
THE WORLD TRADE CENTER AND ME: FROM CAMELOT TO BIN LADEN

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ABOUT THE AUTHOR

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It was June, 1961, when my involvement with the Twin Towers began, and I had just graduated from Columbia College in New York City and started work as an administrative trainee at the Port of New York Authority (as it was then known) headquartered in Chelsea, 15th Street and Eighth Avenue, Manhattan. John Kennedy was in the White House, and Camelot was on the horizon. The postwar Eisenhower years had just ended and the civil rights struggle, assassinations, Vietnam, Watergate, and Bin Laden were yet to come. The world was simpler then.

While in college, I married my grade school sweetheart and we had three kids. I thought I wanted to be a teacher, and planned to work a year or two to get out of debt, and then to go on to get a Master's degree in English literature, my college major. But I wasn't really sure what I wanted to do, and the Authority had a wonderful reputation as a first-class training ground for business and public service. Moreover, importantly, it was a bi-state agency of New York and New Jersey and operated in the Port District, a 25-mile radius around the Statue of Liberty. I wouldn't have to travel too far from home, which in those days was an apartment in Bensonhurst, Brooklyn, on the second floor of a two-family house.

The Authority hired only eight to ten trainees as future managers after recruiting at 55 colleges and graduate schools around the country. Incidentally, our starting salary in 1961 was \$5,600 a year and that compared very favorably with starting salaries at the very best companies nationwide. When we started we went through a six-month program of seven-week work assignments in different departments (mine were in the Director's Office of the Aviation Department—the Authority ran JFK, Newark, LaGuardia, and Teterboro Airports then, and now—the Real Estate Department, and the Lincoln Tunnel). Work was interspersed with formal classroom training in public administration, transportation economics, sensitivity training, management, and decision making. The Authority operated about 25 facilities in the Port District, which included, in addition to the airports, port facilities, bridges, tunnels, truck and bus terminals, and one of the largest office buildings in the city by cubic content at 111 Eighth Avenue. At the end of the six months we chose where we wanted to go and the different department heads selected people for permanent assignments. I eventually ended up in Real Estate because the seven-week assignment had been interesting, and the head of the Department was Bob Curtiss, CRE, and Columbia Class of '27, who liked the idea of taking another Columbia man to work for him.

The Port Authority had very ambitious plans for helping the Port District grow and prosper, and one of them was to construct a central facility in New York City for doing international trade, a world trade center. We heard about the plans very early in our career. At that time the facilities for doing international trade were spread all over the city, from the consulates on the east side in Midtown, to the freight forwarding firms and port facilities themselves scattered throughout the district, to the Customs House downtown in the battery. Authority research concluded that one out of four jobs in the port district depended upon international trade for its existence, and that improving the process by getting the players under one roof would increase the prosperity of the entire region. Therefore it conceived of a \$350-million World Trade Center to be located on the east side of Manhattan, a site that included the Sugar Building at 120 Wall Street and extended into the East River, not far from the Customs House. The cost of the project was not inconsiderable, and the officials of New Jersey objected to the Authority spending all that money in New York City without any direct benefit to them. The governors of New York and New Jersey have to approve Port Authority actions and each appoints half of the 12-person Board of

Commissioners, which functions as the board of directors of a corporation. Controversy surrounded the birth of the Trade Center, and it was to last years after the project was built, for a number of different reasons. Little did we know then how all that early controversy and publicity would pale compared to that which accompanied the demise of the Twin Towers about 35 years later.

The Authority encouraged the trainees to get involved in its Speakers Bureau, which sent employees to local Kiwanis, Lions, and other groups around the district to talk about current plans and programs. At that time the most frequent request was for speakers about the World Trade Center because that was in the news with the Governor of New Jersey saying, "Never," and the executive director of the Authority and New York State officials lobbying in favor. That was when the Twin Towers got personal for me. About once a month in those early years I would give a talk at lunch or dinner with my slide projector and pretty pictures of a World Trade Center, a project that was to become a significant part of my life in the following ten years, and after.

Meanwhile my career in the Port Authority Real Estate Department was underway as a junior administrative assistant working on sale of the property remnants left over from the George Washington Bridge second deck acquisition in the late 50s; securing rights for lighting runway obstructions in Rockaway Beach near JFK Airport; doing property research in Staten Island, in connection with expansion of the bridge crossings to New Jersey; and researching ownerships on the east side of Manhattan where the World Trade Center was to be located if approval to build it was ever obtained.

While the Port Authority had a number of projects underway or in planning stages in the early sixties, the WTC was clearly the most ambitious. And it was stalled . . . until an agency employee had the bright idea to relocate it to the west side of lower Manhattan and combine it with the acquisition and rehabilitation of the Hudson & Manhattan (H&M) tubes, the subway, built at the turn of the century, which brought New Jersey commuters to Manhattan. The system opened in 1908, and was privately owned and in disrepair. The main stop for the tubes in lower Manhattan was the Hudson Terminal at 30-50 Church Street, two 22-story office buildings, which sat atop the railroad terminal. The clever idea to move the WTC site to that location, now known as Ground Zero, broke the political deadlock with New Jersey politicians. The Authority agreed to acquire and rehabilitate the old

H&M Railroad at an estimated cost of \$70 million in exchange for agreement to construct the World Trade Center. New Jersey politicians also insisted that a transportation center be built in their state as part of the quid pro quo, the Journal Square Transportation Center, which would rehabilitate 7.5 acres of downtown Jersey City, New Jersey, with a train and bus terminal and office building complex to be built as part of the H&M project.

From 1961 to 1965 I was learning about business, real estate, management, and public administration. I was working with lawyers a good deal, and realized there was quite a bit I didn't know about contracts, torts, and the laws that govern our lives. So in 1962 I started NYU School of Law, Evening Division, with a full-tuition grant from the Authority while I worked in the real estate department during the day learning about appraisal, management, leasing, property records, abstracting title, and such. In the mid-60s I took Appraisal Institute Course 1 from James Gibbons, CRE, at the Brooklyn Academy of Music; a year later I took Course 2, Income Capitalization, from William Kinnard, CRE, in Storrs, Connecticut. It was an intense learning period for me, and one of real growth and development. I was introduced to "Ground Zero" by going to the courthouse to search titles to determine who owned the 13-square block area we had targeted for the World Trade Center. When we started that work I was part of a top-secret group that was developing the information without letting anyone in the City of New York administration or the neighborhood know what we were doing.

The site is familiar to most of the world now—13 square blocks, the area extended from Barclay Street on the north to West Street on the Hudson River, excluding the New York Telephone Company (now Verizon) building that still exists on the corner of West and Barclay that took such a hit in the devastation on September 11. Church Street was on the east, then anchored by the Hudson Terminal Buildings, and Liberty Street was to the south. About 15 acres, it was the largest assembly of property in the City up until that time. My recollection is that there were 560 tenants—residential, retail, office, and some light industrial—that had to be relocated, 143 fee claimants or real property owners, and more than 100 owners of compensable trade fixtures, all of whom would have to be paid just compensation for their property. Little did I know then that I would be personally responsible for that acquisition, management, and relocation program in just a couple of years.

Lower Manhattan in those days was a financial services back office and insurance center which had

not seen a new office building since David Rockefeller had the courage to build the 60-story Chase Manhattan Plaza building in the late 50s. People thought he was crazy at the time, and once the Port Authority announced its plans a few years later, many thought it was crazy too for planning a major office development in a part of Manhattan that was not considered prime office territory. The WTC site was immediately south of an area known as the Washington Markets where produce was sold early every morning to the stores and restaurants of the City. Plans were underway then to relocate that market to the Hunts Point section in the Bronx, and it eventually did move. The WTC site consisted of the old H&M Terminal Buildings, and about 140 other structures, mostly three- to five-story lofts built around the turn of the century, with electronics stores on the first floor and largely vacant upper floors. It was called "Radio Row" and had quite a following for those interested in radio, television, and electronics, looking to purchase second-hand or off-price equipment.

Bi-state legislation authorizing construction of a World Trade Center and acquisition of the H&M Railroad was passed in 1962. The Port announced its plans for the project, as we know it, in 1964, but the final City approval wasn't obtained until 1966. It had hired Minoru Yamasaki of Birmingham, Michigan, as the lead design architect. A plan for the tallest buildings in the world, consisting of 110 stories and 10 million net rentable square feet, evolved, and there was uproar. Architectural critics denounced the pedestrian design. Building owners decried the Port Authority getting in the real estate business, depriving them of profits by glutting the market with space, and depriving New York City of tax ratables (the Authority made "in lieu of tax" payments to municipalities based upon assessments in place at the time of acquisition). Larry Wien, owner of the Empire State Building, formed what he called "The Committee for a Reasonable World Trade Center" and brought one of many lawsuits against the Authority; and the site owners themselves organized a group called the Downtown West Small Business Survival Committee and brought suits questioning the "public use" and featuring civil liberties lawyers and other names. This was New York, after all, so it wasn't going to be easy. In the *Courtesy Sandwich* case (named for the lead plaintiff who was one of the site tenants) an appellate court eventually upheld the enabling legislation.

Meanwhile I had been promoted to increasingly responsible jobs . . . real estate representative, real estate agent, then senior real estate agent. On

December 1, 1965, the Port Authority vested title in condemnation to the World Trade Center site by virtue of filing a plat with a perimeter description pursuant to the eminent domain statutes of the State of New York, and I was the principal witness on possession matters in the proceeding. The World Trade Center from a property point of view had become my baby, and the following year when I graduated from law school and was admitted to the bar, I became the head of all of it—acquisition, interim leasing and management, tenant relocation, property engineering. I was the youngest manager in the history of the Authority, but was aging fast now that I had a division of more than 100 people to run, and projects with budget responsibility exceeding \$100 million. Bob Curtiss, my old mentor, had moved on to Ely-Cruishank, a well known New York real estate firm, and in 1973 he became the national president of The Counselors of Real Estate organization.

Our first official contact with WTC site owners and neighbors was the result of the need to obtain rock anchor tie back tendon easements from a few property owners so a test slurry wall could be built, a portion of what our engineers called “the bathtub,” which was to keep out the seawater when the towers were erected. The original water line for the Hudson River was along Greenwich Street, running north-south in about the middle of the site, almost two blocks east of West Street, the current westerly boundary. That meant much of the site was on landfill, and the water table was high. The anchors would tie to bedrock under properties adjacent to the site, about 70 feet down. When the tower floors were in, the concrete was poured and steel was in place, the rock anchors could be, and were, released. I read now that there is concern again about the stability of the bathtub walls without the towers to secure them, and new rock anchor tendons have been installed.

The World Trade Center project was fascinating, and whether you liked the architecture or not (I did not), and whether you thought the Port Authority should be in the business of building office space or not (again, I didn't) made no difference because the scale of it was breathtaking. The price tag kept going up, from \$350 to \$500 million, and I understand it ended up costing more than \$1 billion. Elevators had to be rethought, and for the first time a large tower was conceived as three, one on top of the other, with an express-local elevator system to avoid all the dead space that usually accompanies elevator shafts in large buildings. HVAC and lighting systems were rethought and new procedures and technologies were pioneered. Curtain wall con-

struction was employed, with the steel being supported by the exterior walls to allow column free space on the interior. They were built to withstand an accidental crash from a jet, in those days a 707, without collapsing, but this technique, I understand, indirectly caused the towers to buckle in the great heat of the fires after the airplane collisions on September 11. The soil dug from the Trade Center site provided the landfill for the World Financial Center and Battery Park City, and helped turn lower Manhattan into a 24-hour community. The initial lease-up was difficult, however, because the enabling legislation specified conditions for rental that required prospective tenants to be in international commerce or a related business, and in addition, the Manhattan office market softened considerably in the economic slowdown of the late 60s and early 70s. Occupancy was boosted by State of New York agencies which took the bulk of one tower, some said because then Governor Nelson Rockefeller wanted to help out his brother David in reviving the downtown area. Nonetheless, before too long, the WTC was prime space, and it sparked a lower Manhattan building boom that hadn't been seen since the early years of the 20th century.

In the Real Estate Department we had three major trials underway; one the valuation of the H&M tubes, the railroad we had acquired and renamed PATH, Port Authority Trans-Hudson Corporation; the second involving the valuation of the real property and trade fixtures within the Trade Center site; and the third, the Journal Square proceeding in New Jersey, another acquisition and tenant relocation program. On the New York cases I worked very closely with Milton Pachter, Esq., a young lawyer and friend who is now senior litigation counsel at the Authority. At the time of the September 11 tragedy Milton was the longest-term Port Authority employee, and he spoke eloquently at the memorial service about the Port Authority family. We retained as our valuation expert on the condemnation, the services of Ed Kazdin, MAI, a former national president of the Appraisal Institute, and vice president, appraisal, of Cushman and Wakefield, who was assisted by a young associate named Larry Gaines, now a CRE. I learned a lot about real estate appraisal from Ed and Larry, and also from Frank Hannoch, Sr. and Frank Hannoch, Jr., both CREs, of course, (the latter our national president in 1994 and my sponsor in The Counselors), who were our experts in the Journal Square proceeding. We had a number of other real estate programs in process during this hectic period of 1966 to 1972 including the Bus Terminal expansion in mid-Manhattan, the expansion of Port Newark-Port Elizabeth in New Jersey, the upgrad-

ing of Newark, JFK, and LaGuardia Airports, and the New Jersey Turnpike widening requiring new connections with Port Authority bridges, to mention a few.

By far my biggest project was the Twin Towers. It dictated my life, and over about three years we negotiated the settlement of more than half of the fee claims by purchasing assignments of rights to the condemnation awards (my recollection is that we bought 75 percent by voluntary acquisition, but attorney Pachter says it was less), and probably 90 percent of the fixture claims. The total project cost, including the Railroad, was almost \$100 million, just under budget. We relocated all the tenants without a single eviction (but came close on a couple) and pioneered implementation of the federal Uniform Relocation Act before it became law. In New Jersey, at Journal Square, we conducted a pilot federal program with HUD, the Urban Mass Transportation Administration, and the local Redevelopment Agency. This fall the federal government celebrated the 30th anniversary of the Uniform Relocation Act at a program in Mesa, Arizona, which I was pleased to attend as General Counsel for the International Right of Way Association.

I left the Port Authority in 1972, the year the towers were opened, because the Trade Center acquisition was completed as were all the other major projects that were involved in the Authority's great expansion under its visionary executive director, Austin Tobin, who had retired in 1971. I had done what there was to do from a real estate point of view, and it was time to move on, but my youth and many friends were left behind, and a matchless period of personal growth and development while working in public service would not be forgotten. Even so, the Twin Towers, the private Club at the WTC, and Windows on the World restaurant at the top of the North Tower, remained a part of our lives . . . for parties, dinners, retirements, my oldest son's college graduation, and countless visits, whenever I was in New York. That is over now, brutally so.

The World Trade Center site is in a third phase in the almost 40 years that I have known it—from Radio Row, to the Towers, to Ground Zero—and it is a phase I cannot yet bring myself to go see. There are folks in that rubble I knew and worked with, and that is something I share with thousands of people all over the world. I expect a World Trade Center of sorts, and a memorial, will rise again on the site, but I fear what it had become, an incomparable symbol of New York and America, eclipsing

even the bold dreams of Austin Tobin who just wanted a recognizable image for the Port of New York, will never again be duplicated in our lifetimes. Those quirky towers were, perhaps, the wrong buildings in the wrong place at the wrong time, built by the wrong folks . . . but they became everything they were designed to be, and more. They rejuvenated lower Manhattan and helped revive the City of New York economically and spiritually. They did take on a larger mantle over the years, and came to represent the financial strength, vitality and, yes, audacity of New York and America. Now, alas, they have become a permanent symbol of so much that is both good and evil about our world, and all of our thoughts about them, even mine, relate to both unspeakable horrors and unceasing bravery, in short, a national tragedy, the implications of which are still being played out on the world stage. REI

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Two people I respect and admire were instrumental in my writing this article and I want to acknowledge them. The first was my oldest son Anthony, a trial lawyer in Providence. He wrote an article about his feelings regarding the WTC tragedy for the Rhode Island Bar Journal. He, of course, grew up with the WTC because he is my son, and his article, "A New York Frame of Mind" was very well done, and helped express, with poignancy and clarity, my own feelings in those early days after the incident.

A few weeks later we had a CRE Committee dinner in Chicago, and the conversation turned to the WTC. I guess I became somewhat animated, and after dinner CRE Richard Voelker, from Dallas, Texas, suggested I write it for Real Estate Issues because other Counselors would be interested in the story of my involvement, and in the politics and real estate details of the project. He also said it would probably be a good catharsis for me. I frankly wasn't too enthused because my feelings on the subject were still somewhat raw, but I said maybe. But Richard didn't give up, and he called me two weeks later to inquire about the status of the article. I said I was thinking about it. He offered to prepare a list of questions for me to answer. I replied that instead I would really try to get something on paper. The following week I had to go to California so I took my laptop on the plane, and in the next two days, stealing time here and there, the approximately 3,500 words of the article came out just about the way they have been published. They literally poured out, and Richard was right...it helped me deal with the events of September 11, to put them in perspective, and to move on.

Thanks to both Anthony and Richard for helping me get this done.