



NEW YORK CITY LAW DEPARTMENT
OFFICE OF THE CORPORATION COUNSEL

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Press Release

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For Immediate Release

**APPELLATE COURT UNANIMOUSLY AFFIRMS CITY'S RIGHT
TO MOVE FORWARD WITH 2 COLUMBUS CIRCLE DEVELOPMENT
WITH THE MUSEUM OF ARTS AND DESIGN**

DECISION ALSO FOLLOWS RECENT DISMISSAL OF ANOTHER SUIT BROUGHT BY THE PLAINTIFFS

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New York, Feb. 25, 2005 – The Appellate Division, First Department, of the New York State Supreme Court today affirmed the decision of Supreme Court Justice Walter Tolub and thereby rejected claims that sought to halt the planned sale of the building at 2 Columbus Circle from the City of New York to the New York City Economic Development Corporation (EDC), which will then sell the building to the Museum of Arts and Design.

The Museum of Arts and Design plans to renovate the building by resheathing the building's existing exterior (making it complementary and consistent with the existing buildings along Central Park); adding new windows to the façade; enclosing the Building's open ground floor arcade with glass walls; and extending the ground floor to the building's footprint edge to create a lobby/reception area and museum store. On completion of these renovations, the Museum plans to move from its current location at West 53rd St., where there is only enough room to host temporary exhibitions. The move will allow the Museum to, among other things, display its permanent collection, open a restaurant, and develop a Center for the Study of Contemporary Craft.

The lawsuit challenging the sale claimed that the City's environmental review of the sale's impacts was arbitrary and capricious, and failed to adequately investigate the building itself as a historic resource. The Appellate Division firmly rejected that claim, finding that the City appropriately gave weight to comments from the New York City Landmarks Preservation Commission, which previously declined to landmark the building. The Appellate Division's decision was unanimous (5-0).

"This is a monumental decision for the City, its landmarks and its cultural institutions," said EDC President Andrew M. Alper. "I commend the courts for placing the needs of a significant and unique museum above the egos and whims of a few who would preserve for preservation's sake. I look forward to moving this long-stalled project forward and replacing an eyesore with an attractive, functional building that will complement Columbus Circle and its surroundings."

Corporation Counsel Michael A. Cardozo of the New York City Law Department said, "The decision today is an important one, because it affirms that the City appropriately conducted the environmental review and appropriately weighed the Landmarks Preservation Commission's assessments." Susan Choi-Hausman, an Assistant Corporation Counsel in the Law Department's Appeals Division and the lead attorney on the case, added: "This decision will allow the City to move forward with the Museum of Arts and Design on the important redevelopment of Columbus Circle."

In another legal development – and in another effort to halt the sale – the same plaintiffs had filed a second lawsuit in state court in December 2004, claiming that the meeting of the Manhattan Borough Board, which

approved the sale in August, violated the Open Meetings Law. In a decision dated Feb. 14, 2005 and received by the Law Department yesterday, Supreme Court Justice Harold Beeler dismissed that case. (The sale was also approved by Community Board 5, the Manhattan Borough President, the City Planning Commission, and the New York City Economic Development Corporation's Board of Directors.)

The redevelopment of the building at 2 Columbus Circle is a key component of the revitalization and redevelopment of Columbus Circle. In conjunction with the completion of the AOL-Time-Warner Center, a redesign and landscaping of the Circle itself, an improved traffic plan for vehicles and pedestrians, and the rehabilitation of the subway station, the new design will complete this critical piece of the Circle, restore activity to this long-dormant site, and invigorate an oft-avoided streetscape with a vibrant cultural use.

In addition to Susan Choi-Hausman's work at the Appellate level, Environmental Law Division attorneys Chris Reo and Michael Burger handled the case in the lower court, and Joseph Gunn of the Economic Development Division is handling the transaction. The New York City Economic Development Corporation and the New York City Landmarks Preservation Commission also worked on the matter.

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