

Red Elephant and the 15% Solution

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Rescuing Manhattan Plaza, the unfinished housing that looks like a red brick elephant over West 42d Street, is not just a good idea; for this financially battered and housing-shy city it is also a necessity.

At present, 1,690 apartments are sitting in two 45-story towers covering the entire block from 42d to 43d Streets and 9th to 10th Avenues. Caught in an inflationary squeeze that sent the projected subsidized rents up from \$100 to \$150 a room and higher, the enterprise stalled. At those luxury prices, porn country simply could not compete with the upper East Side, and dreams of revitalizing the Times Square area with a stable middle-income enclave disappeared with the construction cranes.

The rescue plan calls for turning the housing into apartments for people in the performing arts, using Federal rent subsidies. Backed by the city, the appropriate unions, professional organizations and the neighboring Clinton community (with strings), the proposal has much to recommend it. Performing artists, like most other artists, are the elite poor. They fuel New York's culture and creativity, which, in turn, fuel its economy. The buildings are located in the heart of the performing arts district. The proposal is obviously good for the city, the neighborhood, and the arts.

Even with all that going for it, Manhattan Plaza is embroiled in controversy as it faces Board of Estimate action this week. The debate rages over whether Federal rent subsidies should be used to "bail out" the original investors, of whom the major investor is the city; whether it is proper for \$11.5 million in subsidy to go to one new project instead of citywide rehabilitation; whether a performing artists' project of this size is a sound concept, and, if so, what portions should go to performing artists and to the Clinton community.

Much of this debate becomes academic in the face of the fact that Manhattan Plaza, like Mt. Everest, is *there*, and it is a block-square disaster. Abandoned before completion, it further depresses a depressed neighborhood. Its failure represents an immense financial burden to the city. And under the proposed plan, it could be turned from an albatross to an advantage.

With a sound scheme and funds for it virtually in hand, chasing alternatives seems like an exercise in masochism. Arguments for rehabilitation elsewhere have a painful validity, but they become abstract in the face of this reality. So does the suggestion that everyone wait for new options from the Carter Administration. If those options come, there are plenty of places where they can be applied.

The fear of opponents that so much occupancy by performing artists is unattainable is countered by excellent studies to the contrary. The argument that subsidizing performing artists on this scale will send the area to a nadir of depravity—because any kind of low income is synonymous with slum—insults the arts and common sense.

What it all boils down to now—as it usually does in New York—is a political numbers game. The proposal before the City Planning Commission was for 85 percent of the apartments to go to performing artists and allied professionals, and 15 percent to Clinton residents of other vocation. The community planning board, with the agreement of the artists' groups, revised the numbers to 70 percent for artists, 15 percent for the general community, and 15 percent for the elderly in the community. The Planning Commission voted for 100 percent performing artists. It considered evidence that some of the performing artists would surely come from Clinton and that a still greater percentage of local tenants would drain the community. The planners felt further that other communities have been waiting as long or longer for badly needed housing and that Manhattan Plaza has a citywide appeal and obligation. But it was also clear that the commission's 100 percent is negotiable.

The Planning Commission is not meant to be a rubber stamp for compromises that "buy peace" with the community. Nor are political solutions always sound planning. In this case, good planning and good politics could meet. If anything is to be negotiated, we would urge an increase in the 437 older Clinton units to be rehabilitated as part of the deal, and a return to the 85-15 percent solution.