

# Tavern on the Gray

*Can Warner LeRoy's new \$14 million restaurant revive Bryant Park?*

BY CATHRYN JAKOBSON

**D**ANIEL BIEDERMAN's attorney has just telephoned. She is having either a heart attack or a nervous breakdown, she says—she's not sure which. Biederman can't blame her; even his own deep calm is evaporating. As agents of the Bryant Park Restoration Corp., after years of give-and-take, they are in the last agonies of lease negotiations with Tavern on the Green's Warner LeRoy, the parks department, and New York City. Six teams of lawyers are involved. If things go right, the BPRC will have a 15-year management agreement for Bryant Park. It will also have a deal for LeRoy's latest restaurant project—a \$14 million "Grand Café" that will nestle up to the back of the public library.

There's been controversy the whole way. It's the only piece of parkland in Manhattan ever leased by the city to a private enterprise. Never before has the parks department turned an entire park over to a private manager. And the delays have been frustrating. "It's taken four and a half years and we're still not quite through," says LeRoy. "I'm not knocking it—it's a long and complex process—amazing as it is, after 25 committees and four and a half years, I still don't have a deal."

But the BPRC is determined to make it happen. In five years, Biederman has pushed the plan through five of seven



approval processes, each of which involved interminable waltzes with city and state authorities. Biederman, who heads the BPRC with an almost religious zeal, finds a few comforting words to say to his attorney when she calls. Then he asks if she has figured out who is going to pay for the additional wiring in the park. As everyone knows, Warner LeRoy likes a lot of lights.

At least one park advocacy group—the Parks Council—has fought the deal from the start. Its commissioners find the plan most distressing. They talk about the "privatization" of public land and insist that more traditional measures for improving the park could be equally effective. The city is taking the easy way out

they say: budgetary constraints being what they are, it's just simpler to let some private entity pick up the tab. The Union Square Park renovation, executed with \$3.6 million in city funds, appears to be a huge success. No big restaurant project, they point out, was needed to turn that park around.

Bryant Park isn't Union Square, explains parks commissioner Henry J. Stern. It will take an even greater amount of money to tighten security and keep the nine-acre park clean each year. "Bryant Park requires a continual stream of funds and an extraordinary amount of maintenance," he says. "The parks department can always make a one-time capital expenditure

of a few million; it's the long-term support that's the problem."

The Bryant Park project first emerged in 1979. Andrew Heiskell, chairman of the library board, attended a string of social functions with Gordon Davis, who was then parks commissioner. Each time they saw each other, Davis asked Heiskell the same question. "When," he inquired, "are you going to do something about that mess behind you?"

The mess was Bryant Park, and of course improving it was a city job. But the city had been pouring municipal funds into Bryant Park for a long time, about \$250,000 a year by 1980. It was like dropping cash into the hat of a drunk on a binge; the situation only got worse.

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Heiskell, still at Time Inc., put the issue on a back burner. Then Mayor Koch cornered Vartan Gregorian, who had recently become library president. “Hey, Vartan, you’re a bright boy,” enjoined the mayor. “Why don’t you take that place over, clean it up, and make it pay for itself?”

Nobody on the library board wanted to get into park management, but the scourge from the park was creeping over its fortress-like walls and infesting the library’s steps. Drugs were everywhere: hidden in the ivy, sold right under the noses of the lions. The park itself looked bad and smelled worse. “It was a public urinal,” says Heiskell. The library board couldn’t keep asking all the influential people in town for large donations if they were likely to have a nickel bag pressed on them as they came to deliver the check. For Mrs. Astor, it wouldn’t do.

One large donor, in particular, encouraged the library to get Bryant Park under control. Heiskell had approached the Rockefeller Brothers Fund for a \$1 million grant to improve the Exhibition Hall. Bill Dietel, the fund’s president, was quite frank. The library had to take care of the outside of the building—and by that he meant all of Bryant Park. Heiskell’s first impulse was to tell Dietel they had quite enough problems without taking on an unmitigated disaster. But the library needed the money. With members from the library board, the Parks Council, and various civic groups, they formed the Bryant Park Restoration Corp.

The BPRC hired Daniel Biederman. He was only 26 when he took the job, but he was already an adroit, polished fellow—capable, Heiskell thought, of straddling the fence between the public and private sectors. He had studied public affairs at Princeton’s Woodrow Wilson School, then had received an MBA from Harvard. After graduate school he’d become a consultant for American Management Systems when the company installed a new budget and accounting system for New York City. For the peripatetic Biederman, that wasn’t quite enough. At the same time, he became chairman of Community Board 5, an unpaid position that consumed virtually all his evenings. Bryant Park is in Community Board 5’s district, and Biederman

made some suggestions for its improvement. Before he knew it, he had another job. In early 1980, Heiskell invited him to run the BPRC.

The BPRC wasn’t alone in its interest in Bryant Park. For a couple of years, the Parks Council had been involved bringing music and art to the park, installing food kiosks, bookstalls, and flower stands. Biederman backed the effort and extended it, opening the Bryant Park Music & Dance ticket booth. But he didn’t have much faith in these patchwork improvements. As he saw it, the park had two major problems. Because it was poorly designed, the square was difficult to cross and offered dozens of hiding places for undesirables. And not enough people had a vested interest in improving it. To work properly, he believed the park needed a big change.

The short-term improvements brought some results. At lunchtime on a pleasant day, the park was crowded. The number of reported muggings dropped. But in truth, the park was only safe for a few hours a day. Then the dealers took control. “Bryant Park brought to mind some of those parks out West,” says Biederman. “It had wild animals cruising through it at night.” The drug trade didn’t diminish.

The BPRC tried to work on particular trouble spots. Biederman contacted Zaro’s Bread Basket to persuade the company to set up a café on the north side of the library steps, an area that had become a veritable haven for drug sellers. But Zaro’s was being courted by locations throughout the city, all of which were much more desirable than the pocket Biederman offered. There wasn’t even a way to move the business indoors in bad weather. Zaro’s declined; they couldn’t see a way to make it pay. Biederman and Heiskell were going to have to go after something more substantial.

Biederman started chatting with restaurant operators early in 1980. “I talked to the best,” he says, “maybe a dozen of them. I knew that no matter *who* we selected, we’d have conflicts. These guys were brilliant and entrepreneurial and not accustomed to working under the city’s restrictions.” Hugh Hardy, senior partner at the architecture firm of Hardy Holzman Pfeiffer Associates, volunteered his services. He had a long-stand-

ing interest in adapting cultural facilities for new uses, and Biederman liked the work he had done on the Cooper-Hewitt Museum. Joseph Baum and his partner, Michael Whiteman, also offered their suggestions; they were the brains behind Windows on the World and extremely experienced restaurateurs. Finally Biederman sent Hardy his three top choices for restaurant operator: Baum, Jim Rouse, and LeRoy.

People tend to assume that, because of his proprietorship of Tavern on the Green, LeRoy had the project all sewed up from the start. From all evidence, he did not. Baum, LeRoy, and Rouse each spent long hours with Hardy, who, weary of pro bono activities, had agreed to go on a \$100,000 retainer to the BPRC. “It was an opportunity for them to try out their wildest schemes,” says Biederman. “They bounced everything off Hardy, who told them what would fly with us and what wouldn’t.”

Joe Baum proposed a design that would make use of the drug-ridden corners of the park. He’d have food vendors and some retail. He also wanted to put a café in the front of the library, a modification of the old Zaro’s plan. “We liked his concept a lot,” says Heiskell. “We could have practically flipped a coin. But his financing package proposed the use of a UDAG grant, which is meant for projects that have no hope of being financed in any other way. We figured we had to face enough hurdles without trying to get public money.”

Jim Rouse proposed a festival marketplace. His typical mix of restaurants and stores would cover 54,000 square feet around the perimeter of the park. His scheme promised to attract a big crowd, but it would also use Bryant Park as if it were a vacant piece of real estate. Very little of the park atmosphere would remain. Since Bryant Park had been declared a landmark in 1974, any plan required the approval of the Landmarks Preservation Commission. Biederman feared that Rouse’s project wouldn’t fly with them. Rouse agreed and pulled out.

To the BPRC, Warner LeRoy’s approach seemed the most promising. He proposed a low-slung glass-and-steel crystal palace—two stories high, with seats for over 1,000 people, making it the largest restaurant in New York. LeRoy’s

restaurant—or Grand Café, as he called it—would nearly abut the back wall of the library, thus neatly eliminating one of the park's most unappealing areas. An upper terrace would seat 500. Breakfast, lunch, and dinner would be available, drawing people to the park for about 18 hours a day.

LeRoy's plan was appealing on other levels. The BPRC believed he had the wherewithal to finance the deal, which was ticketed at \$12 million with another \$2 million kicked in as LeRoy's contribution toward the renovation of the park. And they knew he had the guts to hang on when the going got rough. "We had to choose someone with the lasting power to make it through the negotiations," says Heiskell. "We knew that Warner wouldn't lose faith and drop out in the middle."

With this perseverance came a problem: LeRoy was no pushover. The man always managed to negotiate sweet deals for himself. Until recently, he paid only about one percent of Tavern's \$21 million gross to the city—because his original agreement specified that many capital improvements to the restaurant could be deducted from his rent. (Henry Stern just renegotiated the deal; from now on, LeRoy will fork out 2½ percent of his gross. He'll also pay for his new ovens and dishwashers.)

The BPRC approached Koch asking for a 35-year lease on the entire park, and the mayor okayed it. It intended to provide LeRoy with a sublease. That idea immediately struck a brick wall. "Too much control, much too much control," howled Henry Stern, with the Parks Council in chorus. A management agreement that could be discontinued after 15 years was what the Parks Council had in mind. But LeRoy needed that lease to arrange his financing. If, on the city's whim, he could be locked out of his palace, no institution was going to help him pay for it. Acceptable terms eventually surfaced: the city will lease an acre of Bryant Park to LeRoy for 35 years and provide BPRC with a management agreement for 15 years with the option to renew at five-year intervals.

As it stands LeRoy will pay 3 percent of his gross (estimated at \$20 million a year) to the BPRC. Those funds will cover part of BPRC's annual park management and operating costs. Three percent is cheap, no question, for what must be the most choice parcel of real estate in midtown. But LeRoy does have to build his property from the ground up.

Dozens of restrictions will be written into his lease. Not only will there be no minimum at tables, this will be one of the only restaurants in New York City where customers don't have to buy anything at all. Nearly half of the outdoor seats will be reserved for people who have just

come to relax. How this will work remains to be seen. LeRoy will provide an additional 1,000 seats in the park itself, providing plenty of space for people who would rather sit in the greenery. Waiters who agitate coffee-nursing customers to spend more will be dismissed, says LeRoy. "That's the nightmare, you know," he says. "We have no minimum at Tavern on the Green or at Maxwell's Plum. But sometimes the waiter decides to run the business his way." It had better not happen in Bryant Park, says Biederman. "There's no minimum and no dress code. And you can believe that every community board in the city is going to send people to check it out. I know of no faster way to get on the cover of *The Village Voice* than to screw up on this one."

To renovate and landscape Bryant Park will cost \$6 million. A third of that will come from LeRoy. The city will contribute \$950,000. The other \$3 million Biederman has yet to raise; he expects it will come from large private donations. If it doesn't, LeRoy's agreement requires that he contribute up to \$2 million more.

Laurie Olin, head of Harvard University's landscape architecture department, will be in charge of the renovation. The fountain will be cleaned up and moved to center stage, in front of the restaurant. Six-inch-deep water courses will run from east to west, replacing the high hedges. Entrances—particularly the one leading to the restaurant's terrace—will be broadened. Even William Cullen Bryant's statue is going to pivot; he'll face the restaurant rather than the megaliths on Sixth Avenue. "It's going to be a great public gathering place," says LeRoy. "I'm thinking of the Piazza San Marco. It's an opportunity to take a whole block and turn it into a wonderful creation. It'll be lit in the evenings, until at least midnight. You'll be able to walk there, which isn't something you can do in any other park. It'll be perfectly safe." Six security guards and two policemen on duty all evening will back up that claim.

The Parks Council takes issue with the new design. Particularly irksome, says Barbara Joelson Fife, vice president and chair of the council's public policy committee, is the size of the building. "The restaurant ought to be of a scale that enhances the park," she says. "This one is clearly huge. It uses the park as a setting." The "enhancement theory" is all well and good, says Andrew Heiskell, but "somehow we've got to make it pay. Cut the restaurant down to one-third its size and I guarantee the whole thing is dead."

The Parks Council is also displeased with the proposed relocation of Bryant's statue and the fountain. "We think it's awfully telling when these important ele-

ments of the park's design are pulled away from the public and turned toward the restaurant," says Fife. "The social implications are obvious, and we don't like them." There are other quarrels. In the interest of keeping things moving, the BPRC managed to push through an environmental impact statement for the restaurant without producing the architect's final plans. Missing from the application was information about venting, garbage disposal, and deliveries. "How do you pass an EIS without that information?" asks Fife. "You have to be realistic," says Biederman. "Just assembling the environmental impact statement cost \$140,000. LeRoy wasn't going to pay for final plans until he had some notion he was going to have a deal. That's the way business is done. The Parks Council doesn't seem to understand that."

In the four and a half years it has taken to put the deal together, the cost of building the restaurant has increased by perhaps \$2 million, to \$14 million. "It keeps getting more expensive," warns LeRoy. "If it takes much longer, and the price gets much higher, it's probably not something I'll be able to do."

Biederman sighs at the threat and keeps working. By the fall he hopes to bring the plan before the landmarks commission. If they approve it in their advisory report to the parks department, the BPRC will make plans to break ground in late spring. In the meantime, Biederman has devised a plan to raise even more cash for the park. The Board of Estimate has agreed to declare the area around Bryant Park "a business improvement district." All building owners in the vicinity—including Swig, Weiler & Arnow; Larry Silverstein; New York Telephone; American Standard; Republic National Bank; and Jack Resnick & Sons—will pay a nickel per square foot of floor space into a fund for Bryant Park. Co-op owners will contribute \$40 per apartment. "That," says Biederman, "will account for an additional \$410,000 of support every year." LeRoy's 3 percent lease will bring in about \$600,000. The parks department will pitch in \$250,000. To Biederman, \$1,260,000 sounds like a reasonable annual budget.

While construction is under way, the park will be closed for a year and a half, opening with great ceremony in the summer of 1987. Once he has his long-term management staff in place, Daniel Biederman's task will be complete. He'll be moving on. He's already working with the city on plans for improving other public spaces. Grand Central Station is next on his list. He'll walk two blocks to lunch most days. He expects to have a very good table at LeRoy's café. □