## Learning From Manhattan's Third Major "Downtown"

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## Introduction<sup>1</sup>

I hopefully suspect that many readers will be prompted by the title of this article to ask: What downtown can he possibly be thinking about? Manhattan only has two major downtowns, Midtown and Downtown, possibly an evolving one in Midtown South, and a minor one in Harlem!

Such queries allow me to make one of my most important points in this article: we overlook or misidentify existing and important downtowns because of outdated and erroneous suppositions about what makes a downtown a downtown, being a very important highly urbanized place! That can happen in a multitude of ways, but some very significant ones are:

- A limited view of what its dominant uses/functions can be, usually with a focus on those associated with what conventional professional wisdom calls Central Business Districts (CBDs). CBDs have framed too many discussions and analyses of our downtowns as they emerge from the Covid crisis. With such an analytical perspective the presence of large clusters of office workers is usually the dominant downtown defining use/function, while other clustered uses such as residential, the arts and healthcare can go unnoticed as providing the socioeconomic spines for a strong downtown or strong urbanized place. Today, as questions arise about how important housing growth can be for our downtowns, being able to identify downtowns with very large amounts of housing could be very instructive. To date, I have not come across any putative examples mentioned by others of successful downtowns where housing is a truly dominant function, so I have been seeking them out. I think I found one, as described below.
- The primary, most important characteristic of a downtown, de facto, is seen as its real estate, not the people and organizations who use and give purpose and value to that land and the structures built on it.
- The requirement that the area in question has, in some important sense, geographic centrality, i.e., it is at the center of a region, city, market area or labor shed. Yet a good number of downtowns are not at the center of their cities (e.g., Uptown Charlotte, NC) or regions (e.g., New Brunswick, Elizabeth, et al in NJ), and many others (e.g., Englewood, NJ and Jamaica Center in Queens) are not at the center of their market areas. However, I do think that the urban agglomerations we call downtowns can have another kind of centrality, that of being a focal location for a high amount of activity in one or more intertwined uses/functions. *It's centrality is*

<sup>&</sup>lt;sup>1</sup> I want to acknowledge and thank Mark Waterhouse for the great editing he did on an earlier version of this article.

determined not by its location but by what is happening there. For this reason I have even argued that we stop using the term downtown and use City Central instead.<sup>2</sup> Alas, that suggestion has not caught on.

The related expectations of uniqueness and contiguity -- all of the parts of the downtown in question are expected to be in one contiguous area, and not geographically very close to another downtown. However, in the 31 county NY-NJ-CT Metropolitan Region, one might reasonably argue that there are several downtowns other than those in Manhattan, e.g., Jersey City, Newark, Downtown Brooklyn, Long Island City, perhaps even Stamford, that are not that far from each other. There are many instances where even water separations are not that great, e.g., Downtown Jersey City is about 0.5 miles across the Hudson River from Downtown Manhattan with water taxis connecting them. On land, Midtown Manhattan is about 2.5 miles north of Downtown Manhattan. Importantly, Levy and Gilchrist have found that a significant number of cities are multimodal when it comes to employment nodes.<sup>3</sup> Since downtown boundaries are the result of some human(s) defining them, it is quite possible for these multiple nodes to be defined or redefined into two or more very proximate downtowns.

## What Is a Downtown?

While I am not prepared to claim that I have a complete definitive answer to this question, I am confident that the following provides a solid foundation for arriving at one.

I have come to see the urban phenomena to which the term downtown is usually applied as a type of socioeconomic organism/system in which the primary players are the people and organizations that densely occupy and utilize built facilities in a specific land area. *When properly functioning it is a very magnetic agglomeration of some sort and strongly activated with lots of visitors, and venues filled with patrons*. It will feature one of a large number of possible combinations of uses/functions -- a lot of different kinds of downtowns are theoretically possible. Its boundaries can be in a process of constant change as the number, types, and locations of uses grow, decay or relocate.

Downtowns differ from shopping centers, malls, office parks, and even some public spaces that also might share many of these characteristics because they are one or more of the following:

- Not owned and managed by one entity
- Far less likely to have clearly defined and long standing boundaries

<sup>&</sup>lt;sup>2</sup> N. David Milder. "A Search for a Clearer and More Useful Vocabulary for Talking About and Analyzing Downtowns." *Downtown Curmudgeon Blog*, December 14, 2021. <u>https://www.ndavidmilder.com/2021/12/a-search-for-a-clearer-and-more-useful-vocabulary-for-talking-about-and-analyzing-downtowns</u>

<sup>&</sup>lt;sup>3</sup> Paul R. Levy and Lauren M. Gilchrist, "Downtown Rebirth: Documenting the Live-Work Dynamic in 21st Century U.S. Cities." Prepared for the International Downtown Association by the Philadelphia Center City District, 2013, pp.57

- Far more likely to be seen as an integral part of the local community, winning the psychological attachment of a significant portion of the local population, and the source of local pride
- Less reliant on automobiles to bring users into the area in big cities
- Generally far more functionally diverse, save for the shopping malls that have intentionally aimed at emulating downtown multifunctionalism
- More organically developed, and less likely to be the product of one design plan.

Downtowns can accommodate a wide variety of uses/functions, and vary in the degree to which one of them dominates what the people who live, visit or work in it do. *Working in offices need not always be the dominant, strongest use/function. Venues associated with their Central Social Functions that deal with how these visitors connect, live, and play can be of great importance, and in our post Covid-crisis world more and more downtown leaders are trying to make theirs much stronger.* 

The strength of these agglomerations we call a downtown can be measured in four basic ways:

- Their level of activation and magnetism, i.e., the number and types of people and organizations that live, play, work and do business there, how frequently they visit, and how long they stay. Basic, easily doable research in this area can lead to important insights. For example, recent impressive research by Paul Levy and his staff at the Philadelphia Center City District (CCD) on our 26 largest downtowns found that most downtown visitors do not come to work there.<sup>4</sup> This finding alone indicates that other functions/uses are very important parts of our downtowns and strong determinants of their strengths and success. Even simple stats on foot falls and venue attendance can be invaluable indictors of a downtown's activation, probable levels of fear, and the attractiveness of street level business locations.
- The number and strength of its uses/functions that are capable of drawing substantial numbers of visitors and business transactions from areas beyond its five-minute walk shed. Uses/functions with such reach are more than just supportive of the dominant ones, and strong in their own rights.
- The level of attachment downtown users develop for specific downtown venues as well as for the downtown as a whole. Also, the level of attachment downtown organizations have for their locations, patrons, and the downtown as a whole. It is astonishing to me how very few urban theorists take user attachment into consideration. Jane Jacobs, if memory serves me, noted the importance of residents becoming attached to their neighborhoods, but few other analysts to my ken have followed suit, especially with reference to our downtowns. Strong attachments are likely to correlate with higher visitation rates, greater tolerance of temporary missteps, strong support for needed remedial actions, and strongly positive word-of-mouth communications.

<sup>&</sup>lt;sup>4</sup> Paul R. Levy, 'Downtowns Rebound: The Data Driven Path to Recovery', Center City District, (October 2023) available at <u>https://centercityphila.org/downtownsreport.</u>

• The economic impacts of downtown visitors and organizations in terms of jobs, career opportunities, social mobility, property values, tax revenues, etc. Research on these impacts are certainly warranted and important. The problem is that it has been the dominant way analysts view how our downtowns are doing. The recent widely publicized doom loop analysis of our downtowns is a perfect example of this.

## Identifying the Upper East Side as a Downtown

My conclusion that the Upper East Side of Manhattan is a downtown is the result of my greatly increased visits to the area since about 2014 and my emerging view of what the agglomerations we call downtowns really are about that I have been slowly developing over the past decade, and outlined above.

In my four score plus years I have made loads of visits to the arts and cultural institutions in this area. They include several world class art museums and several others of substantial merit such as The Metropolitan Museum of Art, The Frick Museum, the Neue Galerie, Solomon R. Guggenheim Museum, Cooper-Hewitt National Design Museum, the Goethe-Institut, National Academy Museum and School, Museum of the City of New York, El Museo del Barrio, and the Museum for African Art. Most of them are in a one mile long cluster along Fifth Avenue. Also in the area are countless art galleries. Even the departure of the Whitney Museum to a southern Manhattan location has not substantially diminished the magnetism of this arts niche. They draw a large number of visitors to the area, many of whom are foreign tourists.

It also has what is perhaps the greatest public space in the US and perhaps even the world, the 836 acres of Central Park. I have been visiting this park since I was a toddler, joined these days by about 42 million other visitors each year.<sup>5</sup>

However, until recently it did not dawn on me that these arts venues and the park could be part of a downtown. A major reason for this is that Fifth and Park Avenues and so many other avenues in the area are so heavily residential, over 215,000 residents, and they are among the wealthiest and most powerful in the city.

The luxe retail along Madison had long perplexed me. It, like Rodeo Drive, was embedded in a large wealthy "neighborhood," but it abutted the Midtown Downtown and was plainly drawing a lot of tourist shoppers. Was there some kind of connection with Midtown's downtown? But it took me a while to ask if it was part of an Upper East Side Downtown.

Moreover, I too had associated a downtown, certainly one in Manhattan, with large office clusters, and I had not noticed any in the Upper East Side.

<sup>&</sup>lt;sup>5</sup> To maintain analytical rigor it should be noted that the 42 million visitors coverts into an average of only about 136 visitors per acre per day.

However, starting around 2014, I began to make a lot more visits to Manhattan. I soon noticed how widespread medical offices were along the eastern portion of the borough. Most of my visits were to those on the Upper East Side between 63<sup>rd</sup> St and 74<sup>th</sup> St east of Third Ave. Within that area are the home campuses of the Cornell part of the New York Presbyterian Hospital (NYP), the Memorial Sloan Kettering Cancer Center (MSK), and the Hospital for Special Surgery (HSS), as well as the Manhattan Eye and Ear Hospital. I also noticed just how much space these medical buildings occupied, and that they appeared to be spreading into adjoining areas down into the 50s and up across E72nd St. A significant number of these medical buildings were for research and teaching. Thinking about it, it seemed that while a lot of this healthcare space was referred to as offices, a lot of what happens within them is not very comparable to what happens in traditional office spaces. One must make the distinction between the type of physical space—that is, it looks like an office—and the uses therein. Health treatment is a personal service, research is part of the R&D sector, and teaching is education. Many communities target "Eds and Meds" as a business cluster they have or want as a key part of their economy.

More recently, as the impacts of remote work sparked suggestions about downtowns substantially increasing their residential populations, it struck me that this area also has a very substantial amount of high rise residential buildings, and a large amount of neighborhood retail, some comparison retail, and personal service operations to serve local residents and those who work in or visit the area's healthcare operations.

As my thinking about what a downtown has progressed, I began to see this area as activated, economically important, and a possible downtown or unnoticed node of the Midtown agglomeration. It is a heavily used area, with a lots of jobs and residents, and many visitors to doctors' offices and patients in its hospitals. It differs from its Midtown and Downtown brethren in having healthcare and residential uses being the most important ones instead of traditional office space uses such as finance,; real estate, insurance, information, and professional, scientific and technical services. The healthcare operations were making this area something a lot more than a neighborhood for wealthy people, while the large residential population was making it a lot different than one dominated by a huge healthcare cluster, as the sterile Cleveland Clinic campus has done to its neighborhood. I began to ask myself if this was a downtown and found it hard to deny that possibility, though it probably would be seen as an unusual one because of its untraditional mix of dominant functions.

The really important point here is not whether this agglomeration is a downtown or a node of Midtown, but that it is a largely unnoticed, strong socioeconomic agglomeration with a set of dominant uses and functions -- healthcare and housing -- that are quite different from those (office work) conventional wisdom, as often expressed in the media, associates as defining downtown characteristics.

Since my focus on healthcare was driving my analysis, my next challenge was how to deal with two other large hospitals on the Upper East Side: Lenox Hill Hospital that occupies

almost a complete block between 76<sup>th</sup> and 77<sup>th</sup> Streets and between Lexington and Park Avenues, and Mt. Sinai Hospital that runs along Madison Avenue from 98<sup>th</sup> to 101<sup>st</sup> Streets and has a strong Fifth Avenue presence. As a consequence, I engaged in a little mind experiment that expanded my geographic definition of the Upper East Side Downtown to 101<sup>st</sup> and 60<sup>th</sup> Streets on the north and south, Central Park on the west and the East River to the east and then looked at what uses/functions that expanded area now also contained:

- The two hospitals
- All the high priced luxury apartments along Fifth and Park Avenues
- The large number of doctors' offices occupying ground floor spaces in these buildings, especially along Park Ave where almost every residential building has such spaces
- The large number of arts related venues I described above, many of them of world class stature
- The long and strongly rebounding luxe retail corridor along Madison Ave
- Most of the eastern border of Central Park.

The Upper East Side certainly has a large number of wealthy people living in it, but my observations as detailed above unquestionably support the conclusion that it is a whole lot more than just a large, wealthy residential neighborhood. It is very functionally diverse, with healthcare, the arts and retail being very strong uses that serve local residents, but also draw large numbers of visitors and workers from well beyond the neighborhood. Tourists, for example, account for a very high proportion of its museum visitors. Its museums and Central Park attract millions of visitors annually. The hospitals also draw a significant number of patients and visitors, though probably not as much as the arts. Matthew Bauer, President of the Madison Avenue BID, reports that merchants believe about 40% of the Avenue's shoppers are visitors. Many of them visit regularly and have sales associates at the Avenue's shops they look for and deal with, indicating just how strong this visitation is.<sup>6</sup>

While the Upper East Side may lack large traditional office clusters, it still is the location for a significant number of jobs. In zip code 10065, for example, home of the Cornell part of NYP and MSK, in 2021 there were more jobs, 44,000, than residents, about 31,000.

This article is the conclusion of my little mind experiment. I cannot see any supportable reason for not calling Manhattan's Upper East Side a downtown. It is a large, well activated agglomeration and, importantly, quite different from most of our other large downtowns:

- Housing is its strongest use/function
- Healthcare, the arts, and retail are three other very strong uses/functions
- Traditional offices are present but are not a major use or function
- It borders another large strong downtown that has a quite different array of uses/functions.

<sup>&</sup>lt;sup>6</sup> In an email from Matt Bauer on July 2, 2024.

Recognition of Its existence demonstrates that very powerful urban agglomerations can exist that are not Central Business Districts. It also supports the argument that these places we call downtowns can survive and prosper even with diminished office clusters, and that housing can be the strongest function in such successful agglomerations.

Pushbacks to suggestions that downtowns should substantially increase their residential populations have sometimes involved requests for examples of downtowns where the residential use is dominant, or explanations of how a downtown can survive without large office clusters. Recognition of the Upper East Side agglomeration as a downtown more than amply satisfies those requests.