

# Doing What Is Needed to Build New York City

An Interview with the Honorable  
Michael R. Bloomberg, Mayor, New York City

**EDITORS' NOTE** *With a B.S. in engineering from Johns Hopkins University and an M.B.A. from Harvard, Michael Bloomberg began his career at Salomon Brothers, where he quickly advanced through the ranks, becoming a partner in 1972. When Salomon Brothers was sold in 1981, Bloomberg used his stake from the sale to start his own financial-information company, Bloomberg L.P., which has since grown into a multinational media empire with 8,000 employees in more than 100 offices worldwide. Bloomberg was elected the 108th mayor of New York City in November 2001.*



The Hon. Michael Bloomberg

## Would you highlight the success that you have had in reforming New York's education system, and your plans to continue improving it?

By giving the mayor control of the public-school system, the state legislature and the governor have given us an opportunity to really make a difference in New York City. We have a new governance structure, with a system that is accountable, so the public will be able to know who delivered and who didn't.

Chancellor Joel Klein and his team at the Department of Education have made a good beginning. For example, we have instituted a system to identify, measure, train, and support the excellent school principals we urgently need. We have made our schools safer for students and teachers, so that learning can go on in an orderly atmosphere, free of fear. We have done a makeover of the scandalously expensive and time-consuming process of school construction and repair. This structural change alone will save hundreds of millions of dollars and years of planning. We have supported the development of charter schools that foster educational creativity and provide broader public-school choice. We have instituted a centralized,

patronage-free transfer system, giving parents the fair and solely merit-based opportunity to move their children from failing schools. And perhaps most importantly, under the banner of "Children First," Chancellor Klein's team has made an extraordinary outreach effort, soliciting the views of parents throughout this city.

The school governance reform legislation enacted last year cleared the way for these steps. It put an end to decades of a diffused and confused educational administration, in which the buck stopped nowhere. Currently, we are finishing clearing out the Byzantine administrative fiefdoms that multiplied under the old Board of Education, which was divided by more than 40 separate bureaucracies at the city-wide and community school-district levels, with budgets totaling millions of dollars, employing thousands of people in duplicate and unnecessary administrative jobs.

Very soon, these bureaucratic dinosaurs will be extinct. In their place will be one unified, focused, streamlined chain of command. The chancellor and his team will organize the individual schools into this new education-management structure dedicated to instruction alone. It combines K-12 in one seamless system. It gives operational duties to non-pedagogical staff. It streamlines the accountability chain. To those who object to these reforms, my answer is simply this: Children and parents are not concerned about protecting bureaucrats; they want quality schools, and that's what we're going to deliver.

**You have announced a \$25 million plan to rejuvenate parks and open spaces in Lower Manhattan, and have focused on rebuilding that part of the city. What is your vision for Lower Manhattan?**

From the very beginning, Lower Manhattan was open to anyone who had a dream and was willing to work. Just 22

years after New York City was first settled, 18 languages were already spoken there. This mixture of peoples and ideas fueled by dreams fed the competitive fires that made Lower Manhattan give birth to the greatest city in the world. It was no accident that the Statue of Liberty was placed off the Battery or that Lower Manhattan has witnessed the construction of the world's tallest building, nine times, culminating in the World Trade Center itself. Moving forward, Lower Manhattan must become an even more vibrant global hub of culture and commerce, a live-and-work-and-visit community for the world. It is our future. It is the world's second home.

The public sector's role is to catalyze this transformation by making bold investments with the same sense of purpose and urgency that allowed us to clean up the World Trade Center site months ahead of schedule, and hundreds of millions of dollars under budget. And to be effective, those investments must, in turn, trigger a response by the private market that will, through joint public/private initiatives, create the kind of Lower Manhattan we want. There are three types of investments the public sector must make now: those that connect Lower Manhattan to the world around it, those that build new neighborhoods, and those that create public places appealing to the world.

Lower Manhattan's competition to be a global center isn't just Midtown – or even Chicago or Los Angeles. Increasingly, it is London and Berlin and Hong Kong. In this worldwide competition, easy access is becoming more important. We must invest in making downtown more accessible – to the rest of the world, and to the residents of the metropolitan region. New York is one of the few premier international cities without a direct mass-transit link between its airports and the city center. In London, the time from the city center to the airport is as little as 30 minutes. In Hong Kong, it is 23 minutes. In Berlin, it will soon be 17 minutes. In New York City, it is often one hour or

more, and don't even ask if it is a Friday night or raining!

To make Lower Manhattan a global center, we must have direct, one-seat airport access. Imagine stepping onto an AirTrain or PATH car, and 30 minutes later walking to your gate at JFK or Newark. This can and must be done. There is a big concurrent benefit for commuters to Lower Manhattan. These same airport connections work both ways, for travelers and for locals. The need is obvious. In 1932, the last time mass transit was added to Lower Manhattan, 63 percent of the region's residents lived in New York City. Today, that figure is down to 37 percent. We need to get our workforce from where they now live, to where they still work.

The same is true of transportation via water. Over the last year, we have invested heavily in ferry stations, to bring more people to Lower Manhattan from more places, more conveniently. We need to continue to do so, with investments in links to other parts of the five boroughs, regional service to the suburbs, connections to tourist destinations, and potentially to LaGuardia airport. On the roads, over 3,500 buses travel daily to Lower Manhattan, clogging already-congested streets. A new bus-parking facility will help clear the streets by giving buses a place to go between entering and leaving the city.

Lastly, underground construction has begun on a new PATH station at the World Trade Center site, and will begin soon on a new transit hub at Fulton and Broadway. These new stations will untangle the knot of 15 subway lines that converge downtown, and then connect to the PATH and AirTrain. Those two stations should also have exhilarating gateways that lift everyone's eyes and spirits, whether you are a visitor from Buenos Aires seeing Lower Manhattan for the first time ever, or a commuter from New Jersey seeing it for the first time that day. These stations can be the first of Lower Manhattan's many additions to the landmarks of tomorrow.

We must also build new neighborhoods. While the number of residents living below Chambers Street has grown significantly over the past 10 years – from 12,000 to 20,000 – for most residents, there isn't a "there" there: no real supermarkets, not enough open space, and not enough schools. And for that reason, families make up a much smaller proportion of the downtown community than in other communities throughout the city. With targeted investments, we can catalyze the creation of two exciting new neighborhoods south of Chambers Street – one near Fulton Street, east of Broadway, and the other south of Liberty Street, west of Broadway. And to knit the area south of Liberty to Battery Park City, we will make West Street, today a loud and desolate six-lane highway, into a promenade lined with 700 trees, a Champs-Élysées or Common-

wealth Avenue for Lower Manhattan, as welcoming to walkers as to drivers. Residents of Battery Park City will finally be able to walk directly east, along an extended Exchange Place, to reach the Financial District and the East River.

To further encourage families to move downtown, we must build a public library branch and enough schools to accommodate new students, while alleviating crowding in existing downtown classrooms. We need to create new public spaces. New York is New York because it has majestic places open to the public that convey the unique thrill of being here. New cultural institutions, surrounded by playgrounds, ball fields, open grass, and apartments could look out across the harbor. Whatever we choose, our new waterfront will look out onto ferries crisscrossing among Battery Park, Governors Island, the new Brooklyn Bridge Park, the Statue of Liberty, Ellis Island, even Liberty State Park in New Jersey, knitting these green spaces into a collection of open spaces that are, in total, larger than Central Park.

Done correctly, these public investments will spark a chain of private market reactions. Over the next 10 years, if we make the investments we've described, the number of new jobs downtown will be twice what it would have been, justifying the need for 10 million square feet of new commercial space throughout all of Lower Manhattan. New companies, in a range of industries, will grow downtown, strengthening the existing financial nerve center while diversifying it. And, as the number of successful companies increases, Lower Manhattan will become more attractive to any company that prides itself on drive and creativity, needs access to a diverse international workforce, and wants its employees in an area that's not only physically attractive but exciting.

**New York City has suffered severe economic problems, forcing you to make tough decisions. Have you been able to create an understanding about the need for those decisions?**

The people who work for New York City have done a spectacular job. They have improved services over the last 18 months, while having to live with less money. Crime is down dramatically, welfare rolls are down, and you will not find an agency in this city that has not seen an improvement in its performance and productivity. Our great challenge is to continue to do what the city needs: to provide a safe environment, housing, and a better school system, and to take care of those people who really are dependent on the rest of us. We won't walk away from that responsibility – not as long as I am mayor.

Having said that, we get down to the cold reality that we have to balance the budget. There is a state law that requires New York City to balance its budget, but the city can do that only to a certain extent. There comes a point at which fur-

ther cuts are just so intolerable that we really have to get some help from Albany. We have to get some help from the unions, and we have to get some help from the 8 million people who live here.

I have some basic principles. One is that we should pay for what we want. We should not postpone for our children the expense of things that we want today. So I am unwilling, categorically, to borrow for the future. It is true that we borrowed some money when I first came into office. That had been authorized, and it came out of 9/11. But after that, if we want to have a service, we should all understand what that service costs, and we should be in agreement that we're going to pay for it. There's no tax that I'm in favor of. There is no cut that I'm in favor of. But the law requires us to balance the budget and that's what we are going to do. We've cut \$3.3 billion out of the city's expenses. I don't think anybody has ever done that before, to my knowledge, in the city or state government. It's quite amazing, given how good the services remain here. That's because we really do have a great municipal workforce. At the same time, the problem is twice as big as that. That's why I asked the city council to step up and increase the property tax. They did it. It was not politically popular, but we have to keep this city going.

The people of New York City have started to pay 18.5 percent more in property taxes. That hurts people, but without that money, we would not be in anywhere near as good a position as we are today. And we did, unfortunately, have to raise taxes. That's not a great idea, but the alternative was much worse, and as the economy comes back, we've already built a sunset provision into two out of the three tax increases, so in a couple of years those taxes will go back down.

There's no city in the country that doesn't have exactly the same problem. Small homeowners' property prices are at record levels and that's because people still want to live here. No company is moving out; companies are moving in, and I think only two companies have received tax breaks in the last 18 months. We haven't had to do that, because in tough times, people want to be in a city that is safe. Crime keeps coming down, welfare rolls keep coming down, the schools are getting better, and, yes, it's very tough on everybody, but we have to pay the bills for the essential services. People would leave the city if what happened in the 1970s happened today, if we lost control of the streets, and we're not going to do that.

This city needs a leader who is willing to stand up, look at the numbers, and do what is right. Nobody is going to love you for doing it, but I think they'll respect you, and I think afterwards they'll look back and say, "Yes, he was a great leader. He did what we needed." And they'll probably give me another four years to continue. Everything is going in the right direction. ●