



A Statement for the Future

An Interview with **Larry A. Silverstein, President and Chief Executive Officer, Silverstein Properties, Inc.**

EDITORS' NOTE *Larry Silverstein is a member of the New York Bar Association and a Governor of the Real Estate Board of New York, of which he has also served as Chairman. He served as Vice Chairman of the New York University Board of Trustees and is the Founder and Chairman Emeritus of the New York University Real Estate Institute. Silverstein founded Silverstein Properties, Inc., in 1957.*



Larry A. Silverstein

COMPANY BRIEF *New York-based Silverstein Properties, Inc. (www.silversteinproperties.com, www.wtc.com), is a real estate development and investment firm that has owned, managed, and developed more than 20 million square feet of office, residential, and retail space. Current properties include 7 World Trade Center, 120 Broadway, 120 Wall Street, 529 Fifth Avenue, 570 Seventh Avenue, 575 Lexington Avenue, 1177 Avenue of the Americas, and One River Place – all in Manhattan. The firm also has a variety of projects under development, including the largest residential housing development in the city and a new Four Seasons hotel/condominium downtown.*

Has the rebuilding of lower Manhattan progressed the way you hoped it would?

It has progressed, albeit too slowly. It's one of the frustrations of my life that seven years after 9/11, I expected to be further along than we are. We're working with multiple governmental entities, including the City of New York, the State of New York, the State of New Jersey, the Port Authority of New York and New Jersey, and the Lower Manhattan Development Corporation, each of which has jurisdiction over some aspect of the project. The leadership of those entities changes with staggering frequency. So this has not been easy, but we're dedicated to getting it done. If the government and the Port Authority fulfill their functions, we can build our buildings on time and on budget – just as we did with 7 World Trade Center. If the government can build the infrastructure that they're obligated to build, we'll get our buildings up. But we're totally dependent on their execution of that infrastructure, without which we can't function. We're working as closely as we can with the Port Authority to help it move through this process. It's complicated, but it's achievable. With

the right degree of talent, direction, focus, and drive, things will begin to happen.

What will lower Manhattan look like when this is all done?

I hope we'll all look at it in amazement. Once the World Trade Center is rebuilt, the quality of life in lower Manhattan will be irrevocably changed, and very much for the better. It will be a 24/7 community, with magnificent new buildings in place, with 100,000 people working in them and 100,000 more visiting them every day.

Retail will come in to support the requirements of these people. We'll have half a million square feet of first-class, destination-quality retail at the base of each of these buildings. That will add a superior texture and dimension to support the 24/7 community experience. We now have 50,000 families living in lower Manhattan, and that number is growing by 10,000 families each year. These families earn the highest average income for the city and are often double-income, no-children families. The enormous growth in residential facilities in lower Manhattan is changing the quality and the dynamic of the neighborhood in a very positive way. Add to this the Memorial Park, which will be a splendid 8.5-acre destination for 10 million visitors a year. The mass transit system is superior. We're making a \$20 billion investment in one square mile, and its impact will radiate to the areas around it.

What does Silverstein's partnership with Four Seasons entail?

We're building an 80-story luxury condominium tower one block north of the World Trade Center. The lower third of the building will be a hotel, with luxury condo units above it, serviced with Four Seasons amenities. Its impact will be powerful.

Is the World Trade Center project overwhelming at times?

You have to stay focused. If you don't, you'll lose the drive and energy required to get this done. We've developed the design of five magnificent buildings: the Freedom Tower, 7 World Trade Center, and Towers Two, Three, and Four. The buildings are superior architectural statements and will be built better from a life-safety standpoint than any other buildings in America. This is a statement for the future. We have an obligation to rebuild the World Trade



Center, but it's also a privilege to have an impact on multiple generations.

Does it surprise you that development of the 42nd Street area is increasing?

It really doesn't. We're building the second phase of River Place on 42nd Street between 11th and 12th Avenues. I bought that square block in 1984, because I felt it was just a matter of time until 42nd Street would become a good residential destination because of its proximity to Times Square. The first phase was very successful, and other buildings have blossomed around us. We hope the second phase will be equally successful.

What makes the New York real estate market so resilient, even in challenging economic times?

New York is a world-class city and has been for a very long time. New York is also enjoying an enormous infusion of foreign capital, aided by the fact that the Euro-U.S. dollar relationship makes everything here enormously inexpensive.

We have also been blessed with a Mayor who has worked tirelessly to make New York a better city than it was when he took over. He calls the shots in the best interests of the city. He has made it a better city in which to live, work, visit, and learn, and the world sees that. Michael Bloomberg brought with him a retinue of people who, like himself, are dedicated to improving the city. There's a clock in City Hall that counts down the time left in his administration – the time he has left to accomplish his goals. You don't see that kind of drive or level of energy and commitment in most governments. I hate to see him go, because he has been so effective.

And what about you? Do you ever take the time to reflect on your personal successes?

There's too much to do. I want to get as much done as I can in the time I have available to me. Time is limited, and you have to move as expeditiously, efficiently, and effectively as you possibly can. ●

The planned site of the new World Trade Center