

Capital Construction

The news that New York cannot build the Convention Center now or in the foreseeable future, while unwelcome, is no surprise. The announcement of its "suspension" (technically it is not dead) confirmed Controller Goldin's capital budget report statement that the city is unable to fund any new building at all. This is underscored by the state's order to review all current construction work. Every project in process is being examined to see if it can be stalled or stopped.

There is no alternative to these cutbacks when it is barely possible to fund the essential services to keep the city alive. But at some point, when fiscal sanity has been restored and there is at least something approaching effective city management, the attrition and erosion of the city's resources will have to be faced. The inability to build for its needs will affect New York's economic and social health for decades to come.

The Convention Center was the bottom of a pyramid of financial benefits that the city needed desperately to re-establish its shaky economic base. It was also the incentive for a revitalization and stabilization scheme for the neighboring Clinton community. It could have been the start of the restoration of the Times Square-West Side area; it was the key (now lost) to the private construction of the Portman-Times Square hotel. Jobs, investment capital and numerous service industries depended on this project, as well as physical renewal.

Capital construction projects cover the entire spectrum of life-supporting services and civilized amenities that make a city work. Conversely, their absence guarantees decline. What is involved is housing, schools, municipal facilities, transportation, libraries, museums, industrial buildings, parks, preservation and open space.

Only the re-establishment of the city's fiscal integrity can open the credit markets again for essential capital construction. But New York's future depends on more than prudent bookkeeping. Both the economic and environmental soundness of the city are at stake and the issue is still survival.