

THE NEW YORK OBSERVER

Anywhere but Downtown!

By [Eliot Brown](#)

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In his nearly 24 years as president of the powerful Real Estate Board of New York, Steven Spinola has rarely seen his members so riled up. "They're saying to me, 'You've got to stop this, you can't let it happen.'"

The commotion: the Obama administration's plan to hold its 9/11 terror trial in the federal courthouse in Lower Manhattan.

Pleading with any and every elected and government official with potential influence on the issue, including those in the White House, major landlords and other real estate moguls are scrambling to find a different trial venue. They warn that one downtown, with its security threats and streets closures, will turn Lower Manhattan into a commercial kind of no man's land, not unlike the months after 9/11.

The business community's battle, led by Mr. Spinola and Bill Rudin, the landlord and Association for a Better New York chairman, appears an uphill one. Thus far, the biggest New York political names with potential influence on the matter have resisted criticizing Attorney General Eric Holder's decision to hold the trial downtown. Mayor Bloomberg and the state's two U.S. senators have instead been focused on getting the federal government to pick up the tab, staying mostly mum, publicly, on the venue.

Mr. Spinola, no stranger to persistence, is energized.

He said he has approached three Obama administration officials about the issue since the trial location was announced, urging other locations, including Governors Island. At separate meetings and events unrelated to the trial, Mr. Spinola raised the issue with Jim

Messina, deputy White House chief of staff (who said the decision rested with the Department of Justice, according to multiple attendees); Department of Homeland Security Secretary Janet Napolitano; and White House political adviser David Axelrod.

Mr. Spinola, Mr. Rudin and others have also barraged local elected officials, including members of Congress, with hopes that enough pressure will cause the Justice Department to find a new location. There is a strong, more public resistance from residents and small-business owners to hosting the trial. The community board has had numerous meetings on the topic, and residents have been vocal in pushing alternatives and engaging support from local elected officials.

"I think that there is a community of interest forming," said Mary Ann Tighe, the chairwoman of REBNY who has been active on the issue as well. "The unintended consequence of-I'm sure-a well-intentioned thought is something that could be devastating for downtown."

THE TRIAL OF Khalid Sheikh Mohammed and four other alleged conspirators has no set start date, but, upon its commencement, the NYPD would surround the federal courthouse on Pearl Street with a restricted-access "hard" perimeter, and a larger "soft" perimeter, with far more traffic allowed through.

The message from the business leaders, who have had little trouble wresting incentives for Lower Manhattan over the past eight years, is a simple one: move the trial anywhere else. Its effects, they say, would scare away would-be tenants from Lower Manhattan, cut off foot traffic and tourism and add another hurdle to downtown's recovery amid a recession.

Some of the apocalyptic cries can probably be chalked up to hysterics. The soft perimeter will indeed allow traffic through, with periodic searches, and the area mostly encompasses government-occupied buildings, the tenants for which aren't going anywhere.

Still, the disruption of traffic is a concern, as is the stigma for the larger area. Even with a complex \$200 million annual security plan in place, Lower Manhattan would newly become a likely terrorism target once again. And the added perception to come that Lower Manhattan is a checkerboard of closed-off streets and security zones would only make it that much harder to attract businesses and employers.

The larger area south of Canal Street is struggling to find its footing, to be sure, and it's easy to see how another obstacle would be unwelcome. While the boom market through 2007 brought a new, diverse array of office tenants and conversions of old buildings to residential condos, the challenges going forward are immense. Between just Goldman Sachs moving into its new building and Bank of America consolidating its Merrill Lynch offices, there are millions of square feet of office space expected to go vacant within the next three years. And with office rents dropping in midtown comparatively faster, Lower Manhattan offers less of an economic edge for would-be tenants.

"Why would you throw this into the mix?" said Liz Berger, president of the Downtown Alliance, a business group that opposes the trial in Lower Manhattan. "It doesn't make sense generally to put this kind of trial in an area of such density."

THE TRIAL MUST be held in the Southern District of New York, which includes Manhattan and northern suburban counties, and there are certainly no other locations that have a precedent for hosting such a high-profile trial. A spokesman for the Justice Department, Dean Boyd, said in a statement that the department would "work closely with local officials to minimize disruptions to the community."

"Our federal courts have a long history of safely and securely handling international terrorism cases, and no district has a longer history than the Southern District of New York in Manhattan," he said in the statement.

A set of local elected officials, including Assembly Speaker Sheldon Silver, has warmed to the concept of moving the trial to Governors Island, and they are urging at least a careful

look elsewhere in the Southern District. "Obviously, I think that Lower Manhattan is not the place for it," said Representative Jerry Nadler. (A spokesman later clarified Mr. Nadler believes Lower Manhattan is "not the only place" for the trial, as alternatives should be examined). "I think we should take a look at all other possible venues in the Southern District."

Some of the most influential notables have yet to publicly stake a position on moving the trial. Mayor Bloomberg has said little either way, other than to push the federal government to pay for the security. The same goes for Senator Charles Schumer and Senator Kirsten Gillibrand, whose spokesman said that while she "is open to ideas" about mitigation from the business community, her main concern is shifting the cost to the federal government.

So if not in Lower Manhattan, where could the trial go?

The business elites are pointing their fingers toward anywhere else, suggesting a number of locations upstate.

Julie Menin, chairwoman of downtown's Community Board 1, is pushing four potential sites, urging officials to evaluate them: a federal prison facility in Otisville; West Point; Stewart Air National Guard base in Newburgh; and the federal courthouse in White Plains. Ms. Menin has also urged Governors Island, an idea that was briefly entertained by the NYPD before it rejected it last week as impractical.

Mr. Bloomberg was less diplomatic in his dismissal. Speaking to the local weekly *Downtown Express*, he called it "one of the dumber ideas" he's ever heard.