



Alper is now part of the Bloomberg administration at New York City Hall.

Going Public

By Patricia Briske

Andy Alper wasn't looking for a job in investment banking when he interviewed at Goldman Sachs in 1981. Two decades later, he wasn't looking to leave Goldman for the public sector when he spoke to New York mayor Michael Bloomberg about spearheading economic development for the city.

But Alper, A.B. '80, M.B.A. '81, knows a good opportunity when he sees it. "I've always had the philosophy that you should find something you enjoy doing, do it absolutely the best you can, and the future will take care of itself," he explains.

Alper spent 21 years on Wall Street with Goldman Sachs, rising from associate to managing director and partner. In January 2002, he left it all behind to become president of the New York City Economic

Development Corporation (EDC). Working for a salary of one dollar a year, he is charged with revitalizing New York businesses in the aftermath of the September 11 terrorist attacks and in the face of one of the toughest economic slumps in years. Alper is well versed in managing transactions and people, but he has no background in economic development or real estate. "Thankfully, I have a University of Chicago education," he said. *continued on next page*

He gets plenty of help from his staff of 350, who have years of experience in such areas as land use planning and economic incentives. What's new for Alper, 45, is answering to politicians, developers, and community leaders about a list of projects that never stops growing. "It's probably the hardest job I've ever had," he admitted. "There's a level of intensity here that puts Wall Street to shame in some ways." Dealing with the elected officials who represent New York City residents is only one of the unusual challenges for a former investment banker. "To make projects move forward and also be responsive to 51 City Council members and five borough presidents is an interesting challenge," Alper said. "In some ways, it's like three-dimensional chess."

Alper reports to Dan Doctoroff, the man who persuaded him to give up the private sector for public service. Doctoroff, J.D. '84, first met Alper in the 1990s; Alper, who was running Goldman Sachs's financial institution group, was selling insurance companies and Doctoroff was buying them for a private equity firm. "We were across the table from each other negotiating deals," Alper said. "Two of the deals were very complicated and could have been very acrimonious. It would have been easy—and probably expected—to have both of us trying to kill each other. But we were both trying to find solutions instead of putting notches on our belts. We developed a lot of respect for each other."

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Doctoroff had left the private sector to promote New York as the site for the 2012 Olympics. When Bloomberg was elected, he picked Doctoroff for his transition committee and later named him deputy mayor for economic development. When Doctoroff needed someone to head the EDC, he picked Alper.

"The EDC needed to be turned around," Doctoroff said. "Part of its new mission was to reach out to corporations, which required a real investment banking-like outreach effort."



L to R: Ruby Washington/New York Times; Matthew Gilson; David Lubansky

At first, Alper said, he didn't even want to discuss the job. Doctoroff called him in November 2001 and asked if he'd consider taking the EDC post. "I said, 'No. What is it?' He said, 'It's economic development. I'm not sure entirely what

it is, but would you at least talk to me about it?' I told him, 'Look, I don't want to leave Goldman Sachs, and I don't want to go into government,'" Alper said. "But I have enormous respect for Dan, so we talked.

"What I became convinced of was the opportunity to work with a mayor who is not a politician. Mike Bloomberg got

elected with his own money, so he owes no political favors to anybody. He wants to rebuild New York City and make an impact without regard to short-term polls. And he's an entrepreneur and a businessman, a phenomenal business builder. Combine that with a deputy mayor, Dan Doctoroff, who I have enormous respect for, and September 11 and the opportunity to give back to the city and make a huge impact that is unprecedented. The more I thought about it, the more excited I got."



In the Public Eye: Alper was among the mayoral appointees Michael Bloomberg (gesturing, in photo at left) announced to the press at a news conference in January 2002, a moment captured by the *New York Times*. Two months later, Alper shepherded the EDC through its first high-profile project, the redevelopment of Two Columbus Circle (center). With the agency's new outreach mission, Alper has spent part of his time promoting New York to real estate professionals like those who gathered at a fall meeting of Oncor, a trade association (above).

After the Christmas holidays, Doctoroff asked Alper to meet with the mayor's transition team. Alper talked to them on a Sunday night; by Monday afternoon, he was heading to City Hall to meet Bloomberg. On Tuesday morning, the mayor offered him the job. "I accepted on the spot. A week later, I found myself in the Blue Room at City Hall surrounded by reporters, hearing the mayor introduce me as the new head of economic development. I thought, What just happened to me?"

Entering Public Life

On February 1, 2002, Alper took over as head of the EDC, a nonprofit corporation that acts like a city government agency but has more decision-making flexibility. One of its biggest projects so far has been the redevelopment of Two Columbus Circle, at 59th Street and Central Park West. The former site of the Huntington Hartford Gallery of Modern Art had most recently housed the city's cultural affairs department, but it had been vacant since 1998.

In March, the EDC requested proposals from developers, drawing about a dozen responses. Even though a hotel developer made the highest bid, the EDC decided to sell the ten-story building to the American Craft Museum. "There are already two hotels there, and we felt that a museum

there would draw more people to the neighborhood and do more for long-term economic development," Alper said.

Helping the city develop real estate is just one of several functions the EDC performs. Alper compared it to a small private real estate investment bank, but staff are also charged with activities as diverse as retaining and attracting companies, improving streetscapes, and acting as landlord for such city-owned property as the Fulton Street Fish Market. Alper restructured the EDC, streamlining operations and creating three operating divisions: real estate, client services, and infrastructure. The client services arm is unusual in a governmental agency, Alper said, but the city needs to be aggressive. "New York is in a competitive business. Labor, taxes, and real estate costs are relatively high. We have to demonstrate the city's value-added, and we have to treat companies like valued clients. The EDC has to be their advocate within a large, complex city and state government. We have to help them solve problems," he said. "That doesn't mean we'll agree with everything they want. But it means we have to get people to the table to help them address their problems, the way a law firm, investment bank, or commercial bank would."

Alper also serves as chairman of the Industrial Development Agency, a separate entity staffed *continued on next page*

entirely by EDC personnel that offers companies financial incentives to stay in New York. “We can provide low-cost capital as well as exemptions from sales tax, property tax, mortgage recording tax.”

But Alper rarely gets time at his William Street office to pore over such deals. Much of his 12-hour day is spent talking to other people—meeting with a council member to discuss a graffiti removal program, talking to the leaders of various New York universities and medical institutions about bringing more biotechnology to the city, addressing members of a real estate association to entice them to be part of the redevelopment of Lower Manhattan, which is the third-largest business district in the country. He also attends ribbon-cuttings, sometimes joined by the mayor or Governor George Pataki. He meets once a week with Doctoroff and twice a week with his staff. And when Alper finally does head home, he’s carrying a thick stack of plans, proposals, and agreements to read when he gets there. “My oldest daughter and I compare to see who’s got more homework,” Alper said. “Usually, I win.”

Ready for Business

Alper came to the University of Chicago as an undergraduate in 1976 because he was “fascinated with economics in high school. **Milton Friedman** caught my attention,” he said. He planned to go to law school, not the GSB. His father, Jerome, earned his J.D. at Chicago in 1937 and helped create the subway system in Washington, D.C.

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“One of my earliest memories is of my father drafting the legal documents for the Metro,” Alper told real estate agents in a speech last October. “He said it would change the face of D.C., and it did.”

As an undergraduate, Alper helped start the *Chicago Journal*, a free newsweekly covering the South Side. “I was the business manager, so I got involved in business in a small, entrepreneurial way,” he said. He was accepted into



L to R: Getty Images/Photodisc; Peter Klar

Future Dividends: After spending 21 years on Wall Street, Alper said he’s glad for the chance to use his expertise for the redevelopment of the city after the September 11 attacks. “The opportunity to give back to the city and make a huge impact is ... unprecedented,” he said.

the Professional Options Program, which gave students the opportunity to begin business school in their fourth year. He spent his summer internship at McKinsey in Chicago and fully intended to become a consultant there when he earned his M.B.A. But his business school roommate convinced him to interview with other firms, including Goldman Sachs. Both McKinsey and Goldman offered Alper a job.

“McKinsey said, ‘You can join us now or later; experience can only help.’ Goldman Sachs said, ‘It’s now or never.’ They were trying to close a deal, and it worked. I thought, ‘This is easy. I can go to Goldman Sachs. If I don’t like it or I’m not good at it, I can go back to McKinsey.’ So, but for my business school roommate, I would’ve ended up being a consultant.”

He met his wife, **Sharon Sadow Alper, A.B. '80, J.D. '84**, during his first week on campus.

Despite heading to New York after graduation, they maintain close ties to the university and the GSB. He serves on the Council on the Graduate School of Business; with **Dennis Keller, '68**, he co-chairs the GSB’s capital campaign. Alper also sits on the university Board of Trustees, where he chairs the development committee and is a member of the executive committee. To support the Chicago Initiative, the university’s fundraising effort, he serves



on the Trustee Campaign Steering Committee. His wife is a member of the visiting committee at the College.

Alper has been a generous donor to both the university and the GSB over the years. The Alper Family Foundation committed \$5 million to the business school and \$1 million to the university in 1999. He and his wife established the Cwi Henry Sommerstein Memorial Scholarship Fund in honor of her grandfather and contributed toward the Jeff Metcalf Internships in the college. At Goldman, Alper led the partners in naming a lecture hall at Gleacher Center.

Working at no salary for the city of New York is an extension of Alper’s philanthropy. Like countless other Americans, he was eager to help New York recover from the terrorist attacks. He also has found satisfaction in volunteering. “I enjoy being involved in things that I feel are important and make an impact,” he said.

What Alper feels he can accomplish at the EDC is “planting seeds. It’s making sure the right projects get going and get far enough along that they won’t die or get

killed by whoever comes next. Part of your legacy is who you hire, the organization you set up, and the tone you set.”

He is pleased with the reorganized EDC. “Goldman Sachs really emphasizes teamwork, and that’s what we’ve been emphasizing here within the EDC and between the EDC and other agencies in the city and state,” he said. “In the past, there was some tension with the state. But we’ve developed a great working relationship, and I’m very proud of that. I think it will pay dividends for many years after I leave.”

As a Bloomberg appointee, Alper’s tenure is based on how long the mayor serves (New York City mayors are limited to two four-year terms). When the time comes for Alper to move on, don’t look for him on Wall Street. “My next chapter probably involves more philanthropy and less earning for myself,” he said.

“I’m flexible. As long as I’m having a good time and making an impact, I’ll keep doing this. And when that changes, I’ll do something else.” ■