

Saving Our Cities

The rage for building giant downtown commercial centers as the ultimate remedy for urban decay goes on unabated despite nagging doubts that those centers may in fact do more to destroy a city than to save it. In the following section, Roger M. Williams inspects the rationale for Detroit's new Renaissance Center; Henry Ford II adds a few words in praise of the giant project; and lastly, urban affairs consultant William G. Conway takes careful aim at what he calls today's "destructive, lumbering urban dinosaurs"—the megastructures.

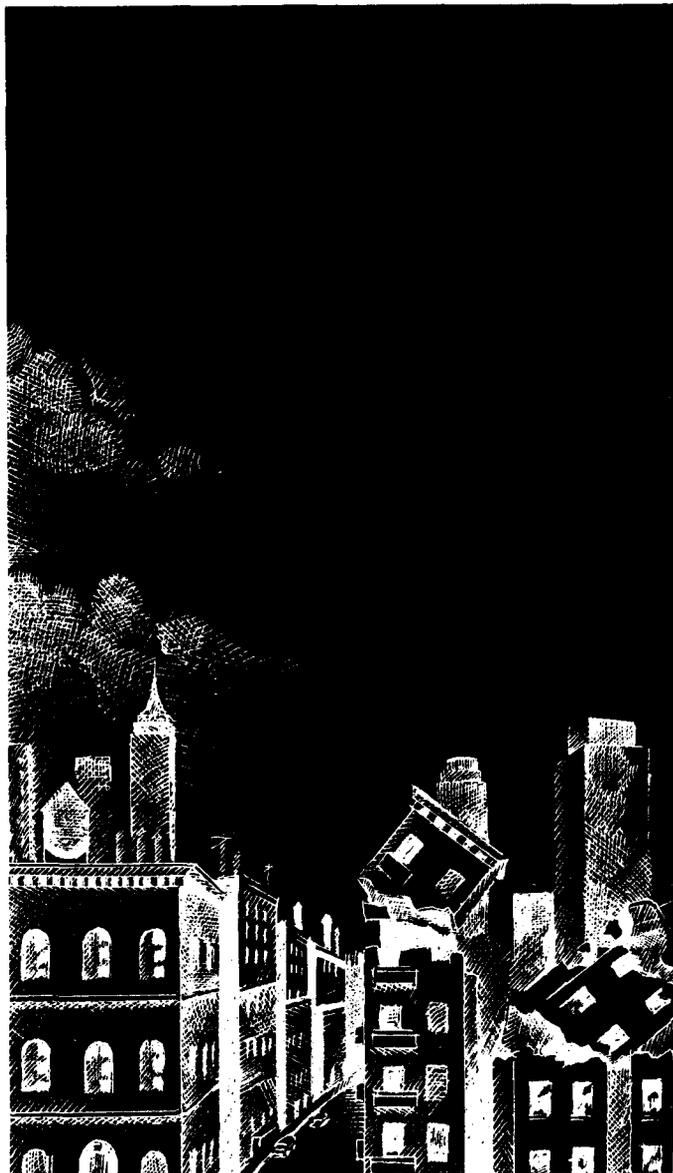
Facelift for Detroit

by Roger M. Williams

DETROIT has become everyone's favorite example of a dying city: the place where urban problems have converged to wipe out the achievements and values of twentieth-century America. Although accounts of Detroit's demise have been exaggerated as well as premature, the patient is indeed very ill. Many thousands of houses and apartment buildings lie abandoned and often gutted. Stores and hotels have closed downtown to follow the white middle class into the suburbs. The violent-crime rate is among the highest in the nation's cities, and the heroin problem is second to none. Unemployment runs around 14 percent—almost 40 percent for black teen-agers. Gangs of youths terrorize neighborhoods, parking lots, and even expressways, where, for a period last summer, they preyed on stalled motorists.

It is understood among businessmen that in such a situation everybody tries to cut his losses and pull out smoothly. Nobody expands or builds anything new. Yet downtown Detroit today is the site of the most expensive real estate development in the world—arguably the most expensive in history, if you figure that slave labor built the pyramids. The project is Renaissance Center, a colossal group of office buildings, shops, and a hotel that has risen on the barren banks of the Detroit River. The cost of construction is \$337 million, and every dollar of it is private money. Thus the center is billed as proof of private enterprise's concern for Detroit and, by extension, for all of urban America.

In that sense, at least, Renaissance Center has more importance as a symbol than it does as an actuality. Boosters already are proclaiming it the symbol of the "new Detroit," a concept that has been struggling to gain credibility for the



past several years. The name itself was chosen to suggest the city's emergence from a dark age. (Ironically, the deposed emblem, called "Spirit of Detroit," is a statue of a crouching man who could be rising to his feet or sinking to his knees, depending on one's view of him—and of his city.)

Whatever the merits of Renaissance Center as symbol, architecture, or homage to the gods, it will be judged most critically for its impact on beleaguered Detroit. Henry Ford II, the driving force behind the center, admitted as much when he proclaimed the project "primarily a catalyst to make other things happen." By "other things," Ford and his associates mean the physical regeneration of downtown Detroit and the spiritual regeneration of the whole city.

That is a very large order, and many observers are skeptical that it can be filled. How, they ask, can a flashy real estate development solve the urban problems that abound in Detroit? What significant impact can it have on unemployment, white flight, the decay of downtown? What impact of any kind can it have on crime, housing abandonment, heroin addiction, and the hostile, hopeless feeling that pervades vast segments of the city's population? If the answer is, "Very little," aren't the renaissance centers of our time—the "megastructures" mushrooming in American cities—expensive



Joseph Scrofani

baubles that divert attention and money from the real problems?

Before I talked to the Renaissance Center people, the theorists as well as the day-to-day managers, I was pretty sure those questions were better than the answers to them would be. Now I am not at all sure. While Renaissance is no panacea, a good case can be made for it. The case goes beyond the essentially negative "What the hell else might work for a place like Detroit?" It goes to what may well be the critical element in restoring the health of the cities: attracting middle-class whites to live in them again.

THERE are several explanations of how Henry Ford came to build Renaissance Center. One has it that he wanted an achievement to cap his career as one of America's premier industrialists; another, that he was mortified by his brother Billy's decision to relocate the Detroit Lions football team, which Billy owns, in suburban Pontiac. Ford's own explanation is persuasive. He says that leaders of Detroit's would-be regeneration persuaded him to do it—shamed him, in a sense—by pointing out that he had already helped adjoining Dearborn, headquarters of the Ford Motor Com-

pany, by constructing the huge Fairlane project there. They pointed out, too, that although the company no longer has operations in Detroit, its well-being is inextricably tied to that of the city.

Renaissance Center, then, was principally a balancing of obligations and interests by Henry Ford. "Mr. Ford realized that the suburbs can't be the financial and cultural base for a metropolitan area," says Wayne S. Doran, president of the Ford real estate subsidiary that put together the Renaissance deal. "The city has to fill that function. He realized also that the other suburbs had been draining population and business from Dearborn itself. Certainly, with both the Dearborn and Detroit projects, he was protecting his own economic interests. But he was protecting a larger interest as well—the economic well-being of the whole region." Once Ford determined that Detroit had to be helped, he summoned the help. As Doran says, "He's not the kind of guy who lies back."

Henry Ford's helpers turned out to be 51 major corporations, each with a substantial economic stake in greater Detroit. Among them are names that have made the city world-famous: General Motors, Chrysler, American Motors, B. F. Goodrich, Firestone, Bendix, Gulf & Western, TRW.

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J. Bruce Baumann/Black Star

Detroit, 1967—"The riots set off a rush of government-funded social programs that did nothing to revitalize the city as a whole."

The corporations amassed \$37.5 million in equity capital—with Ford, GM, and a couple of others contributing \$6 million each—to start the project. They purchased 33 acres of Detroit River frontage. And they hired Atlanta architect John Portman, developer of Peachtree Center, Embarcadero Plaza, and other spectaculars, to design the biggest, most stupendous urban megastructure ever seen.

Portman produced a very Portmanesque design: a cylindrical 73-story reflecting-glass hotel surrounded by four octagonal 39-story office towers and, eventually, a half-dozen or more lower buildings. The cluster is interconnected by enclosed walkways and a four-story pedestrian mall that will house shops, restaurants, and so forth. The hotel, named the Detroit Plaza, opened in March, and two of the office towers have been accepting tenants for several months. It is all properly awesome and futuristic, with 1,000-foot-a-minute elevators and small suspended cocktail areas called "pods"—although to this layman's eye the pitted, dun-colored natural concrete makes as dull an interior here as it does in other Portman buildings.

The center has not had a smooth road financially. Cost overruns on construction were so large that Henry Ford, aided by Mayor Coleman Young, had to go back to the investors for almost \$100 million more. While the hotel has had excellent advance bookings (downtown Detroit is short of first-class hotel space), the office buildings and retail shops have done only modestly well. Local sources say office rentals were lagging badly until Ford decided to move 1,700 of his own employees from Dearborn into the center, where they will occupy an entire tower. The retail-space purveyors are trying to secure big names from the fashion world, especially some from Western Europe, to give the center chic. Although that seems logical, it is also risky: in Atlanta's Omni complex, such classy shops as Gucci, Lanvin, and Rizzoli have fared poorly; their sophistication and prices outpace the local market.

Without question, the center has transformed a substantial section of the riverfront and raised hopes for the rest of it. Through the shortsightedness typical of city fathers and their

professional planners, Detroit's side of the river had become little more than a junkyard, a collection of dilapidated warehouses, obsolete factories, and parking lots. Now Detroiters realize that the river and its north bank (because the river twists, Detroit is north of Windsor, Ontario, on the south bank) are among the city's finest natural assets.

But no one knows how far inland, to the core of Detroit and its problems, the blessings of Renaissance will radiate. In the immediate vicinity, across busy Jefferson Avenue, there are signs of new life. Blue Cross-Blue Shield has expanded the complex that serves as its Midwest headquarters. An architect who was ready to leave the area has instead renovated one old building and transformed another—a former flophouse—into a branch of a well-known Grosse Pointe restaurant. Retail and service establishments will follow in an effort to capitalize on the spillover business from the Renaissance offices and hotel.

Farther into the city there are other examples of rejuvenation, although it becomes difficult to attribute them to the center. Woodward and Washington avenues, once Detroit's proudest thoroughfares, are stirring after years of sliding downhill.

Mayor Young, an early supporter of candidate Jimmy Carter, has not yet seen his support repaid with Carter administration largess. Nonetheless, Young's skill at dealing with the Washington bureaucracy has attracted more federal dollars than Detroit has ever received before. The feds have agreed to fund a "people mover" system, a roof for the Woodward Avenue mall, and part of the mayor's current pet project, a sports arena. In all, \$2 billion worth of construction is now under way in the city.

That Detroit should require this kind of resurrection is ironic. As the birthplace and home of the automobile industry, it has symbolized the successful material side of the American way of life. Detroit not only helped to create the American dream, it lived that dream to the fullest. Until withered by urban blight, it was a melting pot where southern blacks and Appalachian whites could and did come to make, in its factories, more money than they had dreamed possible. Nor was Detroit a gritty, turn-of-the-century manufacturing town. It was a green city, with broad boulevards, a high proportion of single-family home ownership, and its share of creditable cultural institutions.

Several things combined to change this happy picture. Detroit's mighty industrial base became shaky and increasingly vulnerable to the vicissitudes of the national economy. Seeking to take advantage of the nationwide flight from the cities, Detroit's suburbs mounted effective campaigns to capture the people who worked downtown and, with them, their jobs. Detroit lost 100,000 residents in the 1960s and another 100,000 from 1970 to 1975, as the suburbs flowered with apartment and office buildings. While the towns of Southfield and Troy were the most successful raiders, almost every district with a few trees and no poor blacks scored at the expense of the city. Among the major companies that pulled out of downtown were S. S. Kresge and Bendix. With them and many smaller firms went confidence in and commitment to the city.

Poorly managed government programs exacerbated the problem. The program run by the federal Department of Housing and Urban Development during the early Seventies was so bad that today HUD is a dirty word in Detroit.

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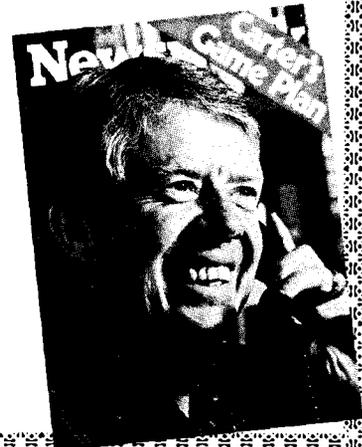
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heavily to its decline. For example, the Big Three auto makers have until recently failed to support public transit, preferring to see their Motor City choke on private vehicles. (In the process, almost half of downtown became parking lots.) Office construction stagnated, and the owners of "Class A" buildings maximized their profits instead of modernizing to meet the increasing competition from the suburbs. Detroit's conservative banking community stunted whatever speculative growth might have taken place. "You must have overbuilding if a city is to grow," says Henry Hagood, a black Detroit developer, "but the banks demanded that everything be sold or rented in advance before they'd put up money."

Robert McCabe, president of Detroit Renaissance, a civic group, readily admits that the city has suffered from establishment neglect. "The captains of industry were making it big then," McCabe says. "Who thought of problems? That's one reason we were so shocked by the 1967 riots." Those highly destructive riots set off a rush of government-funded social programs that may have eased ghetto problems but did nothing to revitalize the city as a whole. Both the image and the reality of Detroit continued to deteriorate.

Enter Henry Ford II, a refreshingly informal tycoon known around Detroit as "Hank the Deuce." Ford and the corporate executives to whom he appealed had seen enough "people programs," as they were called in the high-flying days of the Johnson administration. "We wanted a brick-and-mortar operation that would start important *physical* things happening," says McCabe, whose organization was a spiritual godfather to Renaissance Center. "We had to become competitive again in the local and national markets. And we wanted to do that the way we knew how—through private investment."

Ford has been criticized for not spreading the \$337 million around Detroit in a series of smaller projects. His answer is that he wanted a project with a certain catalytic effect and

"Cities have the image of being unsafe places," says John Portman. "We have to give people city environments where they feel safe."

that any number of routine buildings would not produce that. As McCabe puts it, "We wanted to build something with the kind of critical mass that would make people say, Something's really happening in Detroit. In the trade, that is sometimes called 'J.C. architecture' because it triggers the exclamation, 'Jesus Christ!'" John Portman not only designs J.C.'s, he also believes that city revitalization requires the creation of "total environments" rather than of standard structures that fulfill only one or two basic needs.

"You can't make people come into or stay in the city," Portman told me recently. "You have to create the circumstances that will attract them." These days that means convenience, pleasing surroundings, style, and, increasingly, physical safety. Portman's total environments provide these. Even when he talks about "putting people on their feet again, so they can walk to work, to church, to the drugstore," he means walk *within* a single urban complex.

Critics have called Renaissance Center a Noah's Ark for the white middle class. They note the easy access for motor-

ing suburbanites, the on-site underground parking, and the cluster design—with formidable abutments on the side facing downtown—that accentuates the fortress feeling. Other than explaining the abutments (they house the huge heating and air-conditioning units), Portman simply shrugs off the charge: "I'm glad the center offers a sense of security. Let's face it, cities, and certainly Detroit, have at least the image of being unsafe places. To reverse that, we have to give people city environments where they feel safe."

Police statistics demonstrate that downtown Detroit is actually one of the safest sections in the city, but it takes a long time for this news to penetrate to the suburbs. One can hardly spend a day in the city without hearing stories of suburbanites who won't come downtown or who haven't been there for years and are proud of it. A wave of youth-gang violence last summer increased suburbanites' fears sharply.

In selling Renaissance Center, its promoters play up the security of the place while pointing out subtly that the suburbs themselves are none too safe these days. Gazing out a window on the top floor of the center, a Renaissance representative told me how pleased businessmen from Chicago and New York are to come upon this vista: "You don't really see the ghettos from here. They're not obtrusive the way they are in those other cities."

Although Renaissance salesmen have not yet persuaded any companies to forsake the suburbs, they have signed up a number of downtown firms that probably would have relocated there. The center has compiled quite a record of making off with the major tenants of other downtown office buildings. To the building owners' protests, Renaissance replies rather piously that this is the price of progress and, rather sensibly, that the suburbs were "raiding" downtown office buildings long before it entered the competition.

The competition is not on even terms because the entire center is, in effect, an in-house project of the auto industry's extended family. Of the 51 investor companies, only a dozen or so have no readily identifiable connection with the industry. The rest, as suppliers or bankers to Henry Ford and the other auto makers, are subject to the wishes of and pressures from the purchasers of their products. So, too, are a high percentage of the tenants who have taken office space in the center.

Beyond this is the question of whether a project of Renaissance's magnitude could be brought off without a big daddy who has economic muscle and lots of IOUs to cash. Perhaps in no other city could a Henry Ford muster this kind of extended business family for this kind of undertaking.

The least mentioned element of Renaissance Center—housing—may turn out to be the most important in terms of the future of Detroit. Phase two of the scheme contains plans for high-rental apartments in adjoining buildings. "You have to establish [Renaissance] as a job site first, then hope people will want to live near their jobs," Portman explains. "We worked in reverse at Embarcadero Center, putting in the apartments first. We had a hard time renting them, and that was San Francisco, not Detroit."

Yet several Detroiters with whom I spoke insisted that if Renaissance had apartments, they would be renting right now. There is evidence to support their claim. What little good downtown apartment space remains is fully rented, with waiting lists common. Henry Hagood says that his middle-income downtown apartment buildings are full and

that whites represent a steadily growing proportion of the tenants; about half of these whites have moved in from the suburbs. "Builders are crawling all over Detroit now," Hagood adds. "Everybody's looking for sites." In addition, old houses in Detroit's in-town neighborhoods are selling better than they have for many years. They hold a fresh appeal for young couples whose alternative is to pay at least twice as much for a run-of-the-mill ranch house miles from anything but suburban sprawl.

To the west of Renaissance Center, industrialist-financier Max Fisher is attempting to do what Ford and Portman have put off doing, that is, build apartments on the riverfront. Fisher is about to break ground on a 2,500-unit high-rise that will be the first major apartment building constructed in central Detroit in two decades. "If it goes, it'll mean a lot to this town," Hagood says. "Even if we can get well-to-do whites interested in coming back in, at this point there's almost no place for them to live."

Recognizing the importance of such housing to Detroit, the Michigan legislature recently passed a bill that provides a 12-year moratorium on taxes on improvements made on land used for housing projects in the city. Without a break of this sort, developers would find the speculative ventures

that Detroit now badly needs much too risky to undertake.

If America's cities are to become stable, they need people who will live in them by choice, not, like the poor, because they are captives. Without such people, a city has too little vitality and spirit, as well as too small a tax base. New York, for all its fiscal problems, is healthier and more vital than many of the cities whose residents deride it—because it remains a place where people choose to live.

Detroit's predicament grows out of two deep roots. One is the plight of its poor. Optimistic predictions notwithstanding, Renaissance Center will do little for them; that is a job for government, through large-scale, imaginative programs, sensitively administered. The second root is the attitude of the middle class. As long as middle-class whites and increasing numbers of their black counterparts choose to live outside the city and avoid it whenever possible, Detroit cannot recover.

When suburbanites come to Renaissance to work or shop or eat at a restaurant, even if they come by armored car, their irrational fears may begin to dissipate, and they may discover the numerous advantages that any major city holds over any suburb. That is a far from certain prospect, but it is Detroit's best hope. ©

Henry Ford on Renaissance Center

The following questions were submitted to Henry Ford II by SR.

What is your response to the charge that Renaissance Center is an enclave for middle- and upper-class people—that it is intended to shut out others, especially poor blacks?

Renaissance Center is not intended to be an enclave of any kind. It is either creating or bringing to the city thousands of jobs, performed by people of all socioeconomic levels. The Detroit Plaza Hotel alone is creating 1,800 to 2,000 jobs. Renaissance tenants will be going out to visit a variety of restaurants and stores in the area. I'd expect even more of this if mass transportation becomes a reality downtown.

Some say that attracting people to live downtown, rather than just work downtown, is critical to revitalization of a city. If you agree, why is there no housing in Renaissance Center?

I agree—but you can do just so much at once. We didn't have enough money to do the housing on the river as well as the hotel and offices. We finally decided it was important to provide a reason for people to want to live downtown—hence development of the hotel, shops, and offices first. Once these phase one projects are in operation, about 20,000 people will be working at or visiting Renaissance Center daily. Their presence will create an environment that hopefully will make residential development a natural offshoot. As you know, another developer [Max Fisher] already has announced plans to build a 2,500-unit residential complex on the riverfront close to Renaissance Center.

You seem to feel that the profit motive is a necessary part of a development like Renaissance Center. What if the

federal government says to corporations like Ford Motor Company, "We will give concessions to you in lieu of taxes if you spend money downtown"? Is this a good approach?

I suppose any kind of incentive would be helpful, whether it's from the federal, state, or city government. Renaissance Center makes a different point, though: it was built with private capital and without any extraordinary tax breaks. What it says is that the competitive system works pretty well without any special governmental involvement.

Renaissance Center is top-heavy with auto-related investors and tenants. Is it therefore possible that it is not a true indicator of real business interest in Detroit—and not a blueprint for development elsewhere?

If auto interests are especially well represented among investors and tenants at Renaissance Center, so, too, are they well represented in many other endeavors in and around Detroit. Much of the gross national product in this city springs directly or indirectly from the auto business. But also involved at Renaissance Center is a great cross section of the entire community—public accounting firms, law offices, banks, consulting businesses, stockbrokers, airlines, retail offices, news media, and others.

Can Renaissance Center be considered a success on its own, or must it have spin-off effects in the city at large?

Renaissance Center, in and of itself, is not the answer to Detroit's problems. Renaissance Center will help the city by providing impressive physical structures and the jobs that go with them. The project also bolsters morale and demonstrates confidence in the future of the city. But if there were no spin-offs, Renaissance Center would be only partly successful. In these early stages of Renaissance, I'm pleased by the effect it already has had and I look for more. ©