

THE BROOKINGS INSTITUTION

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“GREATER THAN EVER:  
NEW YORK’S BIG COMEBACK”

A CONVERSATION WITH DAN DOCTOROFF

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PARTICIPANTS:

**Welcoming Remarks:**

ANTOINE VAN AGTMAEL  
Senior Advisor, Garten Rothkopf  
Trustee, The Brookings Institution

**Discussants:**

BRUCE KATZ  
Centennial Scholar, Centennial Scholar Initiative  
The Brookings Institution

DAN DOCTOROFF  
Founder and Chief Executive Officer, Sidewalk Labs  
Author, “Greater Than Ever: New York’s Big Comeback”

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## P R O C E E D I N G S

MR. VAN AGTMAEL: Well good morning ladies and gentleman. My name is Antoine Van Agtmael. I'm one of the trustees of Brookings and it's my great honor and privilege to introduce Daniel Doctoroff, former deputy Mayor for economic development. The man who made it all happen in New York, and also former CEO of Bloomberg. He will have a conversation with our own Bruce Katz later.

So, it's easy to forget that New York in the early '70's was really a very different place from today. Now, I know, because I lived, worked and got married there at that time. Many areas of New York, did not feel safe. The once thriving waterfront where millions of immigrants were brought on passenger ships was in shambles. It had become an ugly wasteland. You wouldn't get caught dead in Brooklyn.

Tenement houses on the lower East Sides were outdated and in disrepair. No longer needed after the garment manufacturing industry basically left. New York then, was a city on the way down. There was little construction, it was somewhat disheveled, bleak, losing population, and without a compelling vision of its future. Pessimism, particularly after 9/11 was widespread then.

Although a number of steps, certainly in the area of safety were taken by earlier administration, that changed dramatically, by the Mayor Mike Bloomberg. And the many appointed in charge of this reshaping, reimagining and rebuilding was deputy mayor Dan Doctoroff, Harvard grad, trained as a lawyer, investment banker, and private equity manager. Him, and a team of savvy politicals and young whisks. The rest is history, and it's told brilliantly in Doctoroff's new book, with the telling title, and we'd like to work great these days, "Greater Than Ever: New York's Big Comeback."

So, last week I was in New York and on the train back I read his book. No one is going to deny that New York is a totally different city today. What's most amazing is that what seemed to be the nadir, September, 11, really turned out to be not a dead-end, but actually the

beginning of something really big. It's actually hard to fathom, what the Bloomberg Doctoroff team did. The scope and the scale of it, are just simply mind boggling. Not just to celebrate a timeline, the new bicycle routes, the parks, the cultural institutions, but the total renaissance of Brooklyn.

I was there recently, and my son lives in Brooklyn, and my wife and I came on Saturday night, in Brooklyn where I would never go. We left Brooklyn on a Saturday night and we saw the train, the subway train in the other direction was packed with people. That's the change.

The first smoke-free bars and restaurants. The first new subway line, and low-income housing developments. New York is now growing, and growth is important, vibrant, safe and exciting again.

In the research for my own book, "The Smartest Places on Earth," I already knew that the key to making cities grow again is to focus on collaboration, systemic approach, strengthening the economy and diversifying the economic base. And, last but not least, vibrancy.

It sounds like a simple recipe, but to implement and execute it, is not easy and makes all the difference. New York has become a great example of how to transform a city. What I like about Dan Doctoroff, is that he is both a doer and a thinker, both by the way, on a vast scale.

Only with someone who accomplished as much as he did, can you add as an afterthought that he is also a terrific writer. I loved this book. It could have easily been a very boring book, party memoir, part city planning guide, but instead it's an exciting timely and most upbeat story. And God knows we need upbeat these days.

I literally found myself sitting at the edge of my seat, racing through the chapters, absorbing the stories he tells. It's also very personal, very moving document. I mean, this was not a cakewalk. Both of Dan's parents, and good friends died at crucial moments and you could

feel the suffering. He also discovered quickly that New York politics were rough. At times Albany and the city were at each other throats, jockeying for position. One of its allies was literally murdered on the floor of the city council. Invested interest fallback in wiley, that's a nice word of saying it ways, and there was lots of political sniping. No wonder, that as he describes in his book, he never came home before dark, and bicycled in his office at 5:30 in the morning.

I think only the strict observers of the sabot, probably helped him avoid a nervous breakdown. And how his wife and children coped with that, I sometimes wondered about. It must not be easy.

But then his resilience. His biggest asset probably that he has, as you can read in the book, talking infectious, even boyish enthusiasm. That must have done wonders to disarm his opponents and bureaucrats.

A great book has wonderful details. Two, I just want to share with you. One, is Hillary Clinton coaching him before the fateful speech in Singapore on the Olympics, to make is more emotional. I thought that was interesting. And, I really remember the visual image of the flowing robes of the fellow judges at his father's funeral.

What I also admire about him, is how he managed to transform disaster into success time after time. It began with turning 9/11 from a reason to be despondent to an urgent capitalist and motivating force, but it's best illustrated, by what must have been the biggest disappointment of his life, by not getting the Olympics to New York, after he had put his heart into these efforts. But it was changing to the key impetus deadline and focus for redevelopment.

So, let me end with picking out just a few quick lessons from this captivating book, particularly for those who are trying to revive cities. And by the way, I forgot, and I always follow Ellen's orders to welcome the webcast audience here, as well as you in the room.

So, some quick lessons. First, always aim at maximum collaboration. But know, that you're going to get epic political battles, and vicious attacks by powerful vested interests.

As Doctoroff puts in his mild style, generally we learned and adapted. I like that.

Two, use a clear conceptual framework, because otherwise, it is impossible to make sense out of complicated and conflicting issues. That starts with asking two essential questions.

Is it good for long-term competitiveness, and will it make the city or the neighborhood more vibrant?

Three, start with a big bold ambitious vision, based on out of the box thinking. Often, starting with a crazy intuitive fully sought of idea, but then follow it, by penetrating unbureaucratic analysis and honest listening to vocal communities.

Next, pick smart people who think analytical, but also have emotional intelligence, who can build relationships and know how to listen, not easy.

Next, fess up when you're wrong. Show a willingness to change your mind and course if needed. Dan did that with manufacturing for example. I was glad to see that.

Sixth, don't be a whiner or a quitter. Only a consistent pattern of never giving up makes it possible to make lemonade out of lemons. You inevitably have opponents and make enemies, but you should never hold grudges. I thought that was a very important lesson.

And finally, it helps to have dance and usual talents to visualize the vision, and as he puts it, spot stories in numbers. So, with that, I'm dying her hear Bruce Katz, the man who knows more about the revival of cities and what it takes, than anyone in the world, interview Dan Doctoroff, today's Robert Moses, the man who actually made it happen in New York, thank you.

MR. KATZ: That was wonderful. So, thank you Antoine. It's pretty much downhill from here (laughter).

We need to post those lessons actually after the fact. I also want to welcome everyone on the webcast, as we proceed, send your questions to us, via Twitter #newlocalism.

And I just want to start easy. Why did you write the book?

ANDERSON COURT REPORTING  
706 Duke Street, Suite 100  
Alexandria, VA 22314  
Phone (703) 519-7180 Fax (703) 519-7190

MR. DOCTOROFF: Well, I had nothing else to do (laughter). In fact, that was the problem.

No, you know, it's been 10 years since I left city hall now, and a lot of what I worked on, takes a very long time to bear fruit. You know, you do development of a major part of the city. You can't evaluate it in the moment, and so I think it's only now, kind of apparent what we did well, what didn't do well. I think the lessons are really important. Particularly, by the way, at this moment in time.

I think ultimately what the book is about, it's an optimistic view of government, that government can be effective. Something we need to hear maybe more now than ever. And so, it's sort of a confluence of those things.

MR. KATZ: I want to also start by asking you what you brought to the job. Because what was really interesting to me, and I did not know the story, is you came in, to the deputy mayor-ship as sort of an Olympic obsessive in a way. I mean, you had already started thinking about New York City getting the Olympics. And I want to ask you, how did that shape 9/11.com bobble. Huge economic issues in New York City.

How did this prior focus on New York City getting the Olympics, shape how you approach the deputy mayor-ship?

MR. DOCTOROFF: Well in fact I think the Olympic did itself. I had the crazy idea that New York ought to host the Olympics, and so it literally occurred to me sitting in the stands at the semi-final match of the World Cup in 1994, and thought that the most international city in the world actually should host the most international event. I've been subsequently corrected, that Toronto is the most international city (laughter) in the world. But, in any event, I had this idea, and it was just a crazy idea, and I started researching it. And the insight that I had, was that if done well, the Olympics, or maybe even Olympic bid, could actually be a catalyst for getting things done in a city that had been talked about for decades in some cases.

And so, the idea of hosting the Olympics actually morphed before I was deputy

mayor, into a plan for the physical future of New York. And that plan actually in pieces at least, got adopted by Mike Bloomberg when he ran for mayor. He had been on our board. He had given some money. And then when he became mayor surprisingly, because it was a total shock, he asked me if I'd become his deputy mayor and do a lot of the stuff that we had talked about in the bid.

Now, we obviously had other imperatives, as well, 9/11 intervened, so we had to deal obviously with the rebuilding of The World Trade Center site, the economy was a disaster. That modified our plans a little bit, but I actually felt I was extraordinarily well prepared, at least in terms of the substance, maybe not the politics, to take the job, because I had been thinking about these issues for five years.

MR. KATZ: I think that really comes through in the first chapter actually. I mean because you came in with a sense of reshaping the physical geography of New York City. By the way, my real credibility for interviewing you, is I grew up in Brooklyn, New York near Coney Island, when Brooklyn was Brooklyn.

So, the message from my mother is, thank you.

MR. DOCTOROFF: Is she still living in the same area?

MR. KATZ: She still resides at the same place. So, I want to start with your vision of growth. Because there's a quote in the book which I think we really need to grapple with in this room and really throughout the urban field. To be a progressive city, we must be a prosperous city, and we can't be a prosperous city, unless we are a growing city.

I want you to talk about your philosophy and Bloomberg's philosophy of growth, the notion of a virtuous cycle and then how do you deal with the externalities around housing?

MR. DOCTOROFF: Yeah. So, our view was, this philosophy is what I call the virtuous cycle of the successful city, and as Bruce said, you know, underlying it is the belief that in order to be progressive, you actually have to be prosperous. But, what do I mean by the virtuous cycle? You know, the goal of the city in my view, at least in the developed world, is to

grow. And the reason for that, is it's the best indication that you're doing things well, but really what's more important is the marginal revenues from that additional person, job, or resident job or visitor, are greater than the cost, and therefore those incremental revenues can be reinvested hopefully wisely, back in quality of life, which helps to attract more people. And so, the cycle perpetuates itself.

Now, that notion of reinvesting in quality of life is really the important thing. What do we mean by that, making the city safer, providing better education, greater opportunity, paying for affordable housing for example?

And so, I don't see an actual contradiction between sort of the calls for greater equity or greater progressivity and this notion of the virtuous cycle. What you have to do though, and in some cases, we got this calibration a little bit wrong, is you got to make sure that you are accommodating that growth effectively. If you don't, if the population for example grows too quickly, and you haven't provided for example, with the appropriate supply of housing, housing prices go up, the city becomes less affordable.

In the first years of the Bloomberg administration, I think we did that really well. We actually announced a really dramatic affordable housing program right at the end of 2002 when the city was still on its knees financially and emotionally, we doubled down on it in 2006, where the affordability problem really became acute. It was actually after the financial crisis when the economy took off again, but there wasn't the housing in the pipeline because of the financial crisis. And so now the city is really struggling to catch up. That's why I actually applaud Mayor de Blasio's effort to build even more affordable housing that we did.

MR. KATZ: I want to stick on the growth theme, and I'll come back to the housing piece. But, what struck me also about the book, and this is again like Antoine, I'm sort of focused on principles or strategies we extract, either for other U.S. cities or for global cities.

Your focus on the industry profile of the City of New York, not just post 9/11, but post the financial crisis of the early part of the century, was to try to diversify the economy off



the competitive advantages of the city. Both sectorially, but more generally.

Could you talk about that, because this is really evidence driven in many respects?

MR. DOCTOROFF: Yeah. You know, so you have to remember the context that we faced when we came into City Hall. It was January 1, 2002, it was three and a half months after 9/11. The city was a disaster financially, let alone emotionally, and in lower Manhattan physically. And so, we had to develop a strategy for the city and the city's economy.

Right away what we did, was we did a detail analysis of every industry in the city and looked at those industries. We interviewed executives, we interviewed employees. We tried to get a handle on in reality, absent subsidies, absent intervention. You know, what could New York actually compete for? We're a high cost place. That was not going to change. There was basically nothing we felt we could do to fundamentally alter that.

There was a perception that New York was less safe than in reality, it was. On the positive side, New York was viewed as the most open, the most welcoming, the city with the greatest energy in the world.

In fact, my favorite story and this really crystalized it for me was when I was bidding for the Olympics, I'd always ask people you know, what do you think about New York and I was Tokyo, and I met with the president of a Japanese bank, and he had worked and run the branches I think in Sydney, London, Paris, I don't remember where else, and I said to him, I said what's your favorite city in the world, he said New York, and I said why? He said you're going laugh at me. I said, I promise I won't laugh at you. And he said, that it is the only city in the world where when I walk down the street people ask me for directions (laughter).

I withheld a chuckle, but it's actually incredibly profound because fundamentally what he was saying was, no matter who you are, no matter what you look like, no matter how you dress, people in New York just naturally assume that you're a New Yorker.

And that sense of openness draws people from all over the world and you know,

I believe ultimately, that it's sort of the immigrant who is at the end of the day optimist. You know, you have to believe that where they're going, is better than where they left and we put a bunch of immigrants together in a place it creates sort of an energy that is palpable, and that's the first thing that everybody notices about New York, that was our competitive strength.

So, we looked at our weaknesses, we looked at our strengths, we did economic analysis of kind of how industries could compete in New York. We decided to cutoff right away subsidies for companies staying in the city, and focus on industries we thought we could compete for, and develop strategies for each one, that we pursued really aggressively. So, tourism, film and television industry, life sciences, as well as higher education among them. And that actually turned out to be I think incredibly successful.

MR. KATZ: Well going back to your story, now I know why everyone is wandering around New York City lost, because they're asking the wrong people for directions. Nobody speaks the same language but it's classic. And to a large extent, the seeds of the current New York City economy, no one ever thought of New York City as a tech hub. They really were planted when you all were in office.

I want to talk about growth and your approach to land, because you know, of the greatest powers at least of American cities is the power of re-zoning and land use, and to a large extent, what you did in New York City has now become really the model for other U.S. cities, but also global cities, thinking about un-utilized or under-utilized land, and re-thinking of its purpose in the 21st century economy. You've re-zoned essentially about 40 percent of the city.

So, could you talk about that because what we hear from a lot of U.S. cities more even European cities is were built out, and this is the way it is, and you've reimagined partly maybe because of this Olympics bid, how to think about the city anew?

MR. DOCTOROFF: Well so, you know, I have to give you a couple of facts. You know, after World War II, New York had a million manufacturing jobs. By the time we came into city hall there were 140,000 or so. The city had not been re-zoned since 1961, when there were

800,000 manufacturing jobs in the city.

So, there were huge swaths of land particularly along the waterfront but on the West Side of Manhattan, near downtown Brooklyn, that had basically been left to deteriorate over a 50 plus year period of time. And that was obvious, but nobody wanted to do anything about it. And they didn't want to do anything about it for a number of reasons.

One, there was a nostalgia from manufacturing, that everybody hoped would return, but it was sort of obvious to us that it wasn't going to. By the time we came into office, the single largest manufacturing employer in the city, was the company that filled Sweet and Low packages and they had 400 jobs in the city. We just didn't have the land, and the access that modern industry actually required.

The other thing that happened was that you know, partly as a result of the battles between sort of Robert Moses and Jane Jacobs, the failure over major development projects, like Westway, which you may be familiar with, was going to create a park down the West Side of Manhattan. You know, the destruction of Penn Station. Some of the stuff that Robert Moses did in terms of destroying neighborhoods for you know, slum clearance, and highway construction, and some of his housing projects themselves. There was sort of a gun-shy attitude in New York about development.

And I think on some level it took people who were naive, you know, who weren't burdened by the battles of the past. You know, who were somewhat more objective about the reality of the present and the potential of the future to tackle some of those problems.

They said, as part of the Olympic bid, with the insight that I had was the Olympics could act as a catalyst for re-thinking cities, if done well, and we'd spent the time to look at a lot of those places before coming into government, and so had a plan when we came in for the Brooklyn Waterfront for downtown Brooklyn. And in all those cases, you know, all over the city, Harlem, Flushing, near La Guardia Airport, Coney Island, we actually cited Olympic that proposed Olympic venues and then began to build plans around them. Again, using the

Olympic spotlight as the catalyst to actually getting things done.

So, we came into government with this agenda right from the very beginning, and you know it, I think in part, enabled us to actually overcome a lot of that either inertia or resistance.

A couple of other things enabled us to overcome it as well. One, was 9/11 itself. You know, the title of the book, "Greater Than Ever" is echoes with Rudy Giuliani said literally on 9/11, said you know, New Yorkers are not going to be set-back by this. We're going to pull together, we're going to make the city greater than ever. I think he actually said better than ever. But, people rallied around that. Mike Bloomberg echoed it, when he became Mayor, and so you know, we also saw 9/11 actually as a catalyst, as Antoine said.

I think another thing that actually happened was that you know, just Rudy Giuliani who you know, I think people have very mixed feelings about sometimes, the fact that crime was reduced in New York, something that had been perceived as an intractable problem, made people believe again, that the impossible actually could be done.

So, I think we rode kind of the wave of the Olympic bid, 9/11 and the foundation that had been built about difficult things being possible again, to actually do, you know, a very, very, kind of broad set of initiatives.

MR. KATZ: I want to stay on the land issue, because you've also written the forward to a Brookings book so you got to plug it, right? "The Public Wealth of Cities," by Dag Detter.

And my sense is you look at your various initiatives, including The Highline, is you understood the intrinsic value, what we would call the public wealth of citiness, which might lie in assets that the city actually own, or even air rights or other rights, that the city could basically deploy, and I wonder if you could talk about -- because in a way you were practicing 10, 15 years ago, what we're now describing as a new norm for cities to follow.

MR. DOCTOROFF: There's money for every city lying all over the place, you just

have to go find it and be creative enough. And we found it in the air, we found it in future taxes. We found it in the value of the sidewalks and in the value of the streets, and so we were desperate for money when we came in. And we didn't have any to do a lot of what we wanted to do, so we had to be incredibly creative.

The story of The Highline is really instructive. How many people here, have actually been on The Highline? Kind of remarkable actually. So, eight million people or so last year, walked on The Highline.

When we came into office, it was about to be torn down, the Giuliani administration really wanted to tear it down. And they wanted to tear it down in part because the land owners who own property underneath The Highline wanted it torn down. They thought it would be much more valuable if -- their land would be more valuable if it was torn down and so -- and every single one of them had to agree to keep The Highline up in order to get the railroad that owned The Highline to agree to preserve it.

So, how do you do that? When we didn't have any money at all, the answer was to create money out of air. So, how did we actually do this? And this Amanda Burden was our planning commissioner and a guy by the name of Vishaan Chakrabarti who was the Manhattan bureau commissioner for city planning, kind of worked on the scheme. So, we said, you know what, we're going to give to you land owners air rights over your land. We'll create them out of nothing. Literally create that right. And then, we're going to re-zone the area around The Highline, so that big apartment buildings could get built on the avenues near The Highline.

But the only way that the owners of the land on the avenues could actually build up, was to buy those air rights from the owners of the land under The Highline. And therefore, we created a market basically in error. And, it worked amazingly well. So well by the way, that the leader of the enemies of The Highline who wanted it torn down about two years ago, sold the property that he owned and bought for 10 million dollars in the 1970's for 875 million dollars. So, it worked almost too well.

But, the reality is, we found great ways of creating money. You know we -- Hudson Yards, which is adjacent to The Highline which is America's largest ever development, which is built over rail yards is only possible because we extended the subway into the area. The first subway extension in over a generation.

Again, we had no money to pay for it. The evil government in Albany, wasn't going to permit it to happen. The city decided to pay for the subway extension itself. The city doesn't control the subway system.

The way we paid for it at the time we had no money, is we literally created the world's largest tax increment financing district essentially saying to the bond holders that you know, if we build it, you know, people will come. Development will occur. That's now happened and the thing will throw off billions of dollars to the city. But again, we had to create money out of nothing.

MR. KATZ: You know, when I come back in my next life, I want to come back as a parking lot owner, in a reviving city.

I think so much of what you're describing are really norms or models of growth governments and finance, that you basically invented and then applied which can be adapted to other places whether they're in the U.S. or not.

But since you brought up Albany, which you call, and this is really a nice statement, a complete hall of mirrors. I think one of your initiatives that did not happen was congestion pricing. Which would have helped to finance the recapitalization of the subway and some other things.

Talk about the relationships with Albany and how New York State and New York City are structurally built, because New York State, is a more interventionist government, than let's say Oklahoma, Missouri, or even California.

So, how were you able to get the stuff done when New York State was essentially either owning certain assets within New York City or actively working against you?

MR. DOCTOROFF: It was hard. In fact, I talk in the book about my formula which is sort of the degree of I called it Doctoroff's theorem, but it's really my second law of government. My first one is anything temporary is permanent.

But the second law is sort of this thiram of the degree of difficulty of actually getting anything done in government.

And the formula is  $X+3Y+10Z+\text{infinity}$ . Okay, where X is the number of city agencies involved, Y is the number of state agencies involved, Z is the number of federal agencies involved and infinity is if the Port Authority is involved (laughter).

And so, the point is, is that the degree of difficulty of getting anything done increases asymptotically basically if you have other levels of government involved.

As a result, our approach was essentially wherever possible to avoid the other levels of government. And that was particularly true for the state, which was intensely jealous of New York City, despite the fact that like Barcelona, Catalonia and Spain, New York City gives much more to the State of New York, that it ever gives back. And getting anything back is like pulling teeth, it's awful.

And so, we had a contentious relationship. The state recognized and never hesitated to say that the city was an instrumentality. We couldn't raise our own taxes other than property taxes. We did have control of land use. But, there was always that specter of the state, and to be honest, we did a mixed job of dealing with the state, and sometimes for our own self-inflicted reasons. Sometimes, because they're just impossible, and corrupt by the way.

I will point out, that in the last like 10 years, 35 members of the legislature have been convicted at one point a couple of years ago, the leader of the assembly and the Senate had both been convicted, they've now been sort of in a little bit more legal limbo because of that McDonald case in Virginia, which is terrible. But in any event, we try to avoid them as much as we possibly could.

Now, congestion pricing is a really interesting example because that's where you

know, we learn some of the lessons from our previous negative experiences, again, much of which were self-inflicted, and I take responsibility. We did everything right. Congestion pricing was a brilliant idea. The subway system was under funded, it was going to -- all the money from congestion pricing, you know, where you charge a fee to come into a zone in Manhattan was going to be dedicated to mass transit. Virtually all of it in the outer boroughs who might be affected.

We did studies for literally every single assemblymen or senator you know, who might be affected, showing what percentage of their constituents actually drove into Manhattan. The number was never more than five percent. The other 95 percent we could demonstrate how they were going to be benefited by the new bus lines or improved subways stations, and we really literally laid out district by district every improvement went down to defeat.

You know, it's the same thing that happens for example with gun laws after a new town, you know, where five percent of the people are opposed. They're the ones who really you know, make noise and the politicians don't have the courage to actually, in this case, do the right thing. The good and bad news is, the problems have only escalated, and it's going to come back in some form.

MR. KATZ: I mean at some point it's got to happen.

MR. DOCTOROFF: Yeah.

MR. KATZ: So, congestion pricing sort of brings up London, and in the book, you talk about an early visit by then the deputy mayor of London around the sustainability agenda since maybe 2005, 2006, where I don't think in most American cities people even understood what the word sustainability meant. And you took it and then moved towards really the first major climate plan. Plan YC.

Could you talk about that process because it continues to sort of reverberate --?

MR. DOCTOROFF: Yeah, so this was 2006, actually, and a bunch of things actually converged at one point in time. The first was that we had lost the Olympic bid to



London, so I was acutely sensitive to competition with London.

The second was Al Gore, had kind of produced an "Inconvenient Truth" so there was some talk about the climate change.

But the bigger thing for the New York was, you know, I talk about growth, and if you believe in growth, then you have to be able to accommodate growth, and we were beginning to run up against constraints against growth. And they were popping up in weird and unpleasant ways. So, you wanted to cite a salt pile. Does everybody know what a salt pile is? You know, where you have to salt the roads when it snows? Well you actually have to find a place to store the salt.

MR. KATZ: Jersey. No (laughter).

MR. DOCTOROFF: We tried --

MR. KATZ: Sorry about that. That was the Brooklyn coming out.

MR. DOCTOROFF: -- I really wanted to annex part of Long Island, but whatever.

In any event, no community wanted it. And so, this was happening with tow pounds, obviously with energy facilities, just nobody wants them. So, we started looking at sort of these noxious uses and how are we going to accommodate them over time. And that evolved into a more strategic land use plan at the time that -- so people were starting to talk about climate change and sustainability, and eventually what we decided to do, was to step back and literally analyze every aspect of the physical environment in New York and sort of what were the constraints, what were the opportunities and that was sort of land use, parks, brown fields, air and water, both quality and reliability. Energy transportation. And we realized by the way, that all of those things were implicated in carbon emissions.

And so, we developed this plan, it took a year and a half, there were 200 people in government who worked on it. There were countless outside advisors. We had advisory boards, we included the City Council in the whole planning process, and eventually we came up with this plan, called Plan YC.

And Plan YC was to plan for New York's physical environment over the course of the next 25 years, but it said dealt on an integrated basis with every aspect of the physical environment and actually dealt with, because they all were interrelated, climate change. And in fact, in the seven years after Plan YC was announced, the amount of carbon emissions out of the city actually went down by about 20 percent as a result.

So, it was pretty impactful, but more importantly it was designed to really accommodate the growth that we saw was necessary.

MR. KATZ: You know when we were talking the other day about who should read this book, you had said well, you know, I hope this book sort of gets talked within universities and so forth. I think what comes through, and Antoine sort of talked about this.

What comes through in this book, is this sense of possibility and enthusiasm with governments. Both within government, but also as you just described, bringing in these other constituencies. Private, civic, university, community. And the contrast with Albany or the national government couldn't be more stark really. We're sort of more closed than insular and old style legislative horse trading, where you're almost producing something that's bigger than any of the different parts, right?

So, could you talk about how you approached what might be considered both the hard power of managing government, but the soft power of convening all of these different constituencies?

MR. DOCTOROFF: Yeah, I'm happy to do that. And let me say, I think so much of this originated with Mike Bloomberg and his attitude about governing. It's important to also recognize how unique it was as a moment in time. Not only did we have sort of, 9/11, this guy was elected that nobody expected, but you know, Mike was elected having taken no money from anybody, and therefore was beholding to no one. And therefore, political considerations, literally never came into the discussion when we were trying to figure out what a policy actually ought to be.

He also was a guy who kind of said what he thought he wanted to do and then tried to go out and do it, and was very clear about that. He also was terrific in terms of assembling a team and empowering people to try and really be creative.

He's also a guy who never believed in holding a grudge, and actually being as inclusive as possible. And that really filtered down throughout the administration. So, our view was, and we got better at this over time. Sometimes, we were really particularly criticized for not being this way, but really to be very inclusive.

You mentioned we re-zoned 40 percent of the city. We did that in 140 separate actions. In each one, you know, we went through a rigorous and in some cases, legislatively prescribed process. In some cases, we went way beyond to solicit feedback. Ultimately reflecting that feedback without compromising our basic ideas for kind of what ought to actually happen.

And so, you know, it really was, the ultimate in objective government which is, you know, you might have a hypothesis about what you want to do, but you want to include as many voices as possible, and then just keep things moving. And I can't over state how important this notion of keeping things moving really is.

I say, you know, one of the reasons it's often hard for people from business to come in to government is that to be successful in government, you actually have to operate on two speeds at the same time.

One is you've got to be patient because there's process. You know, so many people are given a vested interest, or you want to give a vested interest in the process, and that takes time. At the same time, if you don't act with the sense of urgency at all times, everything dies of its own weight.

We got really good at finding that balance between patience and urgency. I would point out, that if you look at our federal government right now, and our president who I dealt with a fair amount, as deputy mayor of New York, that notion of patience and respect for

the process, is ultimately sort of what he doesn't have --

MR. KATZ: Right.

MR. DOCTOROFF: -- and therefore it makes it impossible to get things done.

So, we got good at sort of managing that process.

MR. KATZ: What's a great quote also is Rudy Giuliani's advice to you which relates to this participatory democracy notion which is, if you put four New Yorkers in a room, you get five ideas, or five views or perspectives.

So, going through all of those community planning meetings, is the right thing to do, but at times you've got to wonder if you know, are we going to get to the end of this process. You did.

MR. DOCTOROFF: And if you keep pushing, and again, I give credit -- I don't take credit for that. We had an incredible team, in the case of all those re-zonings, Amanda Burden was you know, just instrumental and everyone -- we actually had an amazing team, and with the ability to recruit great people into government, particularly after 9/11, was remarkable.

Some of the people you know, have gone on to really do -- Sean Donovan who you know, ran HUD and then OMB, Janette Sadik-Khan. The cross government we had great people, but they were there because they felt empowered to get stuff done. And they felt that whether it was me, or Mike Bloomberg were there to support them, and push things forward. And, I think as a result you know, we got a lot done.

MR. KATZ: So, one last question for myself and then we'll get questions from the audience and from the cyber sphere.

I want to move towards your current job, because there's obviously been an enormous amount of focus on the Amazon competition.

But below the radar screen, what you're doing at Google Sidewalk Labs in particular, your latest venture in Toronto, which I hope you talk about, may actually have more lessons for cities about what the future of the built environment might look like, given

technological innovation.

So, I thought you might want to talk about what you're now doing, and the conclusion of the book does talk about the role of technology, the advent of driverless cars, but what you're doing in Toronto I think would be very important for this audience to hear about.

MR. DOCTOROFF: Sure. So, we, Google and I, together formed a company, it's called Sidewalk Labs, and our mission is really to accelerate innovation in urban environments. But, we're going about it in an unusual way in that our desire is to actually build a place, be a district of the city, that can demonstrate what the integration of cutting edge technology, in really smart thoughtful urbanism can actually produce.

We just announced about two weeks ago, that we're partnering with Toronto, to do it in Toronto on what is a remarkable site, that's about a mile or two from downtown Toronto on the waterfront that -- like New York, was sort of an industrial area that saw much better days in which there's basically very little there now today.

We're now going to start at one-year kind of planning process for exactly what that should be in consultation with community and obviously elected officials.

We have a lot of ideas which we articulated in a 200-page response to an RFP that you can see online, at our website which is Sidewalk Toronto.

But in any event, the idea here is that we think we're at one of these truly historic moments in cities, where's there's a technological revolution that has the capacity to affect almost every aspect of urban living, and we like to say that this is the fourth urban technology revolution in cities, or at least in modern times. The first was around the steam engine in the early part of the 19th century. The second, was around the electric grid in the later part of the 19th century. The third was the automobile in the early part of the 20th century, and now, we think this is the fourth. And it's the digital network kind of revolution where this combination of ubiquitous connectivity, sensing, social networks, advanced computing, and new design and fabrication technologies really offer the promise of dramatic changes in quality of life.

And we've done extensive analysis of this, feasibility studies, and we are convinced that the impact can be enormous.

So, we want to do it in a place in Toronto, that actually then demonstrates to other cities around the world what the potential of technology is because getting stuff done in cities as we've talked about, is really hard. Cities seeing other cities do interesting things is the best way to kind of spread the gospel. I was kind of struck when we were talking about this a little bit earlier, that when we opened up The Highline in 2008, to great acclaim within a year there were 35 Highlines under development around the world.

Cities are eager just like we were with London, to copy other cities. And the best way to get something done in many places, to see it succeed at least in one.

MR. KATZ: So, watch this space, because I don't think it's getting the kind of attention that obviously the Amazon competition is getting.

MR. DOCTOROFF: When you have a competition, you generate a lot of attention. We saw that in New York with the Cornell Tech thing --

MR. KATZ: Sure.

MR. DOCTOROFF: -- and it was Stanford versus Cornell, and a competition generates enormous attention because it's a horse race and people can talk about it.

Anyways, we simply went out and picked what we felt was the best place in the world to do this, and that was Toronto. I've been quoted several times saying that you know, if Amazon sees what we do, they'll pick Toronto.

But, we're very excited about the partnership with Toronto.

MR. KATZ: So, questions, comments. I'm just going to go right here.

SPEAKER: Yeah, thank you Mr. Doctoroff. So, my daughter and son-in-law live in Battery Park City, it's an amazing as you probably know, it was built from the landfill from the first World Trade Center site, 58,000 people live there. It's enormously successful, and it's away from all of the city noises there are.

Why has this not been duplicated? It just seems like using that landfill concept --

MR. DOCTOROFF: The question in case everybody didn't hear is Battery Park City, is this neighborhood. It's both commercial and residential. It is to the west of The World Trade Center site. It's built on landfill and it's been really successful. The question is why don't we do more of that?

The answer is compared to when this was done in the '60's, and then into the early '70's, doing landfill, particularly in the river, any river by the way, anywhere in America, is much more difficult for environmental reasons than it was 50 years ago.

And so, our original plan for example, for the Olympics and this was in kind of the late '90's, was to have the Olympic village be in Battery Park City North, which we thought would be new landfill just to the north of Battery Park City and we quickly abandoned the idea when we actually looked into the environmental regulations. It's just too hard today. So, landfill you know, in Asia you can still do it. Other places may be. In the United States it's really hard.

MR. KATZ: Question right over there?

SPEAKER: Good morning. Thanks for being here. (inaudible) of Local Motors. I'm actually from Michigan and Detroit where your brother I think is still active and a couple of your former colleagues I've worked with at the mayor's office.

Quick question. You say, growth is key, prosperous, in that the mayor is about to get re-elected in Detroit, has struggled a little bit with growth in terms of equity across all neighborhoods, right. Downtown versus the neighborhoods. So, what advice would you give as he goes into a second term in terms of growth, because population growth hasn't come back as rapidly as --

MR. DOCTOROFF: And first of all let me say I think Mike Duggan has done a great job in Detroit under incredibly difficult circumstances.

You know, Detroit actually has a homecoming for people who moved away, and then they bring them back to show what's happening in Detroit.

I actually was the keynote speaker at the first one, and you know, it was sort of what are the lessons from New York that could be applied to Detroit. I mean everybody in America wants Detroit to succeed.

When I was born by the way, there were 1.8 million people in Detroit. Today there's about 650,000, 660,000. And so, it is the -- this is the vicious cycle of lack of growth in Detroit.

And I basically said four things which I think are relevant today. Downtowns are great. Stadiums are sometimes good. At the end of the day, the focus always has to be on the little stuff. It has to be on the neighborhoods.

And by the way, I think he's done a lot but it hasn't yet shown significant impact in the neighborhoods. But you have to actually focus on the little stuff. It's the abandoned homes, it's the street lights. To create sort of an environment of kind of safety in effect.

And the second thing is, it takes time. What I did was I related New York -- not New York, but Harlem to Detroit and the experiences of Harlem. And, Harlem lost a massive amount of population mostly in the '70's. It has taken 30 years to basically get it back. This stuff happens because of painstaking effort over a long period of time. And so, you can't be impatient. You can't set expectations, that things are going to happen kind of overnight.

A third thing I think which has actually been key in some levels to Harlem's revival is diversity. And you know, that is a very controversial issue. It brings with it fears of gentrification and changes in culture, but I think it's pretty undeniable, and I think the vast majority of people would say that the changes have generally been a good thing. More services have come. You know, and that has encouraged the growth, and the fill-in of vacant lots and things like that, and so I think diversity is really important.

And the other thing is the city can't do it alone, was my other lesson. Harlem had New York City. You know, Detroit to a large extent is trying to go it alone, and that's because they haven't gotten the support from the State of Michigan. After the bailout, post-bankruptcy,



they haven't gotten a lot of support really from the federal government.

In order to revive something like that and certainly to accelerate it, you need support from the other governmental entities.

I will say what Dan Gilbert has done in downtown Detroit is remarkable. And, I know he knows this, that the success or failure will ultimately be determined in the neighborhoods. And for that, by the way, the educational system is going to have to be dramatically upgraded and invested in and thus far, that really hasn't begun to happen in a material way.

MR. KATZ: Questions back over here?

SPEAKER: Dan, New York is arguably, probably the world leader in business improvement districts. You didn't say anything about those, but to what degree has BIDS impacted your work in New York, and what do you see as the future of BIDS?

MR. DOCTOROFF: So BIDS for people who don't know, BIDS is Business Improvement Districts, are essentially almost extra governmental entities that are formed by the businesses in a community, and they collect money all authorized by the city and then pay for services like protection. They pay for street cleaning, a bunch of other things.

We thought they were great. There were about 32 of them when we came into office already. The pace of growth of them had basically ground to a halt. We brought into our government, the guy who had actually run one of the most successful and had gone off to some other city, then I recruited him back with a big focus on increasing the number of BIDS. I think there's now over 60 of them, or 70 now.

So, we think they're just a fabulous way, without government imposing taxes to increase services in these commercial districts, that to my mind have been almost without fault. And some of them don't work quite as well as others, but for the most part, they keep the commercial districts cleaner, safer, more lively, more interesting, and that's just a great thing.

MR. KATZ: Question right over here?

SPEAKER: Hi, we're visiting from Korea. I run a small foundation, called Reimaging Cities. And, I'd like to ask some of your advice or plans as to how do you apply the lessons that you've learned here, to Asia? Because the U.N. Global Status Report last year came out with data, that 92 billion square meters will be built over the next 15 years, and that's building -- over half of that will be in Asia, and that's building all of Manhattan, maybe every month, and we don't get it right.

So, I'm here with LG Group. They're one of the technology partners and they're trying to help developers build smarter and greener and trying to figure out how do we apply that to Asia. Any advice?

MR. DOCTOROFF: Well, it's hard to give advice to an entire region. I think in the book we try and talk about some timeless lessons about you know, kind of getting things done. And fundamentally, I think it boils down to four things and there will be a fifth one in the future.

One is leadership, which really can also be a catalyst for getting things done in New York and sort of 9/11, the Olympic bid played that role, but in some cases, it was leadership basically identifying an opportunity or a problem and pushing it before it became obvious.

The second is an actual philosophy, and I really do believe that in the vast majority of places, this notion of sort of you got to be prosperous to be progressive, and the virtuous cycle of growth, as well as the nature of the partnership with the private sector should apply virtually everywhere.

The third thing was a plan, and this is unique to every place, but being able to elevate sort of what you plan to do to a place where people can understand the context and the framework is really important, but the specifics have to be completely unique to the individual place.

And the last part, is creating the systems and the structures and the people to

actually be able to execute on it.

And in our case, key to that was the organizational structure of government, and that included the people that we were actually able to recruit, which matters a great deal.

Second was sort of storytelling, which Bruce talked a little bit about, and Antoine talked a little bit about which we got really good. Here's an issue, here's a solution. Here's how we're going to tell it in a way in which you tell that story is incredibly important.

The third is financing, and every place is different, but as we talked about, we got really good at being creative, about finding ways to actually finance the things that we wanted to do, and whether that was the air rights for The Highline, we had a sleepy little housing finance agency that we leverage much more to do our housing plan when we had no money. You know, the tax increment financing district etcetera. Finding money is so key to getting things done.

And then I think, as I talked about before, the fifth thing in the future is really technology and integrating it, and having the skills to be able to do that.

One of the this that we found most difficult in our work at Sidewalk Labs, and I think the reason the smart city movement has been a disappointment, and you know, if you look at your own experience in Korea at Sango, it's been a disappointment, right? It's been a disappointment urbanistically, as well as technologically, because urbanists and technologists, the two people have to come together to actually get anything done; and to make a city smarter if you will, don't speak the same language.

But that I think, the way we look at cities in the next 50 years is going to be very different than the way we've looked at them in the last 50 to 100 years.

MR. KATZ: Last question Antoine, and then we're going to close it out.

SPEAKER: Well thank you.

You're known for a proactive rather than reactive style of government, and conceptual rather than an ant hawk style so, given that, I want to ask you what you think, also,

given what you're doing in Toronto, what you think of two really powerful technological transit and how they're going to impact cities.

One, is the self-driving car, and the other which may be a little less obvious is remote medicine.

I mean the first has an enormous impact on employment, on garages on loads, I mean you name it, public transportation.

The second, on what is now the biggest employer everywhere which is healthcare. So, give us your thoughts?

MR. DOCTOROFF: Sure. And these are two of what I think will be dozens of technologies that are going to fundamentally affect cities.

I don't think there will be any technology that affects cities and quality of life cities more than self-driving cars. And you know, some of this stuff I'll mention, will probably be quite obvious to you, but just to give you a sense of how totally impactful self-driving cars can be.

As they get phased in over an extended period of time you know, I think people have probably heard the statistic, the average car in America is driven three percent of the time in a typical American city, 30 to 40 percent of the land is consumed by separating roadways in order to make people safe from these dangerous things on the roads, and from parking, right?

So, just take those couple of facts and think about the impact. When we start to have shared self-driving vehicles, we believe we can create a mobility system that is much more like a subscription type of system where you subscribe to a range of services, often on a shared basis. We think you can lower the cost, and we're not the only ones who have this point of view, by at least 50 percent of the cost of saying owning an automobile.

So, for the average family in America or Canada or wherever, that cost can go down for an average family that makes maybe \$60,000 by \$5,000 a year. That is truly profound.

So, a second impact relates the use of land. So, in our modeling for this place that we're talking about in Toronto, because we think we can recapture so much land by having streets be narrower, be more intimate. By the way, much safer. Not having to have the same level of parking. We can double the amount of public space in the urban environment.

Okay, that doubling of public space has also very profound impacts potentially on health which I'll talk about in a second. On the amount of space people actually need, in their apartments.

By the way, when you have self-driving vehicles, and the cost of mobility and storing stuff actually goes down dramatically, the amount of space you're actually going to need in your apartment or home, actually goes down when the stuff that you use infrequently can be accessed much more conveniently than it is today, and so the cost of housing we think actually can potentially come down.

There are other impacts as well. Safety, okay. When these are done right, and we're not quite there yet, but we're getting there. In an urban environment, the ability for children for example to walk the streets more safely will be much greater. And by the way, that will potentially be combined with things that raise issues of privacy, but monitoring of people as they for children let's assume, on a voluntary basis, will actually increase the level of safety for children; which by the way, can have an impact on the educational system, which can make the community for example more like a classroom rather than going to one place, with one teacher, who is supposed to know everything in one building. We think they're really interesting opportunities there.

I could literally go on about the second, third, fourth, fifth order of impacts of self-driving cars. Now a big part of what happens with self-driving cars will be dependent upon how we incentivize their use and what we don't want, is we don't want a lot of un-utilized or single passenger self-driving cars roaming the streets, because that will actually induce more traffic and that can be a negative. So, there's all sorts of interesting questions there.

With respect to healthcare. I don't think it's just telemedicine, but I think the nature of healthcare will actually change.

We actually have launched a company we're going to open our first clinic in New York early next year, probably in the second quarter of next year, that actually combines three different elements. And this is going to be to care for the hardest to care for patients, typically dually eligible for Medicare and Medicaid where the annual cost of caring for them is very high, but we think the model has broader applicability and it's a -- clinically, it's a clinic based model that combines social services and healthcare services, but with a caregiver.

A caregiver model that sends specially trained caregivers who have expertise across social and healthcare services into the homes or where the patients are, and then combines that with a technological overlay, which includes most importantly sort of a data commons where the data about the patient so they can be looked at at a 360 degree view is possible.

Because we know from every study that social determinants actually have a much greater impact on health than just medical issues do, where they're all interrelated. But combined with that approach, that data driven approach, we also see telemedicine enhancing essentially the model.

So, we don't think it's the answer to sort of the healthcare problem, we think it's a component of an integrated solution and you know, hopefully what we'll begin to see is dramatically better outcomes from this type of approach.

MR. KATZ: So, two thoughts in ending this. First of all, Dan is going to stick around, sign books. This is not a Brookings book, so you know, as Antoine said at the beginning, this is an important book to read.

And frankly my reflection on it is we don't have enough people who have served in positions like Dan has served, writing it down after the fact. Because I think it's really critical to reflect on what has been accomplished, what hasn't been accomplished, and what lessons

that might have for other cities whether in the United States, Korea, Europe or elsewhere.

Secondly, we're very interested in what you have accomplished both in writing the book but more importantly on the ground, because we think it reflects what we call new localism.

Power in this century belongs to the problem solvers and problem solvers more and more congregate at the local city and metropolitan level in the government, but also private, civic and university.

So, everyone in the audience and in Twittersphere, on December 6th, we'll be hosting a session with Tom Friedman here, with the co-author Jeremy Noack and me, of a new book called "The New Localism: How Cities Can Thrive in the Age of Populism."

And I really think what you've written is just an incredible example of what a group of dedicated public servants but thinking more broadly about the future can accomplish in a very short period of time.

And so, thank you for coming to Brookings and folks stick around, buy the book, read the book, tweet about the book, review the book. Please send in your comments.

MR. DOCTOROFF: And let me say to Bruce, to Brookings, to Alan, to Antoine, and to all of you.

Thank you so much for listening and having me here, it's been a real treat.  
Thank you (applause).

MR. KATZ: Thank you very much.

MR. DOCTOROFF: It's was great.

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