

# Looking a gift horse in the mouth

Several generations of New Yorkers have known the half mile of Manhattan that borders the East River and stretches from 42nd Street to 48th Street, as the "Old Slaughterhouse District." The inhabitants of this long-forsaken area live in the meanest type of slum dwelling.

Hovels, crumbling and splintering with age are barely able to stand erect along the streets that are littered always with uncollected garbage. With the exception of a wet-wash laundry, a spotty sprinkling of shabby saloons, and a renovated apartment house, the improvements on the entire area wouldn't be worth \$20-thousand on the open market. And yet the owners of this dilapidated land valued it at \$25-millions. In other words, if ex-G.I.'s would want to build housing or factories on the land, they would be compelled to pay \$25-million for the doubtful privilege.

The owners of most of this land (Webb & Knapp) realized that the \$25-million at which they valued the land was only a paper value. Before they could realize the amount in money, they would have to find someone who was willing to pay \$25-million. So they prepared and publicized an architect's drawings of a "Proposed Dream City" which showed skyscraper hotels and office buildings; airline terminals, opera houses and fashion centers. While the dream was being given much publicity by the newspapers, Webb & Knapp waited patiently for Capitalists to bid for the right to build and operate the various projects illustrated on the architect's drawings. But the Capitalists, drunk with post-war prosperity, were not quite drunk enough to risk their money on this grimy, flea-bitten, out-of-the-way and poverty-stricken land. They knew that Capital in the form of hotels, etc., can only be invested successfully where money-spending population abounds.

And so Webb & Knapp put their best brains to work (Bill Zeckendorf's) to bring the hordes of money-spending people to their \$25-million rat-race. Bill knew that the crowds elbowing and pushing their way along Broadway and on Fifth Avenue made those avenues the most valuable land holdings in the world. If only he could coax the crowds over to the stench and soot east of First Avenue! One way--the obvious way--would be for Webb & Knapp to go ahead with their plans; build the Opera House, hotels, and office buildings with their own money, and thus attract the much-needed crowds to their Dream city. But using their own money to improve their land would be risky...and landowners--unlike Capitalists--never risk their own money.

Bill Zeckendorf was inspired with a much safer and less expensive idea. Perhaps it was the fast-approaching Christmas season that inspired him. The air, heavy with the spirit of gift-giving, probably touched off Bill's inspiration. At any rate, Bill did get an idea--and it was a lulu: If someone would give this \$25-million shambles to the United Nations, and United Nations would build their permanent home on it, crowds from all over the world would pour into the neighborhood. Land within a mile of the area would be at a premium--and Webb & Knapp, owners of most of the adjoining parcels, could demand any rent they chose from those who wanted to erect hotels, opera houses, nightclubs, office buildings, restaurants and theatres near U. N. Even at this stage the scheme was one of which any speculator might be proud. Webb & Knapp could give the land to U. N. free, and cash in on the increased land values that U. N. would, as tenants, bring to the adjoining areas.

But Bill Zeckendorf is not "any speculator." He is a genius. He knew Mayor O'Dwyer was very anxious to have U. N. make its headquarters in New York so he sold his gift idea to the mayor. Mayor O'Dwyer sold the idea to Nelson Rockefeller; Nelson sold the idea to his daddy, John D. Jr. Daddy Rockefeller had no one to whom to sell the idea, so he bought the eight blocks of slums from Webb & Knapp for \$8.5 million, and gave it all to United Nations.

And what a Merry Christmas it was! United Nations had a piece of land upon which they could build a permanent home. Mayor O'Dwyer and Mr. Rockefeller had the joy that comes of giving. And the firm of Webb & Knapp will have their crowds, bought with John D.'s money; their Dream City paid for by private investors; and high rents willingly paid to them by everyone who spends a nickle--or more--on Webb & Knapp's land.

