

"Partnerships in Urban Regeneration"  
Developer/Government Experience in the  
U.S. and U.K.

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"ALEXANDER POPE AND THE CHALLENGE  
OF URBAN REGENERATION"

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It may seem odd to look to an 18th century British poet for insights for a conference on urban regeneration, especially in view of my assigned topic, "Allocation of Public and Private Responsibility." The fact is, however, that in his "Essay on Man," Alexander Pope got right to the heart of the matter when he wrote,

"Oer forms of government let fools contest;  
What e'er is best administered is best."

An analysis of the successes and failures in public/private regeneration efforts over the years reveals a wide variety of formal arrangements among both successes and failures. What the successes usually have in common, however, are the following:

- A) An overriding vision or an imaginative concept;
- B) A realistic financial plan that swims with rather

- than against the current of free market forces;
- C) Tough-minded, detailed physical, social and economic planning;
  - D) Astute local political sensitivity, resulting in effective local support; and
  - E) Competent, dispassionate implementation of the program.

Prudent flexibility, what in the U.S. space program they call "mid-course correction," adds to the chances of success; just as the overloading of a program with too many ambitious, often contradictory, goals tends to diminish those chances.

Experience also shows that, first of all, brick-and-mortar problems are traditionally the easiest to solve; complex social problems invariably are the hardest; and economic problems fall somewhere in between.

Secondly, we know that on either side of the public/private negotiating table, one can find individuals of outstanding professional talent, character, imagination and dedication. But so, too, can one find intellectual frauds, self-serving cheats and simple incompetents who are hopelessly out of their depth.

In short, from the standpoint of urban impact, the important thing, as Pope realized, is to see that the right actions are taken at the right time in the right manner, regardless of the auspices under which they take place.

As a general rule, public entities should be expected to have a broader perspective than the private, a longer range point of view, and greater sensitivity to the needs of the entire community. Therefore, it is logical that public entities determine the broad outlines of large-scale urban regeneration programs, the goals, and the nature of the public resources to be applied. Obviously, I am not an admirer of the Houston, Texas laissez-faire model.

The closer, however, public entities get to specific instances and (if you will forgive the pun) concrete decisions, the more inept they tend to become, the more doctrinaire, the more rigidly unresponsive to individual and immediate problems.

At some point, first-rate private entities usually can far out-perform them. Many of us have known for a long time what Mr. Gorbachev seems on the verge of first discovering.

As a general rule, the greatest weakness public entities suffer is an often unsophisticated appreciation of the power of market forces in a free market economy. Even King Canute would have had more success with his orders had he waited until the tide changed; and that can apply to urban regeneration programs, too.

In the case of our own Boston activities, for example, which began nearly 20 years ago at the suggestion of British real estate friends and colleagues Barnett Shine and John Rubens, we felt almost intuitively that the area had bottomed out

economically and that it was poised to begin a long, continuing ascent. In speeches 17 or 18 years ago, I argued publicly that given the economic realities, Boston would be ill-advised to dissipate civic funds and energy in vain efforts to retain inevitably declining blue collar jobs, and that it should capitalize on its various educational and "quality-of-life" strengths to attract white collar employment that provides better-paying jobs, higher tax revenues and greater economic and social spin-offs. For our own projects in Boston, which now involve nearly 6,000,000 square feet of commercial space, we required from the city government no financial help of any sort, merely zoning and land use cooperation.

However, such creative, truly seminal projects as Boston's Fanueil Hall/Quincy Market would not have been possible without the imaginative and enthusiastic support of Boston Mayor Kevin White.

Kevin White is a dictatorial man who ran Boston as his own personal fiefdom. He is architectually knowledgable, however, and he had a vision of the kind of downtown he wanted. It is no exaggeration to say that much of Boston's downtown really bears his personal stamp today. By way of example, let me say that our million-square-foot 46-story office tower could not get its plans approved until he personally selected the color of the tinted window glass!

Today, each of our Boston projects is an unqualified success, for us and for the city; and there is credit enough for

everyone.

In our major Washington, D.C. project called Pentagon City, which will eventually comprise 6,000 housing units, 2,000 hotel rooms, a 1,000,000 square foot retail mall and 1,250,000 square feet of office space, we also needed government support in zoning and land use controls. A local anti-growth group repeatedly challenged the master plan in the courts, and it was the local public officials that successfully defended their plan approval all the way up to and including the U.S Supreme Court. After that, we needed no financial or other involvement, since it was clear that the site was obviously in the path of healthy and sustainable growth. Today, much of the office space is built, and construction on the retail mall and first housing units is scheduled to get underway this autumn; and it looks as if they are going to be a rousing success.

A vastly more activist government role is being played in a project we are now working on in New York City, in a depressed and ravaged area in downtown Brooklyn known as Atlantic Center. If the present sense of blight can be overcome, the site's superb transportation advantages can come into play, and the proposed 3,000,000 square feet of office space, 600 housing units and 100,000 square feet of retail space can trigger the regeneration of a much vaster surrounding area.

In order to develop credibility and the necessary "critical mass" in the first stage, the project requires the use of every single economic tool the New York City government has

at its disposal. Not only is it receiving abatement of real estate taxes, UDAG capital funds, M.A.C. surplus funds, lower energy costs, inexpensive land costs and low rate industrial bond financing, but in addition, a city agency will most likely be the first tenant and will occupy several hundred thousand square feet of office space at a negotiated break-even rental.

If we are able to attract the back office Wall Street tenancy we think we can, everyone comes out ahead, especially the citizens of Brooklyn. If we are not, millions of private dollars will be lost. Both the City and our company have a lot to win or much to lose, and that makes it a real partnership.

The planning, design and implementation responsibility have been largely ours, but the review and approval process at all stages has involved city government officials as well as local community representatives.

Right now, the economic future of the project is a question mark, but we are all prepared to do our very best to make it work.

All of which brings us back once again to Alexander Pope. That format is best which, in the particular circumstances, works out successfully for all the interested parties.

And increasingly, in urban regeneration programs, that seems to be the public/private partnership approach, in which each side plays its constructive role for the general good.