estate in midtown Manhattan. Their combined budgets total nearly \$20 million a year, funded in part by a modest tax on real estate within the districts.

Mr. Biederman's BIDs may now, however, be threatened by their own success. City officials are eager for a piece of the action: The Department of Business Services recently announced new oversight and reporting requirements that would increase mayoral control over the BIDs, not a surprising turn for a strong-willed mayor like Mr. Giuliani.

But will BIDs be equally effective under City Hall's management? It's hard to imagine they will. After all, they came into existence because the public sector was failing to provide good service. Even if Mr. Giuliani is able to match the quality of BIDs' day-to-day maintenance and management, he cannot guarantee that his successor will be equally competent. City government ought to follow the old saw: If it ain't broke, don't fix it.

Ms. Vitullo-Martin edited “*Breaking Away: The Future of Cities*” (*Twentieth Century Fund*, 1996).



Daniel Biederman