

After 30 Years, Times Square Rebirth Is Complete



Richard Perry/The New York Times

A look at 42nd Street at night. The redevelopment of Times Square, which started three decades ago, will be done with the opening of 11 Times Square next month. [More Photos »](#)

By CHARLES V. BAGLI

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Next month, 11 Times Square, a new, glassy 40-story office tower at 42nd Street and Eighth Avenue, will formally open with its first tenant. Compared with the metamorphosis that has occurred around it, there is nothing extraordinary about the building except for this: Its completion officially marks the end of the long and tortuous redevelopment of Times Square, an effort that began 30 years ago.

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The plan, to radically make over 13 acres, between Broadway and Eighth Avenue, primarily fronting 42nd Street, outlived three mayors, four governors, two real estate booms and two recessions. It faced widespread derision in the beginning from jaded New Yorkers who were wise to grand plans. It faces occasional derision today from New Yorkers who speak of the old Times Square with newfound fondness.

It embodied both the hubris of urban master planning and its possibilities, and showed the value of ripping up blueprints and starting over in midstream. And it has been a touchstone experience for a city that is now building, or trying to build, several multibillion-dollar projects, including ground zero, the Atlantic Yards, Willets Point and the Hudson Yards.

“So often, people say New York can’t build large-scale projects anymore,” said Lynne B. Sagalynn, a professor of real estate finance at Columbia University and the author of “Times Square Roulette: Remaking the City Icon.”

But, Professor Sagalynn said, “Times Square is an example of how a city was able to think on a grand scale and carry it out.”

“It can take a decade or two for the complete vision to become a reality,” she continued. “But it happened here.”

Success is evident. Crime is down significantly from the days when pimps, prostitutes, drug addicts and dope pushers prowled Times Square and the Deuce, as that stretch of 42nd Street was known. The number of tourists is up 74 percent since 1993, to an estimated 36.5 million last year, and attendance at Broadway shows has soared to nearly 12 million.

Morgan Stanley, Allianz Global Investors, Viacom and [Condé Nast](#) now make their corporate homes there. Retailers are paying rents as high as \$1,400 a square foot, second only to those on chic stretches of Fifth and Madison Avenues.

And while many billboards in Times Square were blank in 1979, today the area is a kaleidoscope of moving images depicting financial institutions, automakers and fashion houses, with the best spots on 1 Times Square’s facade commanding as much as \$4 million a year in rent.

“The irony is that this place represents in many ways the epitome of free-market capitalism,” said Tim Tompkins, president of the [Times Square Alliance](#). “But its transformation is due more to government intervention than just about any other development in the country.”

Times Square, of course, has certain unique qualities that none of the city's current projects enjoy: it sits in the middle of Manhattan, has a rich, century-long history and is recognized internationally as the crossroads of the world. Even at the worst of times, tourists from England to Italy, Algeria to Japan came to New York to have their pictures taken in Times Square.

But the often painful rebirth also took perseverance and a long-term approach, rare characteristics in a city obsessed with making things happen in a New York minute.

The concerted effort began in 1980, when after years of complaints and false starts, Mayor [Edward I. Koch](#) and state officials announced the coming rejuvenation of Times Square.

The developer George Klein, who later formed a joint venture with Prudential, was selected to build four sedate skyscrapers at the famous intersection of 42nd Street, Broadway and Seventh Avenue. The state would take over the decrepit theaters, evict the peep shows and X-rated movie houses and restore the former dignity. The subway stations would be refurbished, and a huge merchandise mart would be built on Eighth Avenue, between 40th and 42nd Streets, across from the Port Authority Bus Terminal.

The plan envisioned the use of eminent domain, and the owners of the theaters and nearby office towers, like the Durst family, resisted.

There also was criticism of the large tax breaks showered upon developers and tenants in the new Times Square; the [Municipal Art Society](#), a private planning and preservation group, once estimated that the redevelopment would entail more than \$1 billion in "unnecessary" property tax abatements and other benefits like zoning changes that allowed for taller towers than would otherwise be permitted.

By the time the state had fended off 47 lawsuits brought against the project, a severe recession in 1991 brought the city to its knees. The next year, for the first time, Gov. [Mario M. Cuomo](#) failed to mention Times Square in his State of the State address.

Rebecca Robertson, who was then president of the state's 42nd Street Development Project, worried that the whole plan was unraveling. Prudential, which had already put up \$241 million for the land, threatened to pull out if it was forced to build towers at a time when it would be hard to fill them with tenants. It was given more time.

But this gloomy period, Ms. Robertson said, also proved to be an opportunity to overhaul the much-criticized development plan, whose four huge skyscrapers were designed more to bury Times Square's sordid past than to celebrate its connection to popular culture.

Ms. Robertson, together with the architect [Robert A. M. Stern](#) and the graphic designer [Tibor Kalman](#), devised an interim plan that reconnected with the “razzmatazz” of Times Square’s past by emphasizing entertainment, big garish signs, an eclectic mix of tenants and glassier, flashier office towers, with lobbies that seemed to flow onto the sidewalk rather than wall it off.

“To me, the market crash was a wonderful time to rethink the whole thing,” Ms. Robertson said, referring to a stock market crash in 1987. “We couldn’t have gotten our plan through in a hot market. The development pressures would’ve been way too strong. Everyone would’ve been talking about what big tenant can we get, and not about restoring popular culture and entertainment.”

The oft-heard complaint about the Disneyfication of Times Square sometimes loses sight of the fact that it was the Walt Disney Company, perhaps more than any other, that helped start the turnaround.

Disney wanted its own Broadway theater, but feared being a lonely outpost on a hostile block. A fierce negotiator despite its Mickey Mouse image, Disney reached an agreement to take over the New Amsterdam theater in the last days of Mayor [David N. Dinkins](#)’s tenure, got a low-interest loan from the state and prodded officials to sign deals with Madame Tussauds wax museum and the AMC Theaters, which moved in down the block. The restored theater has now been home to two wildly successful Disney plays, the Lion King, which later moved a few blocks away to the Minskoff Theater, and now Mary Poppins.

The economy recovered and then some, and the multicolored Westin Hotel, more movie theaters and the B. B. King Blues Club and Grill soon followed on the north side of 42nd Street. [Douglas Durst](#), an early opponent, built 4 Times Square, the Condé Nast building, on land he acquired from Prudential. Then followed the Reuters building, the Ernst & Young tower and a fourth skyscraper as the wrecking ball demolished hot-dog stands and pornography shops.

One Times Square, the building atop which the ball drops every New Year’s Eve, and now the most expensive advertising space in the world, sold for \$110 million in 1997, four times what it had fetched just two years earlier after a foreclosure.

The New 42nd Street, the nonprofit group that oversees the redevelopment of seven historic theaters, created the New Victory children’s theater with low prices and an award-winning educational program.

Instead of a merchandise mart on Eighth Avenue, there is the New York Times's new headquarters. Over objections from landowners, the state condemned a parcel that was home to 55 businesses, including a technical school, a hat store and sex shops, to build The Times's third headquarters in the neighborhood in a century.

And there is 11 Times Square, on the last parcel to be redeveloped, and a sign of Times Square's progress but also its challenges ahead. It was built speculatively, without tenants already lined up, and is now seeking to fill its floors amid competition from other buildings, including those going up at ground zero. Proskauer Rose, a major law firm and its first occupant, is scheduled to move in next month.

The adoption of a revised redevelopment plan was a critical moment, said Mary Ann Tighe, a real estate executive. "They recognized that this wasn't going to be Rockefeller Center West," she said. "Each part of the city is unique and demands its own solution."

One of the last remnants of the old Times Square is Jimmy Glenn, the owner of Jimmy's Corner, a bar on West 44th Street east of Seventh Avenue. A boxing trainer, Mr. Glenn was the owner of the late Times Square Gym, located one floor above 42nd Street; boxers with names like Ali, Frazier and Tyson used to mount the long stairwell to his ring.

Now, he said, "it's like a pinball machine out there."

But Mr. Glenn, now 80, does not miss the drug addicts, pornography shops and criminals. "Everybody loves Times Square now," he said.

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