William Zeckendorf, Place Ville-Marie, and the Making of Modern Montreal

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Résumé de l'article

Le développement de la Place Ville-Marie était au centre du renouvellement de la ville de Montréal pendant les années 1950 et 1960. Sa tour à bureaux cruciforme a transformé le paysage urbain et a marqué le déplacement du quartier financier de la rue St-Jacques vers le quartier des gratte-ciel du boulevard Dorchester (actuel boulevard René-Lévesque). De précédentes études ont souligné le rôle de l'urbanisme moderne dans la réalisation de la Place Ville-Marie et d'autres projets de développement urbain de l'après-guerre. Cet article propose d'interpréter la Place Ville-Marie comme un investissement important pour la production d'un espace spécifique. Pour le concepteur William Zeckendorf, le projet représentait un déploiement significatif et risqué d'énergie dans le but d'utiliser l'architecture monumentale pour vendre du prestige aux entreprises qui l'occuperaient. Ce projet s'est déroulé dans des circonstances spécifiques marquées par le contexte historique et la contestation politique. À une époque où la modernisation est une idée puissante et populaire, Zeckendorf a construit un mythe de la Place Ville-Marie en phase avec les aspirations nationalistes de Montréal et du Canada s'appuyant sur la modernisation perçue comme une panacée. Bien que les difficultés financières de Zeckendorf et le surplus d'espace entraîné par le projet allaient à l'encontre de l'image mythique de la Place Ville-Marie, cette dernière a également incarné les nouvelles valeurs capitalistes et l'émergence de nouvelles forces capitalistes à Montréal.
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The Place Ville-Marie development was central to the renovation of Montreal during the 1950s and 1960s. Its cruciform office tower transformed the city’s skyline and marked the removal of the city’s financial district from St. James Street to the new alley of skyscrapers on Dorchester Boulevard (now Boulevard René Lévesque). Earlier studies have emphasized the role of modern planning in the making of Place Ville-Marie and other post–Second World War urban redevelopment projects. This article advances an interpretation of Place Ville-Marie as a capital investment in the “production of space.”

The project was a highly speculative effort by its developer, William Zeckendorf, to utilize monumental architecture to sell prestige to corporate tenants. This took place in specific, historically contingent, and politically contested circumstances. In a period when modernization was a powerful and popular idea, Zeckendorf cultivated a myth about Place Ville-Marie that accommodated and absorbed nationalist aspirations within Montreal and Canada that were fixed upon the panacea of modernization. While Zeckendorf’s financial woes and the overcapacity of office space that Place Ville-Marie helped create contradicted the project’s mythic image, Place Ville-Marie also embodied new capitalist values and the rise of new capitalist forces in the city.

American real estate developer William (Bill) Zeckendorf stood atop a broad platform, joined by political, religious, and business dignitaries. The media presence was considerable and the crowd of onlookers large and eager with anticipation. On this day, 13 September 1962, they gathered in a new plaza in Montreal abutted by a commanding forty-two-storey cruciform tower and connected by stairways to a vast underground shopping promenade: this modern real estate development was Place Ville-Marie, and the event its official inauguration. Before the large audience, Zeckendorf, Place Ville-Marie’s developer, declared it “a lasting achievement that will be known as a milestone and marker of progress in our time.” Next, Quebec Premier Jean Lesage took the podium. He described the development as an important phase in Montreal’s passage into modernity: “With the erection of Place Ville-Marie the whole aspect of the centre of Montreal has changed. One of America’s oldest cities is gradually becoming one of the most modern.” Mayor Jean Drapeau followed to tell the crowd that the development “is not only a spectacular achievement in its own right, but was and is an impetus for other developers to choose Montreal as the site of their projects.” And Canadian National Railways (CNR) President Donald Gordon declared, “In my twelve business years in Montreal, nothing has given me greater pleasure than the opening of this, the boldest, most imaginative and biggest real estate development in the Commonwealth, built on Canadian National property that for many years was jokingly referred to as C.N.R.’s hole in the ground.”

The day’s ceremonies powerfully revealed a diverse group of people—with different backgrounds, interests, and aims—united by the modernizing ethos articulated through Place Ville-Marie. “It has been open only for about 10 days and it is not quite finished,” later wrote Pierre Berton, “yet already it has started to transform the town. There is no longer any sense talking about the ‘race’ between Montreal and Toronto. For the moment the race is over; Montreal has won.”
Writers of Montreal’s urban history have likewise emphasized the transformative impact of Place Ville-Marie upon the city. It decisively moved the city’s financial district from St. James Street to the emerging alley of skyscrapers on Dorchester Boulevard (now Boulevard René-Lévesque), its underground shopping promenade contributed to the material and conceptual framework for the elaboration of Montreal’s “underground city,” and it heralded a building boom—including major investments in infrastructure from the Métro to Expo—that not only transformed the downtown but linked it to a more car-friendly, suburbanizing environment. Like contemporary observers present at its inauguration, scholars have also explained Place Ville-Marie as a story of modern, planned progress. Jean-Claude Marsan has asserted that, had it not been for Place Ville-Marie, “one can assume that the renovation of the downtown area would have taken an entirely different and probably less satisfactory turn, if it ever took place at all.” The downtown renovation that Place Ville-Marie spurred demonstrated to Marsan that “capitalism is apparently not incompatible with good renovation,” and it broke from the traditionally venal behaviour of capitalists to serve as a lesson to developers that “if their investments were to be profitable in the long-run, planning and management should be such as to ensure the future social and economic viability of their projects.” It is much the same in the new book released to mark Place Ville-Marie’s fiftieth anniversary, Place Ville-Marie: Montreal’s Shining Landmark, by France Vanlaethem, Sarah Marchand, Paul-André Linteau, and Jacques-André Chartrand, offers a detailed account of the urban setting, planning, construction, and the private and public uses of Place Ville-Marie. An important contribution sensitive to complexity, its overall effect is nonetheless to depict Place Ville-Marie in terms of heroic endeavour towards inviolable progress. It was the “culmination of a half-century of development projects”; its project team “rose brilliantly to the challenge”: it “was an exceptional accomplishment that not only helped change downtown Montreal, it also changed the perception that Montrealers had of their city. For them, the complex became a source of pride and admiration. It symbolized the spirit of modernism that characterized Quebec during the Quiet Revolution. The cross-shaped tower became a powerful visual emblem of the metropolis.” Scholarship thus shares in the basic view of commentators and participants from the 1960s: Place Ville-Marie signified the culmination of a longer-term process of urban development that was emblematic of the modernization of Quebec and Canada. This image of Place Ville-Marie originated in a particular historical moment in the 1950s and early 1960s, when modernization was a powerful and popular idea. It was sufficiently plastic and powerful to unite those prominent individuals—Zeckendorf, Gordon, Drapeau, and Lesage—on that day in September for Place Ville-Marie’s inauguration.

Though depicted principally as a product and vehicle of planning and progress in both the scholarly literature and contemporary imaginings, the making of Place Ville-Marie looks rather different when considered as a capital investment. Approaching the subject from this perspective, Place Ville-Marie appears as a highly speculative development built to sell prestige to corporations, and made from very specific, historically contingent, and politically contested circumstances. It was, indeed, both the product and source of a “creative destruction” that would contribute to the financial woes of its developer and introduce new volatility to the real estate market. Put another way, the project’s mythic image—as a beacon of modernity, rational planning, and progress that transcended old social and political barriers and achieved collective empowerment—shrouds the business and economic realities that structured its making. Its mythic image accommodated and absorbed diverse nationalist aspirations fixed upon the panacea of modernization within Montreal and Canada, including an emergent Quebec neo-nationalism. Yet Place Ville-Marie also reified consumer capitalism, broadcast corporate prestige, and thus expressed new forms of capitalist hegemony. By re-examining Place Ville-Marie’s making as a capital investment in the “production of space,” this article develops a different explanation for its creation and historical significance. It argues that the architectural and planning possibilities at play in mid-century Montreal were shaped decisively by the speculative world of commercial real estate, the availability of financing, and the quest for corporate prestige. High-modernist ideas and state planners were critical to the transformation of post–Second World War Canadian cities—as the existing historiography suggests—but there were other, more powerful forces involved too. The making of Place Ville-Marie—and Zeckendorf’s role in it—therefore provides an example not only of how elites construct urban forms that display their power and ideals but also how business interests actively participate in the making of the realty market.

The “Dorchester Street Hole”

The history of Place Ville-Marie begins, in many ways, with the Canadian Northern Railway, and its plan to install itself in downtown Montreal during the early twentieth century. Since the Canadian Northern’s transcontinental competitors occupied the western approach to the city centre, the company’s adventurous executives William Mackenzie and Donald Mann devised a plan to “tunnel straight through Mount Royal” to access it. The company also planned a model town north of Mount Royal, which would be linked with its central station by the approach route running under the mountain. By working through agents, “the Canadian Northern was able to complete one of the biggest land assemblies in the heart of the city without appreciable change in real estate values,” encompassing the area extending north from De La Gauchetière to Cathcart, bounded on the west by Mansfield, and Ste. Monique on the east side. That such a large bloc of land could be assembled by one company near the centre of Canada’s largest city was indicative of the vast financial scale of railway enterprise; numerous private homes and the factory of the United Shoe Machine Company were razed to make way for the company’s plans. Though the tunnel was completed in 1913, during the First World War the railway’s financing dried up. The company
quickly fell into financial disrepair, and only nationalization saved it from bankruptcy. Between 1917 and 1923, the federal government established the Canadian National Railways, into which the Canadian Northern was absorbed. Under CNR ownership, plans were revived for the development of the property. An ambitious terminal station and office buildings were proposed. But work on the new terminal station was halted in 1931 as a result of the Great Depression. With four million cubic yards of material removed from the area, the site became known as “the big hole,” or the “Dorchester Street hole.”

By the 1950s, the property remained largely undeveloped, though a terminal station had been initiated as a make-work project in 1938 and completed during the Second World War, and the International Civil Aviation Organization headquarters was opened in 1950. The value of the property, however, was being greatly enhanced by the postwar economic boom and its attendant urbanization, along with the particular spatial evolution of the downtown business district, which was expanding from its St. James Street core in a northwesterly direction towards Mount Royal. Moreover, the twenty-two-acre CNR property was bisected by Dorchester Street, which had been selected by Montreal’s City Planning Department in 1946 for development as a primary road to facilitate access to the city centre. Appropriations and expropriations were executed, and demolitions began in 1953. In 1955, the principal segment of this new thoroughfare opened, a four-kilometre stretch running through the city centre from Guy Street to De Lorimier Avenue. The Montreal Gazette marvelled that the widening “is one of the most heartening things that has happened to Montreal for many years.” The “big hole” on the northern side of Dorchester Street—the 4.4-acre site that would become Place Ville-Marie—was thus made into an even more valuable piece of property.
Figure 2: The Place Ville-Marie site: planning map (Archives de Montréal).
By May 1956, the Financial Post reported that property values on Dorchester had “jumped in five years from $10 a sq. ft. to today’s nearly $50.” The appreciation of the site’s value meant that Donald Gordon, CNR president since 1950, could find eager investors in the private sector.

In July 1953 Gordon turned to Lazarus Phillips—a leading figure within Montreal’s Jewish community, senior partner in the law firm of Phillips, Bloomfield, Vineberg & Goodman, and a well-connected Liberal—“with a view of reaching some agreement about the development of [the CNR’s] aerial rights North of Dorchester.” Phillips’s proposal to assemble a Montreal group, including business luminaries such as Hartland Molson and J.W. McConnell, pleased Gordon, who “wanted to see the development in Canadian hands.”

By the fall of 1954, Phillips conceded that matters had stalled. Though he had proposed a syndicate that encompassed Anglo-Celtic, Jewish, and French-Canadian business interests, Phillips suspected that some of the individuals he hoped to interest lacked enthusiasm because they did not want “to associate themselves in the group he proposed.” Cliquishness and conservatism thus dissolved the prospects of a development under the control of local capital. However, in the United States a new breed of real estate entrepreneur was emerging by the 1950s, commanding vast—but heavily leveraged—real estate projects through publicly traded companies. William Zeckendorf was leading the pack, possessing considerable imagination and entrepreneurial daring.

The Rise of William Zeckendorf

Born in Paris, Illinois, in 1905, William Zeckendorf grew up in Long Island and Manhattan, the son of a shoe merchant—turned—shoe manufacturer. At the age of twenty he dropped out of college and began to work for his maternal uncle, who “had begun shifting his energies and capital from the shoe industry into real estate.” In 1938, having left his uncle’s business years earlier, Zeckendorf joined the firm of Webb & Knapp, “a conservative firm which specialized in building management,” whose prestige was sufficient to win the management of the

Figure 3: The Place Ville-Marie Site, 1947, with Ste. Catherine Street indicated above (Detail, aerial photograph, Archives de Montréal).
Astor family’s properties. Zeckendorf’s management of these properties during the war brought in a fee of $1.5 million, which he used to rapidly expand the firm. He gained sole ownership of the company in 1949, buying out his partners for over $5 million, before offering its shares to the public in 1952. By 1954, Zeckendorf’s real estate empire spanned the United States, valued at roughly $250 million, and he had gained notoriety as a major proponent of urban renewal and patron of modern architecture, employing I.M. Pei as his in-house architect.

Various insights and practices lay at the heart of Zeckendorf’s meteoric rise. He realized early that real estate could be conceptualized as a financial services industry, with the realtor serving as intermediary. Zeckendorf had, as he put it, become “keenly aware that it paid to look at the real-estate business not as an end in itself but as a device for bridging gaps between the needs of disparate groups. The greater the number of separate groups (or their needs) that one could interconnect (or satisfy), the greater the profit to the innovator-entrepreneur.” In 1953, he elaborated the practice of this concept with the discovery of what he called the “Hawaiian method”—the idea had come to him while he was in Hawaii. Rather than selling, leasing, and mortgaging in a simple fashion, he recognized that by dividing up property into many different component financial parts—the creation of “inner” and “outer” leases, for example, with first and second mortgages—not only could larger amounts of capital be raised from a property but profit could be extracted so long as “the sum of the parts was greater than the former whole.”

This financial innovation, asserted Zeckendorf, introduced “a new liquidity and flexibility to real-estate financing in general.” It also provided the basis of Webb & Knapp’s expansionary logic: anticipated future profits were capitalized with borrowed money to pay for expansion.

Through his experiences and activities in Manhattan, Zeckendorf was also able to anticipate and shape the new forms and functions of major downtown cores in postwar North America. Zeckendorf envisioned windfall profits, during the early postwar period, through the conversion of an old slaughterhouse district in midtown Manhattan into a modern multi-use development, “X City,” that would rival the Rockefeller Center. He thus saw business opportunity in the de-industrialization of the urban core.
Although he succeeded in purchasing the slaughterhouses and other lands in the area, in the end “X City” was never built, but the property was purchased by the United Nations for its headquarters.33 “What a remarkable thing it is for New York to be able to say that the more plants that go to Greensboro, the more that go to Keokuk, the more that go to Fontana, the more that go down to Louisiana,” he declared in 1955, “the better we like it!” “In short,” Zeckendorf elaborated, “we have lost our industrial activity at 50 cents a square foot and recaptured office space at $5 a square foot!”34 Championing the urban core as a business, service, and cultural centre, he vigorously pursued the commercialization of monumental spaces, profiling from his insight that corporate tenants would pay higher rents for office space in prestigious buildings. This became clear to him shortly after gaining sole ownership of Webb & Knapp in 1949. In one of his properties, 112 West Thirty-Fourth Street, in Manhattan, Zeckendorf took a large quantity of ground-floor retail space off the market and even cut through to the second floor in order to build a spacious and luxurious lobby, with “a fine, flared ceiling” and walls lined with Siena marble. While local realtors and retailers were confused by this apparent squander of rents, it actually allowed Zeckendorf to enhance his profits because although the luxurious lobby below took up rentable space, it enabled him to command higher rents from the office space above. Corporate tenants, in other words, would pay for prestige.35

Zeckendorf’s strategies and insights were interwoven with the structural forces in which he operated. Debt-financed highway construction and infrastructure development, championed most aggressively by the influential urban planner Robert Moses in New York before spreading throughout the United States, drove suburbanization and generated a new scale of thinking: the metropolitan region superseded the city itself.36 In this changing landscape, Zeckendorf mobilized architectural modernism to restore the vitality of the city centre in response to the centrifugal forces of suburban drift.37 Zeckendorf also commenced in 1953 the first (for him) of many urban renewal, Title I, projects. By 1957, Robert Moses and Zeckendorf had forged a partnership in New York City around Title I developments and would produce results such as Kips Bay Plaza. Between 1956 and 1958, Zeckendorf was engaged in large projects in a number of major American cities, establishing a record of Title I work that “was unparalleled and remains an untold chapter in the history of postwar American urbanism.”38 Zeckendorf believed that his role—true to the modernism of the International Style and not unlike the countless urban planners, architects, developers, and politicians who subscribed to it—was not only to build buildings; it was to remake cities. In an era when the new and modern became associated with prestige, and capital was easy to come by, the monumental aesthetic of the International Style “became the house style of American capitalism and the default design choice for skyscrapers, corporate campuses, hotels, and the embassies and offices of an expanding American state.”39 The skylines of major American and Canadian cities such as New York, Chicago, Toronto, and Montreal were subject to dramatic modernist renovations during the postwar boom when buoyant economic times could turn modernist imaginings into built forms. Place Ville-Marie was a product of this moment, with Zeckendorf the catalyst.

Zeckendorf’s eventual plans for the project would be deeply informed by his faith in the transformative capacity of modern architecture and urban planning, and its capacity to bestow prestige to capital-rich tenants.

Zeckendorf Comes to Canada

His interest in the CNR’s property was “a by-product” of the earlier talks between Gordon and Lazarus Phillips.38 Having failed to assemble a Montreal group to develop the CNR’s rights north of Dorchester, Phillips, by early 1955, had mentioned his discussions with the railway to Senator Thomas Vien, a former Liberal MP for the riding of Outremont appointed to the Senate in 1942.39 Vien soon reported to CNR Vice-President S.W. Fairweather “that he was in contact with substantial people in New York,” and, upon his return from New York in early March, explained that “his contact is Mr. Zeckendorf.” Vien was likely disappointed when Fairweather, in response to his query, made clear that the CNR’s policy was to never pay a “finder’s commission.”40 Nonetheless, Zeckendorf travelled with I.M. Pei to Montreal later in the month to meet with CNR officials. “Gordon walked us around for a look at the site and a view of the city,” reported Zeckendorf in his autobiography. “What I saw persuaded me.”41 Riding the postwar boom, Webb & Knapp was entering its most dramatic spate of growth in 1955, having reported profits of $3.6 million the previous year.42 As talks proceeded during the spring and summer, a general understanding between Webb & Knapp and the CNR emerged. On 19 August 1955, the board of directors of the CNR approved acceptance of Webb & Knapp’s plans to devise a master plan for the “entire area surrounding [the] Montreal Central Station terminal area.”43 As president of a Crown corporation, however, Gordon was well aware of the political risks of ceding the development to an American real estate tycoon in an era of re-emerging economic nationalism, which was reacting against the postwar expansion of U.S. investment in Canada. But Zeckendorf was near the height of his powers in 1955 when discussions began between Webb & Knapp and the CNR. David Rockefeller, vice-president of Chase National Bank, wrote to the CNR on Zeckendorf’s recommendation: “I am glad to state that we have a high opinion of his ability and creative genius.”44 Through Royal Bank of Canada President James Muir, Gordon was provided the opinions of other “important banking sources in New York.”45 “Of course,” one of these sources reported, “he is a dreamer and thinks nothing of creating in his mind grandiose schemes which involve outlays into the hundreds of millions of dollars.”46 “I would say that if the project you have under consideration seems logical and requires promotion,” wrote J.M. Symes, president of the Pennsylvania Railroad Company, “it is doubtful that you could find anyone better equipped than Zeckendorf for such an assignment.”47

It was precisely Zeckendorf’s grandiose vision and ability as a promoter that distinguished Webb & Knapp from prospective
Canadian developers. Moreover, Zeckendorf agreed with Vien and CNR officials about the need to involve Canadian interests in the project and was already planning the formation of a Canadian company in the spring of 1955. Gordon recommended announcing the formation of a Canadian company several months before the release of any public statement regarding Zeckendorf’s involvement with the CNR development, in an apparent effort to Canadianize Webb & Knapp’s activities.

On 26 October 1955 Zeckendorf met with Montreal’s new mayor, Jean Drapeau, and announced the creation of a Canadian company that would “create an association of Canadian and American real estate and financial know-how for developments in Canada beyond the scope of the conventional type of real estate operation.” Within a month, the Montreal press reported that Webb & Knapp officials had met with Montreal’s City Planning Department director, C.-É. Campeau, to discuss the project, which was likened to New York’s Rockefeller Center.

But efforts to Canadianize Webb & Knapp met with very limited success. It was, for example, more difficult to sell Webb & Knapp (Canada) Limited securities to Canadians than anticipated. Annoucement of the company’s board of directors in March 1956 suggested significant Canadian participation, with leading Canadian business figures such as J.D. Johnson, chairman of Canada Cement; Dominion Steel and Coal president Lionel Forsyth; as well as Lazarus Phillips serving as company directors. By March, too, the Financial Post learned and reported that Zeckendorf had purchased the Dominion Square Building at the corner of Ste. Catherine and Peel streets. Despite these efforts to give Webb & Knapp (Canada) “a distinctively Canadian flavour” (as Gordon reassured Minister of Transport George Marler), by April the investment bank Wood Gundy “reached the conclusion that the Canadian public could not digest the offering contemplated” by Webb & Knapp (Canada). In response to this setback, Graham Mattison, senior partner of the financial firm Dominick & Dominick of New York, travelled to Britain and continental Europe to test the waters, and discovered surprising success with “several Scottish and British Trusts” and “some conventional sources of funding.” After learning of Mattison’s success, Dominion Securities expressed its willingness to perform the Canadian underwriting to the extent of $5 million. This proposed offering was only a small portion of the capital to be raised, most of which was to come from Europe. And when the securities were finally made available to the public, the outcome was a disappointment. CNR Vice-President N.J. MacMillan reported in February 1957, “Stan Nixon of Dominion Securities tells me that they had the devil’s own time trying to get rid of the Webb & Knapp issue, and the total Canadian purchases of the issue was $2.8 Million. Bill Zeckendorf apparently took them off the hook by arranging for some U.S. purchases . . . Dominion Securities, for the time being at least, have no desire to become involved in another real estate proposition of this kind.”

Canadian investment was insignificant. On the heels of the Pipeline Debate in May and June, the St. Laurent government had been left politically exposed. After being accused by opposition parties of selling out to U.S. interests by relying upon American capital for the construction of a proposed trans-Canada pipeline, how would a deal that potentially ceded an option to develop the CNR’s entire terminal property in Montreal appear? Cabinet’s decision was conditioned by this political climate. Zeckendorf, nonetheless, had an important political ally in Gordon as well as Lazarus Phillips, who had taken over from Vien as Zeckendorf’s legal counsel. On 9 August, Phillips and Zeckendorf met with Prime Minister St. Laurent and Marler to discuss the Montreal development. They proposed that the agreement be limited to the site north of Dorchester, rather than the entire CNR property. Marler reported that “the Prime Minister’s reaction to the new proposal seemed to me to be quite favourable.” Indeed, it was. An agreement between the CNR and Webb & Knapp was finally announced in October 1956: Webb & Knapp would formulate a master plan—at a cost of no less than $250,000—for the entire twenty-two-acre CNR property within six months. Upon CNR acceptance of the plan, Webb & Knapp (Canada) would develop and lease 4.4 acres north of Dorchester for a period of up to ninety-nine years. Canadian economic nationalism thus limited the nature of Zeckendorf’s option.

Zeckendorf also had to address the emerging neo-nationalist sentiment in Quebec. And, indeed, the environment around the CNR’s Montreal property had become especially sensitive
in this regard. The development of CNR property on the south side of Dorchester had already commenced in November 1954 with Donald Gordon’s announcement of plans to build the Queen Elizabeth Hotel. The unwisely chosen name served as a bitter reminder to many francophone Montrealers of the cultural chauvinism of an anglophone elite living in a predominantly French-Canadian city. As Marc Levine has observed, it became “the most heated linguistic controversy in the 1950s.” Indeed, in December 1955 François-Albert Angers, president of the Ligue d’action nationale, had expressed suspicion about Zeckendorf’s involvement and argued for an appropriate French-Canadian name for the new development. “To us,” Zeckendorf later wrote, “this was a lesson and a warning that whatever name we chose for our project, it had better be French—or there would be no project.”

Gordon and Zeckendorf agreed on the name Place Ville-Marie for the prospective development, after the original French settlement on the Island of Montreal, Ville Marie. Mayor Jean Drapeau was consulted about the name and he checked with Montreal’s cardinal, Paul-Emile Léger, “who was equally enthusiastic” about it. Zeckendorf was very much aware of the need to sell Place Ville-Marie to the public, since its scale inevitably made it a political issue that would require political cooperation. And, indeed, success was evident. The press lauded the name. La Patrie, for example, congratulated Gordon and the CNR for the selection of the “beau nom français de la Place Ville-Marie.” Drapeau, meanwhile, predicted that Place Ville-Marie would add economic and aesthetic prestige to the downtown, while the city’s C.-É. Campeau proclaimed that it “will make Dorchester Street one of the meeting places of the world, comparable to New York’s Park Avenue and the Champs Elysées in Paris.”

Such grandiose aspirations were stirred by the ongoing boom in commercial real estate on Dorchester Boulevard. In February 1957 Business Week marvelled at the “furious rate of office construction” over the previous few years in Montreal, unmatched by any American city, save for New York and Chicago. Dorchester was at its centre. “A whole new business boulevard is rising in the heart of Montreal,” declared the American magazine. “A street that very recently was lined with shabby buildings—Chinese laundries, tourist homes, small shops with dowdy fronts—is now making a bid to become Montreal’s main stem of big business.” Several office towers had been recently completed, and three new building projects were slated to begin “before the spring thaw sets in.” Large corporations wanting to “spread out in style” were transforming Dorchester, which was part of a larger and rapidly expanding metropolitan area. Zeckendorf addressed an urban space ideally prepared for the modernist imaginings of Place Ville-Marie.

Planning and Selling Capitalist Modernization

“By firing the public imagination on our projects,” Zeckendorf declared, “we can hope to swing the politicians behind us.” The genius of William Zeckendorf was indeed salesmanship, and he masterfully presented Place Ville-Marie in ways that synched with prevailing and varied nationalist aspirations in Quebec for capitalist modernization. Webb & Knapp’s master plan, which was accepted by the CNR and unveiled to the public in the summer of 1957, was an exercise in both urban design and public relations. Zeckendorf declared that the plan sought “to express the character of Montreal in a group of buildings,” and an exhibition of a scale model of the project was put on display at Eaton’s. The bilingual program that accompanied the exhibit made explicit that the development “will bear the proud name of Ville Marie, a name given by Maisonneuve in 1642 to the first European settlement on the Island,” and it connected this past with the promise that the complex would serve as “the cornerstone of tomorrow’s Montreal.” Thus while the Ville Marie Plan promised a modern transformation that would introduce “the most dramatic change in the appearance of post-war Montreal,” it did so with the promise that this transformation would be expressive of the organic culture of the city. As such, the development was depicted in a manner that linked modernization to the enhancement of Quebec tradition and the collective empowerment of a people. In this way, the discursive construction of Place Ville-Marie, with its integration of the traditional and the modern, aligned with a broader ethos within Quebec society.
Yet Place Ville-Marie did propose a radical break from the past. Henry Cobb, the project’s chief architect, was not yet thirty years of age when the project commenced, placed in charge of the development as project manager because I.M. Pei was occupied with Title I projects in the United States. It was the first time in Cobb’s career that he was, from beginning to end, in charge of such a development. Both Cobb and Pei were members of a generation of architects who, as Cobb later reflected, believed it their calling to “remake the world.” With direction from Zeckendorf, Cobb scrapped his initial scheme of spring 1956 to have two main towers as the focal point in favour of the one cruciform tower. Zeckendorf’s demand for a structure able to bestow prestige to corporate tenants dovetailed with Cobb’s interest in pure forms. As an architecture student at Harvard’s Graduate School of Design, Cobb had been inculcated in the modernist pedagogy of Walter Gropius, the founder of Bauhaus, which actively sought to avoid historical reference. Cobb designed the cruciform tower of Place Ville-Marie within this modernist ethos, creating an autonomous form—derivative of the work of Le Corbusier and Mies van der Rohe—that was entirely self-referential. It could be so because Cobb, Zeckendorf, and Gordon believed that they were “making a new heart of the city.” They were actively seeking to create a new iconography for modern Montreal.

But, as Cobb reflected, the broader design of Place Ville-Marie was not only about creating a new centre; it was part of an effort to plan the entire CNR property in a manner that took into consideration how it “fit into the entire downtown of Montreal, and indeed how it fit into the entire island and region.” Thus, Place Ville-Marie introduced what one critic would describe in 1960 as “a new and alien scale which is contrary to the existing urban character.” The “new and alien scale” in which Zeckendorf and Cobb operated was made possible by technological innovations during the twentieth century that allowed for the construction of taller buildings, as well as a postwar political economy that dramatically increased the ubiquity of the automobile and expanded the potential metropolitan reach of the downtown core to a larger hinterland. Zeckendorf arrived in Montreal with this scale in mind, and Webb & Knapp was given access to a plethora of studies produced by various City of Montreal departments and the Canadian National Railways. Collectively, these technical studies and their use in informing the Place Ville-Marie development show how intimately the project was invested in an overarching conception of the city that attempted to organize the city on a much larger scale than before, including efforts to rationalize traffic flows.

The dapper urban planner Vincent Ponte, another graduate of Harvard’s Graduate School of Design, was placed in charge of the design of Place Ville-Marie’s underground network of transportation and retail space, crucial to the project’s integration into a rationalized transportation network. Ponte’s multilevel design for Place Ville-Marie separated various modes of transportation—pedestrian, train, truck, and automobile—in an effort to facilitate the flow of traffic into and through the downtown core. For Ponte, who would champion this “multi-level system” for other North American cities after the completion of Place Ville-Marie, the city was not only about things but about movement. And this movement was governed by consumer capitalism, which Ponte’s “multi-level system” sought to facilitate. Ponte elaborated on the multi-level system in 1967:

Deep below Place Ville-Marie, where the multi-level system was first introduced, trains shuttle passengers to and from Montreal. At the next level above it, garages offer 1,000 parking spaces. Above them is the shopping level with some 66 stores fronting onto air-conditioned promenades, where thousands of Montrealers stroll daily, sheltered and safe from the noise, fumes and dangers of traffic. There they can shop, go to the movies, float a loan or dine at any one of many first-class restaurants, buy a diamond necklace, book a hotel room in the Queen Elizabeth, or take a train to Vancouver or Florida at the Railroad station, for both the hotel and the Railroad terminal are linked to this sheltered pedestrian world.

Facilitating consumerist possibility, this new urban space articulated the ideals of consumer capitalism in direct fashion, which would render the old business district of St. James Street an artifact of a more austere age. Richard Solomon, a mall developer hired by Webb & Knapp as a planning and leasing consultant, described the underground promenade as “a shopper’s democracy.” Place Ville-Marie thus powerfully assimilated consumerism with civic purpose, just as it blurred the lines between private and public benefit. In so doing, it aggressively advanced the commercialization of space in the new downtown. “The only location where one can now rest is in restaurants. Commercially this is good,” one architecture student noted of Place Ville-Marie’s underground in the mid-1960s, “but environmentally and architecturally, it is somewhat ruthless.”

Zeckendorf introduced to Montreal a particular type of commercialism, an approach structured by his lessons in Manhattan: rather than production, the modern city was to be a site of corporate prestige, culture, and consumption. He believed that Montreal needed to capitalize on its reputation as a “sophisticated and cultured city” and underlined his point by asserting that many corporations had moved to New York City because “the wife of the chief executive” wanted to enjoy a higher level of cultural life, including easy access to the nation’s best shops. Zeckendorf’s boosterism—centred upon consumption, culture, and the intangible element of prestige—spoke to how cultural values and economic development strategies had shifted away from producerist and towards consumerist initiatives and sensibilities during the postwar period. But, it is important to note, while Zeckendorf had effectively marketed the prospective Place Ville-Marie development to the press and the broader public, in early 1958, with so many necessary components of the project only aspirations, the chances of realizing it still seemed unlikely.

Manufacturing Prestige

In January 1958, the Place Ville Marie Corporation, a subsidiary of Webb & Knapp (Canada), acquired a lease from the CNR for
the site north of Dorchester. The following month, this corporation submitted to the City of Montreal its master plan for the entire CNR site. But Zeckendorf’s realty empire was heavily leveraged, capital poor, and falling into difficulties in the United States. He certainly did not possess the resources necessary to finance a development with an estimated cost of around $100 million. And without major corporate tenants committed to long-term leases, financing would not be forthcoming. The local barriers were significant as well. Local realtors feared that Place Ville-Marie would create an overcapacity in office space, and in his autobiography Zeckendorf suggests that the provincialism and prejudice of Montreal’s elite worked against his success; Zeckendorf claimed that suspicion was aroused in high places towards himself, a Jewish American, and his Chinese head architect, I.M. Pei. Cobb later reminisced that Zeckendorf “was totally rejected by the English business community.” This provincial attitude—born of an apparent confluence of ethnocentrism and economic self-interest—was, indeed, articulated early. In January 1956, one observer wrote S.M. Finlayson, president of the Montreal Board of Trade, to complain about Zeckendorf: “I may be very old fashioned but I find it hard to believe that the C.N.R. have been wise in entrusting what is a very important development to this man, whose character is so different to what we understand in Montreal, and who may pay scant attention to local views and requirements.”

Yet local attitudes were not monolithic, and the composition of Montreal’s big bourgeoisie was evolving. After all, Zeckendorf’s ally, legal counsel, and a leading figure in Montreal’s Jewish community, Lazarus Phillips, had been appointed to the board of directors of the Royal Bank of Canada in 1954. Moreover, Phillips was also, as Duncan McDowall has observed, probably the closest confidant of Royal Bank President James Muir on the bank’s board of directors. Indeed, Phillips “inched” Muir towards the prospect of moving the headquarters of the Royal Bank from 360 St. James Street to Place Ville-Marie. And by mid-April, Muir was in negotiations with Webb & Knapp for “an important amount of space.” But ultimately, Zeckendorf convinced Muir to move the Royal Bank’s headquarters after not only agreeing to name the cruciform tower the Royal Bank of Canada Building but, significantly, agreeing to purchase the bank’s old St. James Street headquarters: Zeckendorf’s willingness to assume more risk apparently clinched the deal. On 26 May, Muir broke the news of an agreement to the board. A public announcement was made the following day. A second large corporate tenant was found by November, when the Aluminum Company of Canada (Alcan) signed a twenty-year lease for a minimum of six floors in the cruciform tower. With these two agreements, 40 per cent of the rentable office space was filled. Other major tenants followed, such as Montreal Trust and Trans-Canada Airlines.

From the outset, Zeckendorf was adamant about the need to market the development as a site of prestige to corporate tenants. Henry Cobb claimed that Zeckendorf provided only this general directive to him for the design: “Let me tell you what I need. I need one building. I need to have at least 1.5 million square feet of office space … And I need it to be designed in such a way that I can offer identity to several major tenants at street level.” The design of Place Ville-Marie was, in fact, altered to suit its new corporate tenants. Large quadrants at the base of the tower were introduced to house a grand banking hall for the Royal Bank. To attract Alcan, Zeckendorf promised that the cruciform tower would be sheathed in aluminum to serve as an advertisement for the company’s product; “600,000 square feet of custom-designed aluminum satin finish” would be applied to the exterior of the cruciform tower.

The making of Place Ville-Marie, therefore, was deeply rooted in corporate image-making, as the Royal Bank and Alcan, and later many other companies, sought to identify their brands with it. In this way, it was a product of the dual nature of commercial real estate. “In other industries,” as Susan Fainstein has noted in her investigation of late twentieth-century London and New York commercial real estate, “ownership of the product is distinct from ownership of the company or rights to future increases in the value of its production. A building, however, is both part of capital stock and a commodity.” Commercial real estate can serve as a symbol of prestige and assume intangible value, above and beyond the value of potential rents. This dual nature
of a building helps to explain the characteristic financial volatility of commercial real estate, since developers operate in a highly uncertain and subjective environment where current demand for office or retail space is only one of several factors to be considered. In this respect, Place Ville-Marie should be understood not as a rational response to a demand for office and retail space—for, as local realtors worried, demand did not justify the project—but as a project of manufacturing and marketing prestige to corporations.

And, indeed, with the Royal Bank’s decision to move into Place Ville-Marie, other banks were drawn into the prestige contest on Dorchester. The Canadian Bank of Commerce soon announced plans to build a forty-two-storey tower, Windsor Plaza, just west of Place Ville-Marie. Meanwhile, a competing local developer, Ionel Rudberg, convinced Canadian Industries Limited to move its headquarters to a new thirty-four-storey tower, CIL House, across from Place Ville-Marie at the corner of University Street. The Bank of Montreal, though having recently built a new main office on St. James Street, signalled its intention to participate “in the dynamic growth and development of the important uptown area” by establishing “one of the most modern and best equipped banking offices in the world” in this building; the bank took up 22,000 square feet, which included a spacious ground-floor branch. From 1959 to 1962, the erection of these three modern skyscrapers would transform Montreal’s skyline. By the early 1970s, a similar “bank war” in skyscraper construction was underway in Toronto. But Place Ville-Marie was more than the manufacture and sale of prestige.

**Local Meanings of the Modern**

Before 1958, models of Place Ville-Marie show that Zeckendorf carefully built around the St. James’s Club headquarters at the corner of Dorchester Boulevard and University Street, home to this elite social club since 1864 and one of the conspicuous symbols of the city’s old Anglo-Celtic bourgeoisie. Zeckendorf did so to avoid antagonizing the very people to whom he hoped to sell office space. But the execution of Place Ville-Marie also required the cooperation of the municipal government, and the city plans included a widening of University Street that would require the destruction of the club’s headquarters. City Planning Department correspondence reveals that city officials remained committed to this plan shortly after having received the Ville Marie Master Plan from Webb & Knapp in February. The city’s general attitude can be further illuminated from comments made years later, in a public lecture in 2003, by Henry Cobb: “The fact is that … the city government said that we’ll only allow certain things that have to be done around the perimeter of Place Ville-Marie, various street arrangements and things, we’ll only allow that to happen if the St. James’s Club is also demolished.”

City officials consciously perceived in Place Ville-Marie an opportunity to remake the city, which included destroying the nineteenth-century vestiges of the city’s anglophone bourgeoisie. The CNP’s internal correspondence reveals the attitude of C.-E. Campeau in the summer of 1957: “He feels very strongly that the St. James’s Club should go even though Webb & Knapp do not require any of the property for their project. As Director of City Planning, he cannot condone leaving this structure adjacent to the modern buildings proposed by Webb & Knapp.” In August, when Mayor Drapeau was shown the Webb & Knapp model, which included the St. James’s Club, “he left no doubt … that the St. James’s Club ought to be removed.” CNR Vice-President N.J. MacMillan elaborated upon Drapeau’s attitude: “In fact he indicated that the City would not approve the project unless it was [removed]. He referred, upon different occasions, to what happened to the St. Denis Club the front of which is being removed to permit a widening of Sherbrooke Street and he left the impression that if it was all right to take the front off the oldest French Club, then there was nothing the matter with condemning the oldest English Club.” Place Ville-Marie was thus not only perceived as a vehicle of modernization that would eclipse the old, but as a vehicle to correct the balance of ethno-linguistic relations as expressed in Montreal’s built environment and the division of economic power.

That said, the fact that the city announced its decision to expropriate the St. James’s Club when Drapeau was out of office, during the summer of 1958, demonstrates that the razing of the club’s headquarters was not, ultimately, due alone to the reasons Drapeau articulated. Indeed, the archival record reveals that both CNR and Webb & Knapp officials anticipated the razing of the St. James’s Club, but they—rather cannily—preferred the city take responsibility for it. With the Royal Bank lease announced, by June the city was moving ahead with its plans. Director of Departments Lucien Hétu and some members of the city’s executive committee were of the view “that the St. James’s Club should be removed. The feeling seems to be that this antiquated structure has no place in Place Ville Marie development and that this is the appropriate time to clean the site.” While the razing of the club was based upon a widening of University Street to improve traffic circulation, the modernist
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impulse—to attempt to erase the past—shaped the consciousness of those who advocated demolition. But, only in late July, through a city councillor, did club members begin to learn about what the city was considering.116 The city’s decision on the St. James’s Club appears not to have become a truly public issue until early August, after Montreal’s executive committee presented recommendations for expropriations and street widening that included the razing of the club’s headquarters; “Montreal Landmark Slated to Disappear,” reported the Gazette the following day.117

Not unexpectedly, the razing of the St. James’s Club was contested and protracted.118 The image of greyed men, armed with seltzer bottles and golf clubs, defending the club’s headquarters from the wrecking ball, published in the October 1958 issue of the Montrealer, echoed the idea that Place Ville-Marie represented a sharp break from an older society. And though Drapeau had, like other members of the Civic Action League, voted against a controversial bylaw to have the city pay for expropriations and street widening needed for the execution of Place Ville-Marie in the summer of 1958, when he returned to the mayoralty in 1960 he was quick to resume a cordial relationship with Zeckendorf.119 Indeed, Zeckendorf’s status as an outsider in relation to Montreal’s Anglo-Celtic bourgeoisie was advantageous. Zeckendorf was, according to Cobb, embraced by francophone leaders precisely because he was largely rejected by the city’s moneymed, anglophone establishment.120 And, through Thomas Vien, Zeckendorf had in early days established close contacts with the municipal bureaucracy. Vien recruited Aimé Cousineau, the recently retired director of city planning, to work as Webb & Knapp’s liaison with City Hall; and, in 1958, Campeau moved from that same post in the city to work himself as a liaison for Webb & Knapp.121 Gaining influence within the municipal bureaucracy was centrally important, of course; as Michèle Dagenais has shown, the bureaucracy was a significant power in its own right.122 The demolition of the St. James’s Club headquarters was delayed until the summer of 1961 to give the membership time to vacate the building.123 Johnny Newman, whose firm won the contract for its demolition, gave the public an opportunity to participate in the destruction of the clubhouse, offering people the chance to swing the giant wrecking ball for a five-dollar donation to the charities of the Kiwanis Club. It took Newman’s crew, including about a dozen people who paid the five dollars to swing the wrecking ball, less than six hours to flatten the commanding, red-brick building.124

The obliteration of the old thus paved the way for the modern, and allowed for the construction of a new myth. As construction of Place Ville-Marie proceeded into the 1960s, the rising structure of the cruciform tower began to transform Montreal’s skyline. Always a clever salesperson, at the topping-out ceremony in July 1961 Zeckendorf implied to Cardinal Léger that the cruciform shape of the tower was intended as a religious reference. This was not true—the tower’s shape was built in a form, inspired by Le Corbusier, to maximize natural light and valuable corner office space—but it was an idea that allowed Léger and other French-Canadian observers to imagine in Place Ville-Marie an organic link to a French-Canadian, Catholic tradition.125 Ideologically, it allowed Place Ville-Marie to appear to meet growing expectations within Quebec society—especially among the “new middle class”—that modernization would empower the marginalized francophone majority and enhance their collective identity.126 The view that Place Ville-Marie was accomplishing this was plausible at the time, since Zeckendorf and the municipal administration did truly appear to create a new urban symbol that defied the control of Montreal’s old Anglo-Celtic elite.

To be sure, the spectacle of the displacement of the Anglo-Celtic bourgeoisie stoked the classic myth of modernity’s sharp break from the past and broadcast Place Ville-Marie’s transformative capacity. But Place Ville-Marie did not threaten to destroy capitalist privilege. In a very real sense, Zeckendorf, Gordon, Phillips, and Drapeau were members of a new generation of power elite, who in Place Ville-Marie were constructing a new urban form to supersede the ossified image of the St. James’s Club and its association with Anglo-Celtic privilege.

Figure 9: The spectacle of the old order under siege: St. James’s Club members defend their headquarters (Montrealer, October 1958).
Donald Gordon’s biographer has asserted that Gordon, born in Scotland into humble circumstances, displayed “irreverence for all those icons of Westmount, McGill, Montreal and all the rest.” And while Gordon embraced cultural sensibilities that were different from those of the archetypical Anglo-bourgeois Montrealer, he, like Phillips, was a fervent champion of private enterprise; as CNR president, he made sure that the “Dorchester Street hole” was to be developed by and for private capital. As Marshall Berman has observed, “The pathos of all bourgeois monuments is that their material strength and solidity actually count for nothing and carry no weight at all, that they are blown away like frail reeds by the very forces of capitalist development that they celebrate.” The progressive modernity of Place Ville-Marie assuredly participated in this pathos.

**The Rise of Place Ville-Marie, the Fall of William Zeckendorf**

Just as Place Ville-Marie was beginning to come to fruition in 1958, Webb & Knapp Inc., the parent company of Webb & Knapp (Canada), “recorded its first operating loss since the company became publicly-held in 1952,” as Zeckendorf carried on with a heavy expansion into the hotel business, acquiring nine hotels in New York City and three in Chicago between 1956 and 1960. Like before, this expansionism was financed through borrowed money. Between 1956 and 1959 the company’s short-term debt doubled, and its “interest on loans and other expenses” rose four-fold. Place Ville-Marie, like the rest of Zeckendorf’s developments, would have to be built with borrowed money too.

Moreover, ongoing difficulty to attract tenants seemed to confirm fears that Place Ville-Marie would create an overcapacity in downtown office space. While the concrete foundation began to be poured in the spring of 1959, rentals in Place Ville-Marie were “rumored slower than had been expected.” The Financial Post noted that in “real estate circles it is reported that inquiries are lagging and that this building and others being erected in the uptown area will create over-capacity for at least five years.” With plans for the thirty-four-storey CIL Tower across from Place Ville-Marie and construction on the forty-two-storey Windsor Plaza slated to begin in the fall, on Dorchester alone, reported John Yorston, “some 2,500,000 square feet of office space will be created,” and Montreal Real Estate Board President David S. Keast observed that the “new buildings will create vacancies elsewhere.” Nonetheless, the ongoing boom on Dorchester had developed its own momentum, and had greatly expanded property values in the immediate vicinity. As Yorston seemed to recognize, however, this building boom was not simply a product of demand for office space. While the “smaller, less pretentious” buildings were “felt to be the result of normal business growth,” the plans for buildings such as Windsor Plaza and the Royal Bank Building on Dorchester resulted from “a race for prestige.”

While evidence of wider volatility in the market could be seen, after the Royal Bank and Alcan had committed to leases in 1958, the realization of Place Ville-Marie as the new centre of Canada’s largest city could be reasonably anticipated. This enabled Zeckendorf to secure the large amounts of capital necessary for the project. In 1959 Webb & Knapp arranged a mortgage bond issue in the amount of $53 million to finance the construction of the cruciform tower. It was, claimed the Financial Post, “the largest such issue mortgage placed on an office building anywhere”; Metropolitan Life Insurance agreed to purchase $25 million of the offering. Capital investment meant construction could proceed. In September 1959, to make way for the development, buildings along University Street were demolished and excavation on the street begun; in March 1960 the massive steel columns and beams of the tower began to be erected; and by June “carpenters, steelworkers, construction labourers, concrete workers, plumbers, electricians and other tradesmen,” numbering over six hundred men, were at work, having erected “more than 6,000 tons of steel.”
The speed with which the physical structure of Place Ville-Marie began to take shape obscured the lingering problems of the Zeckendorf real estate empire. As before, Zeckendorf needed to find cash to feed his projects and creditors; by the end of 1959, the liabilities of Webb & Knapp (Canada) exceeded its assets by $6,469,621. Zeckendorf pursued two strategies. He accepted a “consolidation phase” for Webb & Knapp (Canada), ending a spate of expansion since 1956 that included the construction of the Wellington Square Shopping Centre in London, Ontario, the Brentwood Shopping Centre in suburban Vancouver, and Flemingdon Park in Toronto. Zeckendorf’s second strategy was to look for investors. In February 1960, Zeckendorf’s son, William Zeckendorf Jr., vice-president of Webb & Knapp (Canada), reported to the Montreal Star that “his company had made an intensive study of U.K. and European money markets,” where “investors were much more conscious of the possibilities of real estate development.” As early as April, Zeckendorf was in talks regarding Place Ville-Marie with a British group that journalist Henry Aubin would later describe as “an old aristocracy in new multinational property ventures.” At the head of the group was Sir Brian Mountain, chairman of both Eagle Star Insurance Company and Second Covent Garden Property Company. And playing a central role in these developments was the London investment-banking house of Philip Hill Higginson Erlangers, and its chairman, Kenneth Keith.

The directors’ minutes of Eagle Star Insurance show that by June the British Foreign Exchange Control had granted the company permission to transfer funds for the Place Ville-Marie transaction. On 20 July the assistant general manager of Eagle Star, H.J.A. Harbour, reported to the company’s board of directors on his visit to the Place Ville-Marie site and noted that negotiations were ongoing. And on 19 October, the Eagle Star board was told that the “Place Ville Marie transaction … [was] reaching a satisfactory conclusion.” Less than ten days later, on 27 October 1960, Philip Hill Higginson Erlangers announced that two British firms, Eagle Star and Second Covent Garden Property, would provide $16.5 million towards the first stage of the Place Ville-Marie project, slated to cost $80 million. Under this arrangement, Trizec Corporation was formed as a holding company representing an equal partnership between Webb & Knapp (Canada) and the British group, Eagle Star and Second Covent Garden Property. Trizec assumed ownership of Place Ville-Marie (with the Place Ville Marie Corporation becoming its wholly owned subsidiary), and, reported the London Financial Times, was to “be given the first offer of any Webb & Knapp development project in Canada.”

Though Webb & Knapp (Canada) reported a “greatly improved liquid position” by the spring of 1961, Zeckendorf’s financial position remained highly tenuous. As interest payments corroded the Webb & Knapp empire, Zeckendorf accepted a refinancing plan with the British group—including more than $43 million in long-term financing to replace high-interest debt—that resulted in the formation of a new city-improvement firm, Zeckendorf Property Corporation, and greatly reduced his control of Webb & Knapp Inc. The Wall Street Journal wrote in early 1962 that sources close to Webb & Knapp anticipated a shift towards more conservative management, as the British group was “eager to protect its substantial investment in Webb & Knapp.” But in the United States the “realty market went sour” in the spring of 1962, and rather than retrench Webb & Knapp’s financial position and take losses on some investments, Zeckendorf pursued new opportunities apparently without regard for his British partners, who soon became dissatisfied.

By late 1962, already fragile confidence in publicly traded real estate firms in the United States was dealt a serious blow with the revelation that Louis J. Glickman, founder of the Glickman Corporation, had misled investors and used company assets for personal business ventures. The Glickman episode and other instances of mismanaged publicly traded real estate firms caused a more general decline in the shares of these firms, Webb & Knapp included.

Having failed to rein in Zeckendorf’s expansionism, the British financiers had seen enough. On 21 January 1963 Zeckendorf announced that the three directors of Webb & Knapp Inc., representing the British interests in Webb & Knapp had resigned from the board “to be able to concentrate their attention on Zeckendorf Property Corporation.” Six months later the British group had forced Zeckendorf out of Zeckendorf Property Corporation. “In return for having his financial obligations to them written off,” later explained Time magazine, “Zeckendorf had to give up his interest in almost all the developments he had signed over to the company.” Zeckendorf also resigned as chairman of Webb & Knapp (Canada) and Trizec; Sir Brian Mountain assumed the chairmanship of Trizec. And following the announcement in August 1964 by Webb & Knapp Inc. of losses of $52 million over the previous two years, the Zeckendorf empire’s need for cash resulted in Webb & Knapp (Canada) selling its remaining share of Trizec in October 1964, purchased by Covent Canada Corporation Ltd., a Canadian subsidiary of Second Covent Garden Property Company Limited. “It means that the U.K. group,” reported the Montreal Star, “now have effective control of … Place Ville Marie … and three major shopping centre properties in Halifax, Toronto and Vancouver.” The transfer of ownership of Place Ville-Marie to the British group thus occurred as an outcome of the crisis and eventual dissolution of the Zeckendorf realty empire. The corporate records of the Eagle Star Insurance Company, one of the original partners in Trizec, show the company’s acquisition of Trizec stock beginning in January 1962 and picking up speed that summer. Zeckendorf, indeed, had already lost control of Trizec when he triumphantly appeared at Place Ville-Marie’s official inauguration in 1962.

Fainstein has argued that real estate developers “operate within a subjective environment partly of their own creation,” where “personal rewards are not wholly tied to the ultimate profitability of projects.” And she reports being struck by the discovery that developments had “been driven by individual male egos that find self-expression in building tall buildings and imprinting
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Figure 11: The skyline of modern Montreal. Place Ville-Marie redefined the city’s skyline in the 1960s (Archives de Montréal).

their personae on the landscape.” Zeckendorf conforms to Fainstein’s findings; indeed, after it was revealed that the CIBC building (originally named Windsor Plaza) would be slightly taller than the Royal Bank building, Zeckendorf secretly planned the construction of extra floors to best his competitor, which he succeeded in doing. As Zeckendorf declared, Place Ville-Marie—“one of the greatest edifices ever conceived and executed in the history of man”—was “not done for bread alone.” He, as Cobb reminisced, saw money as a means to do something. Without this mentality, powerfully shaped by extra-economic goals, it is unlikely that Place Ville-Marie could have been conceived or realized.

The business and financial genesis of the project defies the narrative of modernization, of planning and progress. It is true that Place Ville-Marie established a new centre for the city and ultimately created new value in that location. For instance, though retailers were initially reticent, rents in its underground shopping promenade by 1967 had reportedly become among the world’s highest for retail space. But Place Ville-Marie also rendered older properties less attractive. Less than a month before its official inauguration, the Wall Street Journal reported that Montreal office building vacancies were at a staggering 26 per cent. “By my calculations,” reported one unidentified veteran realtor early the following year, “downtown is now overbuilt by about 30 per cent and we have more than enough office space until 1975.” And, indeed, significant rent concessions had been necessary to attract tenants to Place Ville-Marie. In May 1964 the Financial Post reported that the Place Ville Marie Corporation was continuing to run at a loss. Apart from the inability to command rents as high as once expected, the company was also absorbing losses stemming from Zeckendorf’s efforts to attract corporate tenants to Place Ville-Marie. The company had taken over Alcan’s lease in the Sun Life Building, which was not due to expire until 1965, and, as noted earlier, had purchased the old headquarters of the Royal Bank on St. James Street, which was reported to have been operating at “a substantial loss.” Undoubtedly, Place Ville-Marie contributed to an overcapacity of office space in Montreal’s downtown core, and profit was not realized by the innovator-entrepreneur of this story, Zeckendorf.

Conclusion
As a case study of the “production of space,” Place Ville-Marie demonstrates the importance of business and economic imperatives in determining the shape and purpose of urban forms. However, these imperatives were not structured by a disembodied or idealized market, for the making of Place Ville-Marie—pursued by a constellation of elite figures—was itself creating and redefining the commercial real estate market in Montreal. Nor was this activity structured by a singular effort to achieve maximum returns on capital, for Zeckendorf operated—as understandable in terms of male ego and status as profit. Zeckendorf declared bankruptcy for the first time 1965; it would not be his last.
Yet, when he published his autobiography in 1970, he wrote as a man whose vision had been vindicated, a man who had defied the city’s stodgy elite and had transformed the city. Zeckendorf's boasts were not completely audacious. Vincent Ponte placed Place Ville-Marie at the heart of what he described as the “ten golden years of Montreal’s Downtown,” from 1956 to 1966.165 In Ponte’s telling, a direct line ran from the building of Place Ville-Marie and the tax revenues it generated for the city, to the city’s financial capacity to fund the construction of the Métro, to the city’s ability to capture Expo, and to its ability to engage in “massive highway improvements.”166 Place Ville-Marie not only established a new symbol of the modern; it stimulated urban growth. But if it appeared to achieve the economic and cultural status Zeckendorf promised, the history of Place Ville-Marie’s making reveals the operation of capitalist incentives and a process of “creative destruction” that were both much more limited and chaotic than suggested by the mythic rhetoric that surrounded the project.

The discursive construction of Place Ville-Marie by its promoters, as this study has argued, was an exercise in both salesmanship and cultural hegemony. Sold to corporate tenants as a site of prestige and to politicians and the public as a vehicle for modernization and growth, Place Ville-Marie executed a reimagining of Montreal’s downtown core, presented as a sharp break from the past. The myth of Place Ville-Marie accommodated and absorbed nationalist aspiration, celebrated consumer capitalism, and projected corporate prestige. The popular appeal of this modernist mythology was powerfully demonstrated by the spectacle of Place Ville-Marie’s inauguration, which we encountered in the introduction; it was a fleeting moment. The modern future imagined on that day was not to be. Underlying the imagery of Place Ville-Marie persisted remarkably colonial financial arrangements: the U.K. firm Eagle Star Insurance collected a profit of over $4 million when it sold off its Trizec stock in 1970.167 Prescient about the tensions and contradictions between nationalist objectives and a globalizing capitalist economy, Hubert Aquin considered Place Ville-Marie an empty gesture and critiqued its contrived efforts to appear French-Canadian.168 Place Ville-Marie was an exemplar of the paradoxical intensification of global connectedness accompanied by rising nationalisms during the 1950s and 1960s in Quebec and elsewhere.169

While Place Ville-Marie appeared to facilitate nationalist aims of modernization and eclipse old barriers of ethno-linguistic privilege, it also embodied new capitalist values and the rise of new capitalist forces that were superseding the old. As such, it reinforced and revitalized capitalism in its new forms, a product of the dynamic social order from which it had arisen.

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Notes

1 The Place Ville-Marie complex also included a building at the corner of Cathcart and University, and two additional buildings that were not completed in 1962. These remaining office buildings opened in 1965 and 1969, located at the corners of Mansfield Street and Cathcart Street, and Mansfield and Dorchester Boulevard (Boulevard René-Lévesque), respectively. These components of Place Ville-Marie are beyond the purview of this study. For a broader survey of the development, see France Vanlaethem, Sarah Marchand, Paul-André Linteau, and Jacques-André Charrtrand, Place Ville-Marie: Montreal’s Shining Landmark (Montreal: Québec Américaine, 2012).

2 Proceedings, Place Ville Marie Opening, 13 September 1962, 9e 144, box 14, series 2, Donald Gordon Papers, 2129, Queen’s University Archives (QUA).


5 Marsan, Montreal in Evolution, 355–6.

6 Vanlaethem et al., Place Ville Marie, 27 and 603 (pagination from electronic version here and below).

7 The internal contradictions and “creative destruction” present in the making of the modern city are explored in David Harvey’s influential Paris, Capital of Modernity (New York: Routledge, 2003).


11 See Annick Germain and Damaris Rose, Montréal: The Quest for a Metropolis (Toronto: John Wiley & Sons, 2000), 62.

12 Webb & Knapp (Canada) Limited, "Historical Notes on Place Ville Marie," n.d., file 6, Place Ville-Marie, XCP00-S3-P03958, Archives de Montréal (AM).

13 Ibid. For more on the Canadian Northern's Montreal plans and activities, see Regehr, Canadian Northern Railway, 320–4.


20 Lazarus Phillips to Donald Gordon, 8 July 1954, file 9660-1-2 "Montreal Terminal Development: Disposal of Aerial Rights (Lazarus Phillips & Group)," vol. 13209, CNR Fonds, LAC.


22 Donald Gordon, memo, 21 October 1954, file 9660-1-2 "Montreal Terminal Development: Disposal of Aerial Rights (Lazarus Phillips & Group)," vol. 13209, CNR Fonds, LAC.


26 Zeckendorf, Autobiography, 93; Rachlis and Marqusee, Land Lords, 273.


28 Ibid., 42.


31 Ibid., 63–78.


33 Zeckendorf, Autobiography, 95–6.

34 David Harvey, The Enigma of Capital and the Crisis of Capitalism (New York: Oxford University Press, 2010), 169. For the history of suburbanization in Canada, see Richard Harris, Creeping Conformity: How Canada Became Suburban (Toronto: University of Toronto Press, 2004).

35 For instance, his development of the modern, multi-use Mile High Center in downtown Denver, completed in 1956, was about revitalizing a "dry-rotted core" of a rapidly suburbanizing city. See Zeckendorf, Autobiography, 107.


38 Fairweather, "Memorandum of Meeting Held in the President's Office." 39 S.W. Fairweather, memo, 1 February 1955, file 9660-1-2 "Montreal Terminal Development: Disposal of Aerial Rights (Lazarus Phillips & Group)," vol. 13209, CNR Fonds, LAC.


41 Zeckendorf, Autobiography, 168.


45 James Muir to Donald Gordon, 6 March 1955, file 96660-39 "Preparation of Master Plan and Construction of Ville Marie Plaza (Webb & Knapp, Inc.)," vol. 13211, CNR Fonds, LAC.


52 "Is Zeckendorf Mystery Man in Dominion Square Building?" Financial Post, 3 March 1956.

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Development: Disposal of Aerial Rights (Webb & Knapp), vol. 2,” vol. 13208, CNR Fonds, LAC.


57 Gordon, memos, 2 and 13 August 1956, file 9660-1-1 “Montreal Terminal Development: Disposal of Aerial Rights (Webb & Knapp), vol. 2,” vol. 13208, CNR Fonds, LAC.


63 Cobb, autobiography, 185.


65 Conrad Langlois, “Bravo, Mr. Gordon,” La Patrie, 12 October 1956.


69 Press release, 30 August 1957, file “Terminal: Montreal Place Ville-Marie, 2,” CNR Fonds, LAC.

70 Cobb, lecture, 4 November 2004, Canadian Centre for Architecture, Montreal, video recording, CCA.

71 The Ville Marie Project: In the Heart of Montreal (1957).


73 Henry Cobb, lecture, 4 November 2004, Canadian Centre for Architecture, Montreal, video recording, CCA.

74 Cobb, lecture, 14 September 2003.

75 Cobb, lecture, 4 November 2004. At Harvard, Cobb was also influenced by Joseph Hudnut. Dean of the Graduate School of Design, Hudnut was less dogmatic than Gropius. See France Vanlaethem, “The Place Ville Marie Project,” in Vanlaethem et al., Place Ville Marie, 173–4.

76 Cobb, lecture, 4 November 2004.

77 Cobb, lecture, 14 September 2003.

78 Cobb, lecture, 4 November 2004.


80 “Central Area Project, Montreal, Canada: Inventory of Material at Hand,” 20 February 1956, file “Conseil, Rapports et Dossiers,” series 4, 3126-1-4/1, AM.


83 Vincent Ponte, city planning consultant, Montreal, “Place Ville Marie, Montreal, Quebec,” proceedings, Fourteenth Annual Conference, International Downtown Executives Association (Dallas, 16–18 October; Fort Worth, 18 October; San Antonio, 19–20 October 1967), 4.


85 Arthur Beitel, “Place Ville Marie” (McGill School of Architecture, ca. 1965), 55, McLennan Library (ML).

86 “City’s ‘Rockefeller Centre’ to Be Started This Year,” Montreal Gazette, 18 February 1958.


89 Cobb, lecture, 14 September 2003.

90 Eric Reford, 221 St Sacrement Street, to S.M. Finlayson, president, Montreal Board of Trade, 23 January 1956, file 9660-1-1, “Montreal Terminal Development: Disposal of Aerial Rights (Webb & Knapp, Inc.),” vol. 1,” vol. 13208, CNR Fonds, LAC.


92 Duncan McDowell, Quick to the Frontier: Canada’s Royal Bank (Toronto: McClelland and Stewart, 1993), 349.

93 Ibid; a confidential bank study confirmed the view that “the tower building will become equally as well known as such developments as Rockefeller Centre [sic] and the Empire State Building.” Memo for Mr. Muir, 3 April 1958, quoted in ibid., 349.

94 Ibid., 350.

95 Zeckendorf, Autobiography, 176.

96 McDowell, Quick to the Frontier, 350.


100 Zeckendorf, Autobiography, 178.

101 Cobb, lecture, 4 November 2004.

102 Booklet, Webb & Knapp (Canada) Limited, Buildings Standards, Place Ville
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Marie Tower Office Floors, n.d., Vincent Ponte Fonds, Rare Books and Special Collections, ML.
107 Jean-Claude Marsan notes that the CIL House and Windsor Plaza, renamed the Canadian Imperial Bank of Commerce Building by the time of its completion, were responses to Place Ville-Marie. Marsan writes that the location of these buildings was evidence that “Place Ville-Marie was growing into a hub of attraction. In the minds of planners, the enlargement of the boulevard was intended to channel the downtown development towards the east, but Place Ville-Marie brought this trend to a standstill.” See Marsan, Montreal in Evolution, 348.
110 C.-É. Campeau to Lucien Héroux, 6 March 1958, file “Consell, Rapports et Dossiers,” series 4, 3126.1-4/1, AM.
111 Cobb, lecture, 14 September 2003.
116 John B. Sterling, chairman, Premises Committee (St. James’s Club), Progress Report, 1 May 1959, file 9660-38 “St. James Club: Accommodation for, in Lieu of the Present Site in the Montreal Terminal Development Area,” vol. 13211, CNR Fonds, LAC.
118 See, for example, “On and Off the Record: Legality of Expropriation Queried,” Montreal Gazette, 9 September 1958.
120 Cobb, lecture, 14 September 2003.
125 Cobb, lecture, 4 November 2004; Vanleatham, “Place Ville Marie Project,” 239–42. This myth about Place Ville-Marie’s supposed religious connotations has since been perpetuated in written accounts. See, for one example, McDowall, Quick to the Frontier, 349.
130 Welles, “A Big Man on the Thin Edge.”
132 Yorkston, “Montreal’s Skyline Worries.”
134 Yorkston, “Montreal’s Skyline Worries.”
135 “Building Boom, Canadian Style.”
By December, a syndicate of banks led by the Morgan Guaranty Trust Company of New York agreed to provide $50 million in short-term financing “in the form of 6½% first mortgage bonds maturing 31 December 1962,” which, upon completion of Place Ville-Marie, would “be replaced by the long-term financing” arranged through Metropolitan Life. See Progress Report, Place Ville Marie, 18 November 1960, file “Terminal: Montreal Place Ville-Marie, 2,” CNR Fonds, LAC.


150 Welles, “Big Man on the Thin Edge.”


152 The three directors were “Mr. Kenneth Keith, chairman of Philip Hill Higginson Erlanger, Mr. Grayson Murphy, a partner in the New York firm of Shearman and Sterling, and Mr. Stuart Sloway, president of Harriman Ripley, of New York.” See “Three U.K. Directors Leave Webb and Knapp Board,” Financial Times (London), 23 January 1963.


155 See tables entitled “General Fund” and “Life Fund,” CLC/B/005/ES04/13/04/27/008, Eagle Star Fonds, LMA.

156 Fainstein, City Builders, 25.

157 Ibid., 4.


160 Cobb, lecture, 14 September 2003.


163 “Canada’s Place Ville-Marie,” Architectural Forum (February 1963): 84.


