

The New York Times

January 1, 2014

THE 30-MINUTE INTERVIEW

RICHARD RAVITCH

Mr. Ravitch, 80, is a lawyer who for several years worked in his family's business, HRH Construction, developing Waterside Plaza and Manhattan Plaza. He was the lieutenant governor of New York, under Gov. David A. Paterson, and served in numerous government-appointed positions, including the New York State Urban Development Corporation and the Metropolitan Transportation Authority, both of which he led as chairman.

Interview conducted and condensed by

VIVIAN MARINO



CHESTER HIGGINS JR./THE NEW YORK TIMES

Q. Any plans to retire?

A. I am so busy these days. It is such an interesting time, so I have no plans to retire.

Q. One of the things you've been involved with of late is the New York Building Congress Task Force on storm preparedness. What areas do you think need the most attention?

A. I thought the city came up with a very good plan, both short term and long term, which basically hardens the power grid, which is critical.

Q. What have you done to shore up Waterside Plaza?

A. We now have generators that are all waterproof. Because we're located right on the river, we're particularly vulnerable to flood water; the F.D.R. Drive looked like the East River itself.

Q. What can be done at new developments?

A. I think any new developer, depending where they build, if they build in a flood zone, is going to have to be very careful to make sure that their transmission equipment — their switch gear, their elevator motors, their pumps — are all well above in the event of a flood. But the ultimate question is, Is the water table rising generally? Some people have predicted that J.F.K. would be underwater in 150 years.

Q. What else have you been doing lately?

A. I just finished a book; it'll be out on April 1. The title is "So

Much to Do: The Life of Business and Politics." It's part memoir. There's a whole chapter on how Waterside got developed and it has several chapters about the fiscal crisis that hit New York in the '70s, which I was in the midst of. I did all the negotiations for the labor unions. And I was the chairman of the New York State Urban Development Corporation, on the board of MAC, or the Municipal Assistance Corporation, then I became chairman of the M.T.A. There's a chapter on how I became lieutenant governor. The last part is about the serious fiscal issues that cities and states around the country now face.

Q. How serious?

A. We're doing a lot of gimmickry again, which is the same kind that got New York City close to bankruptcy back in '75, like borrowing money in order to meet current expenditures. But every state is doing it to some degree — you have federal aid going down; you have state aid to cities going down; you have fiscal stress. The pressures on New York City are going to be enormous.

Q. Meanwhile, the high-end residential market in New York is going like gangbusters.

A. Yup. People want to live in cities more and more. People who brought up their kids in the suburbs now want to come back. There are a small number of people who made a great deal of money.

Q. Does this economic disparity in New York bother you?

A. Sure. I'm on the fortunate side of the lopsidedness, but I worry about this disparity in the distribution of income because it's going to lead to some degree to social unrest.

Q. The new mayor has said he wants more middle-class housing options.

A. To provide subsidy he needs money. There are two ways he could get money. One is through the state, and Mr. Cuomo wants to reduce taxes, not increase them; and the other way is by raising the real estate tax. If we have another significant raise in the real estate tax, it's going to begin to hold down the growth of real estate values. I'm not smart enough to tell you what the tipping point is in terms of tax rates.

Q. Do you invest in real estate?

A. I do not.

Q. Do you miss developing?

A. No. Look, I came from a family of builders. And I love building for many reasons: you could see the results of what you've built.

Q. You faced many hurdles with Waterside Plaza, which just celebrated its 40th anniversary.

A. It took me 10 years. I had to get a law passed by Congress declaring the East River non-navigable from 23rd to 30th Street. There was a federal law that went back to the War of 1812 that gave the federal government the right to expropriate any obstruction of the navigable waterway without compensation, and you couldn't get title insurance given that statute. So we had to get a law changed saying it wasn't navigable.

Q. What are the rental rates?

A. About \$55 a square foot. They're 20 percent less than where they are in the hottest area of the city, the West Side.

Q. What do you do to relax?

A. I work with wood. I make furniture — Early American, Queen Anne, Chippendale. I made all the furniture for my homes. I make dressers, desks, lamps and salad bowls and pepper grinders. My most prized membership is the American Association of Woodturners.