

The Downtown Lower Manhattan Association

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David Rockefeller's Downtown Lower Manhattan Association (DLMA) helped create SoHo, one of the first New York neighborhoods to revitalize at a time of real and perceived decline in American central cities. In the years from 1960 to 1980, SoHo (roughly the 12 square blocks between Broadway, West Broadway, Houston and Canal Streets in Manhattan) went from a declining industrial area filled with decrepit loft buildings to a vibrant artist colony filled with increasingly upscale art galleries, retail stores and loft residences. In a sense, SoHo was one of New York's first gentrified neighborhoods.

Yet, SoHo developed in a part of New York that the DLMA did not value and, in fact, actively tried to replace. In the years that SoHo developed, the DLMA worked to expand the financial and commercial base of Lower Manhattan as part of an overall attempt to revitalize the area of Manhattan below Canal Street. Their program for improvements in the area included the Lower Manhattan Expressway, a ten-lane roadway that would have run along Broome Street in southern SoHo. If the roadway had been built, it is likely that SoHo, a walkable neighborhood of

loft homes and shops, would not have developed in the manner in which it did.

How then did the DLMA encourage the development of SoHo? By actively working to build the Lower Manhattan Expressway for over twenty years, but ultimately not succeeding, the DLMA and the roadway's other advocates drove down property values and discouraged rentals in the area along the expressway's route. With low prices and high vacancies, the artists and artistic entrepreneurs who eventually rehabilitated SoHo's lofts and commercial spaces were able to afford space in the neighborhood, allowing for the neighborhood's redevelopment.

Ironically, by supporting an expressway that was never built, the DLMA was able to achieve one of their other goals: the creation of a 24-hour residential community in Lower Manhattan. Starting in the 1960s, the DLMA advocated the construction of residential buildings in Lower Manhattan to house those who worked in the office buildings downtown. One of the proposed projects eventually became Battery Park City. Yet, almost twenty years before the first units opened in Battery Park City, the failure of the Lower Manhattan Expressway helped create a vibrant residential neighborhood that housed upper income professionals from the downtown financial district in SoHo.

To ensure a sound future for Lower Manhattan, the DLMA worked closely with government agencies to research, develop and implement urban renewal projects, such as housing projects, highways and transit expansions. The DLMA saw itself as an "unofficial, knowledgeable advisor" to government. It had "no governmental powers," and had to "work with one city department or another to bring life to its plans." The DLMA mostly supported large "superblock" urban renewal projects where large areas of current buildings were razed and replaced with new structures.¹ The DLMA's impact on Lower Manhattan was profound, if somewhat indirect. Major projects that shaped the face of New York City, such as the World Trade Center and Battery Park City, had their roots in the research and planning of the DLMA,

which later helped guide these projects and others through to completion.²

In general, David Rockefeller and the DLMA saw an expansive role for private capital in urban development. Rockefeller viewed the expenditures that government made towards urban development projects as a good start, but as “no more than seed money” needed to develop central cities.³ Thus, the DLMA worked to direct federal urban renewal funds towards Lower Manhattan and create a favorable climate for private investment in the area. Despite believing that Lower Manhattan retained its position as the financial capital of the world, Rockefeller worried that the area needed help if it was going to survive the threats posed by suburbanization and white flight. Rockefeller worried that the “flight to the suburbs” and the “economic distortion of the remaining population groups left in the central city” taxed central cities to the point that their very survival was in question. The role of business was to ensure the long-term survival of central cities, as without them entire metropolitan regions were threatened.⁴

In order to ensure the long-term viability of central cities, Rockefeller targeted what he called “gray areas,” areas of decline and obsolescence on the fringes of the thriving portions of urban areas. Rockefeller observed, “The main problem arises, not at the prosperous core or at the outer fringes where growth is taking place, but in the gray areas between the two.” These gray areas could be found in all parts of New York City, including the suburbs. To Rockefeller, “these gray areas are left behind, not in the sense of being abandoned, but in the sense of enjoying the best or highest use.”⁵

In turn, Rockefeller and the DLMA viewed SoHo as a gray area in need of redevelopment. Rockefeller argued that surrounding the vibrant Lower Manhattan financial center lay “blocks still occupied in large part by four-story dwellings, which over the years were converted to marginal commercial uses. The majority of them are over one hundred years old. In many instances only the ground floor is now utilized.” This area contained the lofts buildings

that artists would convert into homes and studios in SoHo.⁶

The DMLA targeted gray areas such as SoHo as part of its efforts to expand and support Lower Manhattan's traditional function as a center of business and trade. The DLMA believed that "eventual business occupancy of the greater part of lower Manhattan will represent the most logical and economically sound use of land in the area." This view of Lower Manhattan as a financial center constituted "a framework around which a healthy community may be built through the combined efforts of the City Government, private capital and the individuals and business enterprises that have a stake to protect in lower Manhattan." In turn, "The primary purpose of the Downtown-Lower Manhattan Association from its inception has been to provide a sound foundation for the physical expansion of lower Manhattan as the dominant center of finance, world trade and shipping."⁷

To ensure the long-term viability of Lower Manhattan as a financial center, the DLMA proposed and advocated for a variety of urban development projects in the area (the projects were all aimed at supporting the area as a business and financial center). One main focus of the association was improvements to traffic circulation in Lower Manhattan. The DLMA initiated proposals to widen sidewalks and close certain streets to cars and was also a strong advocate for expansion of the New York City subway system to the East Side of Manhattan.⁸ The DLMA's plans for Lower Manhattan also included several large urban development projects for replacing antiquated structures with new buildings that would more productively support the area's financial and business functions. The best-known project of this type was the World Trade Center, which the Port Authority of New York and New Jersey acquired in 1964, converting numerous older structures into a modern center for finance, commerce and trade.⁹ The DLMA proposed converting areas of Lower Manhattan from industrial use to various uses that would support the area's financial services sector. The association clearly stated their view of the city

in 1964: “The post-war period has seen increasing employment in financial enterprises, in business and professional services and in government offices. There has been substantially declining employment in manufacturing, wholesale trades, communications and in transportation, especially among trucking and warehousing activities.”¹⁰

The DLMA was a strong advocate for the Lower Manhattan Expressway. The Expressway was first placed on the City’s planning map in 1941, but was not built due to lack of funding. After the passage of the Interstate Highway Act in 1956, the expressway’s proponents, including Robert Moses and the DLMA, worked to revive the project. In 1959, the DLMA took its case for the expressway to the City Planning Commission and Board of Estimate. David Rockefeller argued that the roadway was “in the interest of the City, the State and of the Nation, for the financial, trading and shipping complex concentrated in the tip of Manhattan to develop in a way which will permit it to serve its function efficiently.” The roadway would allow Lower Manhattan to realize its unique potential for world leadership in these fields, and to provide efficient transportation to high-rise commercial office buildings being built in the area.¹¹ The DLMA also argued that the expressway would lead to urban development and job growth because it would help encourage further expansion of the downtown financial and commercial center. They contended, “In addition to the eventual increase to the City in tax and other income along its route, the construction of the Expressway will enhance and promote the further development of the downtown community which will, we are convinced, result in a multifold net increase in business activity and productive job opportunities for our City’s citizens.”¹²

The advocacy of the DLMA helped convince the City Planning Commission to add the road to the city’s master planning map in February 1960. Yet, the project drew vocal and impassioned opposition. Opponents of the project included Jane Jacobs, Ed Koch and several Greenwich Village politicians, who complained that the roadway would lead to the relocations of

thousands of residents and businesses, as well as the destruction of a vibrant urban neighborhood. As a result of these objections, in late 1962 New York Mayor Robert Wagner put off action on the Lower Manhattan Expressway.¹³

After flirting with killing the project for good in 1964, Mayor Wagner again revived the Lower Manhattan Expressway. As a result, a year later, Robert Moses and the Expressway's advocates began efforts to revive the project. In March 1964, David Rockefeller met with Robert Moses, who told him that he would move to revive the Lower Manhattan Expressway, presumably with the DLMA's assistance. At Moses' suggestion, the DLMA's executive committee met with Mayor Wagner about the project and worked with the staff of Moses' Triborough Bridge and Tunnel Association to present a report in favor of the project to the Board of Estimate.¹⁴

The DLMA worked to strengthen the argument for the Lower Manhattan Expressway by producing a lengthy study on the benefits of the roadway. Their July 1964 Report, "The Lower Manhattan Expressway: An Essential Key to Business Growth and Job Opportunities in Lower Manhattan and New York City," was directly tied to advocacy on behalf of the expressway at this political moment in which the DLMA was an active and effective advocate on behalf of the roadway.¹⁵

In the report, the DLMA maintained that the roadway would spark economic development in Lower Manhattan by reducing congestion and increasing the efficiency and value of the remaining property and enterprises in the area. The report argued, "Construction of the Lower Manhattan Expressway would eliminate serious bottlenecks which now add substantially to the costs of moving heavy commercial traffic on surface streets in a highly congested area of the City. Along with that, the City would enjoy a general improvement in business activity and in the value of business properties in lower and mid Manhattan for years to

come.” This would lead to increased property values and property tax revenues that dwarfed the loss incurred from taxes on buildings to be removed in the project. The DLMA estimated that traffic delays cost 15,000,000 man-hours annually, and led to the loss of \$30,000 annually, and to \$5,000,000 in extra vehicle operating costs. “These costs make it more expensive to do business in Manhattan and New York City and discourage business from staying here and coming here.”¹⁶

Despite Mayor Wagner’s initial reluctance about the project, he allowed the approval process for the expressway to move forward at the end of 1964. Wagner and the Board of Estimate announced that they would hold hearings on the expressway before the end of the year. In doing so, they cited the need to provide jobs for the construction trades and, in an allusion to the efforts of the DLMA, keep businesses in Lower Manhattan.¹⁷

However, Robert Wagner lost the 1965 Mayoral Election to John Lindsay, who made elimination of the expressway proposal part of his mayoral platform. Lindsay vacillated about the expressway several times. He first proposed killing the Lower Manhattan Expressway for good in 1965, but then in 1966 decided to revive the project in the form of an underground roadway. The project went forward until 1969, when a combination of anti-highway advocates, historic preservationists concerned with the destruction of cast-iron buildings in the path of the expressway, artists concerned about the demolition of cheap loft studios along Broome Street, and scientists worried about air pollution from the roadway put enough pressure on Mayor Lindsay to kill the project for good.

In this manner, the Lower Manhattan Expressway set the stage for the development of SoHo in two ways. First, having the expressway project looming over the area for decades provided a strong disincentive for property owners in the area to invest in their property, depressing values and providing artists with a large supply of inexpensive and often vacant lofts

to convert into their homes and studios. DLMA recognized this, and noted that “the owners of the commercial buildings within the right of way who have been unable to rent their properties and have been losing tenants because of the uncertainty.”¹⁸ At the same time, by preventing the Lower Manhattan Expressway from being constructed, anti-urban renewal advocates, preservationists and artists created an opportunity for loft residents, gallery owners and entrepreneurs to build a livable neighborhood in SoHo. In doing so, they ironically created a neighborhood that fit with an element of the DLMA’s vision for Lower Manhattan that they developed later: the idea of creating a 24-hour community downtown that would provide a place of residence for those working in the financial district.

With property in Lower Manhattan devalued, artists had the opportunity to buy or rent inexpensive loft spaces and turn them into attractive homes. One such artist was Ulrich Niemeyer, who rented a loft at 462-4 Broome Street in 1968 at a low rate only because the building’s owner wanted to get as many tenants into the building as possible to pad rent rolls and thus increase his compensation from government agencies if the building was condemned for the Lower Manhattan Expressway.¹⁹ Niemeyer was one of the many artists who converted an old industrial loft building into a residence in SoHo. In doing so, artists like Niemeyer created a new form of urban housing, the loft, and helped usher in the transformation of a declining industrial area into a thriving, and increasingly expensive, residential neighborhood.

Yet, in creating a viable residential and retail area in SoHo, artists and artistic entrepreneurs inadvertently created a neighborhood that fulfilled one of the later goals of the DLMA – creating a 24-hour community in Lower Manhattan where people could work in the commercial and financial district and also live there. To make this transpire the DLMA proposed a building program that would “create diversified residential accommodations on an extraordinary scale and provide all the supportive commercial, educational, recreational and

cultural services required of a fully-functioning 24-hour community.” These projects included a plan that would become Battery Park City - a housing development built on a landfill over the Hudson River that the DLMA hoped would house 45,000 residents in 14,100 dwelling units.²⁰

Although it would take decades for Battery Park City to open, converted residential lofts in SoHo ultimately fulfilled many of the DLMA’s aims for Lower Manhattan. Loft living turned Lower Manhattan into an area where people remained after work hours, and it ultimately provided housing for relatively affluent downtown workers. While the DLMA never fully embraced loft conversions as a housing strategy beyond noting that “developers attracted to the tax abatement provisions of the expanded city ordinance J 51 which encourages the conversion of office buildings to residential apartments”, some housing was created that appealed to office workers, and over time SoHo and its neighboring loft areas did become an attractive place to live for wealthy New Yorkers.²¹ Today, SoHo and Tribeca are home to people from the financial sector that the DLMA helped retain and expand in Lower Manhattan. Yet, ironically, this community could not have been created without the damage the threat of the Lower Manhattan Expressway inflicted on the loft buildings in Lower Manhattan and the efforts of its opponents to prevent the project’s construction.

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