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January 22, 1999

Philip Howard
Municipal Arts Society
457 Madison Avenue
New York, NY 10022

Dear Philip:

My firm's client, the Calder Foundation, has expressed interest in creating a museum at the Two Columbus Center building. The City had issued an RFP for the redevelopment of the site, and only two submissions were received: the Trump Organization for a hotel project (see attached article) and the Dahesh Foundation for a museum project (see attached article). I understand that MAS staff and Board members have evaluated the two submissions, and that MAS may be taking a position in terms of supporting one of the proposals. For your consideration, I am enclosing a copy of a letter my firm sent to EDC outlining an alternative redevelopment for the site.

I have already spoken with members of the Tri-Board Task Force on Columbus Circle, who expressed interest in my client's concept while fully understanding that a more formal proposal would have to be prepared and submitted. Community Board 5 has already approved a resolution supporting a cultural use (and opposing a commercial use) at the site; I believe that the other Boards are considering a similar resolution.

As outlined in our EDC letter, a Calder Museum could attract a large number of visitors each year, which would create significant economic benefits for Manhattan. Additionally, the Museum would be a tremendous educational experience for Manhattan school children, as demonstrated by the massive attendance to Calder Exhibits in other cities. The Calder Foundation has also expressed interest in placing monumental outdoor sculptures in the Columbus Circle area.

EDC has been receptive to our submission; I will keep you informed as to EDC's formal response. Presently, it is unclear whether the City would have to reissue the RFP for my client's proposal to be properly considered. We are open to participating in any process the City suggests in order for our proposal to be publicly discussed and considered. There seems to be a discernable discomfort with the existing RFP submissions, therefore it seems prudent for the City to consider my client's proposals. Additionally, since we have not yet retained an architect for our proposal nor formulated an approach vis-a-vis the facade treatment, we are open to an inclusive dialogue with the City, MAS and the affected Community Boards concerning the appropriate treatment for the building's "skin."

I welcome you and your staff's suggestions, and look forward to meeting with you to discuss our proposal. Please call me if you have any questions.

Sincerely,



Richard Bass, AICP

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DAVID I. STADTMAUER
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January 15, 1999

VIA MESSENGER

Mr. Charles Millard
President
NYC Economic Development Corporation
110 Williams Street
New York, NY 10038

Re: Proposed Calder Museum at Two Columbus Center

Dear Charles:

New York City is the cultural gateway to America for the world. Columbus Circle is the gateway to the largest central business district in the nation containing the biggest concentration of entertainment, tourist and hotel uses; to Central Park—a green sanctuary from urban life; to Lincoln Center—a premier cultural institution; and to the Upper West Side—a solid residential community. The Circle offers wonderful opportunities! It is where four distinct neighborhoods meet. It is a transportation hub and a collection of monuments. Grand boulevards radiate out from the Circle. The Circle is presently dominated with important buildings, and if the Coliseum site is successfully redeveloped, a new architectural element will grace the City's skyline.

The Circle has been the focus of recent interest. Donald Trump retained Philip Johnson to redesign the skin of the former Gulf & Western Building; the entrance to Central Park, Merchant's Gate, has been transformed to celebrate that space; the subway station and entrances are scheduled for long-awaited improvement; and the City has applied for a \$900,000 federal transportation grant for the design and construction documents for traffic improvements. Many of the design ideas articulated in the 1984 study completed by Skidmore Owens and Merrill (SOM) have been implemented.

In keeping with the City's report entitled "Disposition of the City's Property Enhancing Urban Design," New York City's Economic Development Corporation (EDC), at the direction of Mayor Giuliani, has called for the disposition and redevelopment of Two Columbus Circle. The City, through the RFP process, has recognized that the disposition of this site was an unique opportunity that had far-reaching and long-term social, aesthetic and economic impacts.

The Alexander & Louisa Calder Foundation ("Calder Foundation") has submitted a proposal to EDC to adapt the Two Columbus Circle building, the former Huntington Hartford Gallery of Modern Art, into a world-class museum housing the largest collection of Alexander Calder's works. Though other cities have expressed interest in hosting the Calder museum, the Foundation believes Manhattan is the preferable world location. The Foundation is interested in the Two Columbus Circle site because the building is the appropriate size and the site's location is ideally situated. A Calder Museum use in a more appropriately reskinned building is compatible with the land uses and activities of Columbus Circle and, in keeping with the Governor's and Mayor's Report on "The Economic Impact of the Arts on New York City and New York State," creates maximum economic benefits to the City. The Calder Foundation is not only offering a purchase price, but is willing to turn an architectural blight into a contributing building and create a world destination.

The Foundation oversees the largest collection of Alexander Calder's works in the world. The collection, which is valued at an estimated \$250 million, includes over 3,000 works on paper and over 300 sculptures, many of which are suited to outdoor locations. Additionally, the Calder Foundation maintains an exhaustive archive of Calder's art and has documented approximately 16,000 pieces for publication in a multi-volume *raisonne*. The Calder Foundation believes that Two Columbus Circle is an appropriate location at which to establish a museum to showcase Calder's art, some of which has not been exhibited since 1943. This site provides the Calder Foundation with the unique opportunity to contribute certain outdoor sculpture pieces for permanent display in the very important public space of Columbus Circle.

The Proposal

The Calder Foundation proposes to purchase Two Columbus Circle from the City for \$4 million. A \$50,000 downpayment will be provided in cash, with the remainder payable in eight months; additionally, the non-refundable administrative fee of \$50,000 will be submitted upon execution of the contract of sale. The Calder Foundation will undertake building improvements, including minor interior renovation—such as upgrading of the elevator and ventilation systems—as well as the redesign and reconstruction of the building's "skin" in accordance with the revised RFP design guidelines to assure contextuality with the host neighborhood. It is estimated that the improvements will require an investment of approximately \$3 million.

Upon completion of the improvements, approximately 22,000 square feet of space will serve as an exhibition area, a study center (which will include the archives), a meeting and auditorium space, a library and staff offices. The Calder Foundation anticipates the exhibition area will include the following components:

- a permanent installation of Calder's art to provide a retrospective of his work;
- an exhibit area which will change periodically to reflect various themes within Calder's work;

- a permanent installation (smaller than the space devoted to Calder's art) of other artists' work collected by Calder, including, but not limited to, pieces created by Pablo Picasso, Marc Chagall and Joan Miro;
- a project room to house exhibits of work produced by young artists;
- a theater space in which to show Calder films and symposiums;
- regarding the building's existing restaurant space, the Calder Foundation anticipates the installation of a bookstore, gift shop and café.

The study center will offer an unique educational value, in that the facility will make available the Calder Foundation's extensive archives and enable public access to hundreds of thousands of photographs, press clippings, publications and books as well as thousands of photographs. There has been tremendous response by school children to Calder mobiles as demonstrated by massive attendance to our exhibits in other cities. To this end, the Calder Foundation will reach out to the New York City public school system to arrange visits to the museum in order to formalize its use as an educational tool.

In addition to the above, the Calder Foundation proposes, subject to approval of the respective landowners, to install certain monumental outdoor sculptures in the area surrounding Two Columbus Circle, in effect creating a small, but significant sculpture garden (pictures of the sculpture will be forwarded to you under separate cover). We believe the following sites most appropriate to serve this purpose:

- the central area of Columbus Circle;
- the area in front of the proposed Coliseum redevelopment site;
- the southwest corner of Central Park.

Proposed Improvement to the Building

As stated above, the interior space of the existing building will require minimal renovation. The Calder Foundation will, however, undertake certain improvements, including the upgrading and reprogramming of the existing elevator to provide access to all floors (currently, the elevator provides access to only a few floors within the building) and cosmetic improvement to the complete interior.

The organization also proposes to redesign and replace the "skin" of the building, in effect creating an entirely new look for the building, a look more in keeping with the City's vision as articulated in the RFP's design guidelines and the redevelopment efforts at Columbus Circle. At this time, an architect has not been selected but the Calder Foundation intends to pursue one of the following options:

- commission Mr. Hick Stone, an architect and the son of Edward Durell Stone, the building's original architect. Mr. Stone has always been displeased with the existing design as he considered it less than his father's usual standard and he has

- approached the Calder Foundation to propose he redesign the building's facade;
or
- if appropriate with the City, sponsor a design competition, with community participation, through which the design for the new building's facade would be selected.

The Foundation intends to require that the design of the building facade reflect the City's vision while addressing Calder's sensibilities. In effect, this means the Calder Foundation will request certain materials not be used (i.e., reflective glass) and that the newly designed facade compliment the surrounding neighborhood.

At this time, it is project that it will cost between an estimated \$2 million and \$3 million to construct the interior and exterior improvements.

Sources of Funding

Capital Funds:

The Calder Foundation anticipates the funding for the capital costs associated with establishing the museum to come from the following sources:

- several prominent philanthropists have indicated their willingness to donate to the Foundation the moneys toward establishing the museum. The Foundation is in the process of expanding its Board and creating a Fundraising Committee;
- the portion of the project cost not financed by private donations will be provided through the issuance of bonds. It is our intention to apply to the New York City Industrial Development Agency for tax-exempt financing. We are also presently discussing the purchase of these bonds by the private sector.

Operating Funds:

Throughout its existence, the Calder Foundation has been supported primarily by members of the Calder family. To date, it is estimated that family members have contributed at least \$1.5 million of their private incomes to maintain and promote the Calder Foundation.

In light of its desire to establish the Calder Museum, the managing members of the Foundation are committed to creating and implementing a fundraising plan through which the museum's operations and debt service, if any, will be sustained (the plan will be shared with the City shortly). In fact, the organization intends to establish a separate foundation to administer its fundraising plan. In addition to the fundraising plan, we intend to support our operations through:

- charging an admission fee of \$8 per person, with discounts available to students and senior citizens;
- revenue generated through membership subscriptions and the operation of the gift shop, bookstore and café;

- general contributions from philanthropists;
- if necessary, continued subsidy by the Calder family.

Economic Benefits for the City

As stated in "You Gotta Have Art", a report prepared by McKinsey & Company, the arts industry has a tremendous impact on New York City's and New York State's economy: in 1995, the latest year for which figures are available, the arts industry generated an estimated \$13.4 billion to New York State and the State collected \$480 million in taxes as the arts-generated \$13.4 billion was earned and spent.

Based on its experience exhibiting the Calder Foundation's collection to museums in other cities, the Foundation believes the proposed Calder Museum will enhance the arts industry-related income. For instance, a centennial retrospective of Calder's work was recently sponsored by the National Gallery of Art in Washington, D.C. In a three month period, over 288,000 people viewed the exhibit—many of whom traveled from out of town. Further, a San Francisco exhibit of Calder's work drew a crowd of 700,000 people over a two month period. Based on these attendance figures, it is anticipated that over 1.5 million people to visit the Calder Museum per annum.

The anticipated visits can be compared to findings contained in "*The Economic Impact of Major Exhibitions at The Metropolitan Museum of Art, The Museum of Modern Art, The Solomon R. Guggenheim Museum—Fall and Winter 1992-3*". These museums investigated the impact of their major exhibitions on the economy of the City. Over 1.75 million visits were made to the exhibitions at the three museums (slightly more than the Calder Foundation's annual estimate), with roughly 1.3 million of these visitors coming from outside of New York City. This report summarized that the out-of-town visitors brought an estimate \$617 million dollars into the City in terms of shopping, hotel rooms and other expenses during their visit, which roughly translates to a tax benefit to the City and State of over \$60 million. A permanent Calder Museum, using this report's economic multiplier, would generate an estimated \$458 million dollars, with a tax benefit of \$45 million dollars

Further, Calder's outdoor works together with the remodeled museum will not only enhance Columbus Circle but also provide an important link between Times Square, the hotels along Broadway and the hotels to the southeast of Columbus Circle and Lincoln Center. Its exhibits will act as a magnet for additional tourists and will encourage further hotel use and development. The Calder Foundation believes that the cultural use suggested here will directly and indirectly have greater economic impact, leading to the creation of more hotel and tourist-related business in New York City.

Additionally, a museum of Calder's work will offer certain non-economic, "free benefits", the most important of which is enhancing education: through our study center, we will offer an arts education program to children of all ages. Such programs have been proven to promote creativity, foster academic discipline and social skills and assist a child in developing a positive self-image. The Foundation looks to develop a relationship with the City's Board of Education in order to be a resource for the City's school children.

Additional Information

- a) Purchase Price: \$4,000,000. Construction cost: estimated at \$3,000,000.
- b) Job Creation: Construction 50, Primary 65.
- c) Development Team: Calder Foundation.
- d) Zoning Calculations: The site is located in a C5-3 zoning district, which allows museums as-of-right. This zoning district allows a 15 Floor Area Ratio (FAR), which permits a building of 72,000 sq. ft. or one-third larger than the existing structure.
- e) Architectural Plans: redesign and replace the "skin" of the building, creating an entirely new look for the building more in keeping with the City's vision as articulated in the RFP's design guidelines and the redevelopment efforts at Columbus Circle. At this time, an architect has not been selected but the Calder Foundation intends to pursue one of the following options:
 - Commission Mr. Hick Stone, an architect and the son of Edward Durell Stone, the building's original architect. Mr. Stone has always been displeased with the existing design as he considered it less than his father's usual standard and he has approached the Calder Foundation to propose he redesign the building's facade; or
 - if deemed to be appropriate with the City, sponsor a design competition, through which the design for the new building's facade would be selected.
- f) Relationship with surrounding community: Not only will the Calder Museum be physically contextual to the neighborhood, but the development will integrate the needs of the three local community boards, the Central Park Conservancy, the Parks Department, the Department of Transportation, the MTA, Columbus Circle and vicinity property owners, local public interest groups and city-wide public interest groups such as Municipal Arts Society.

Conclusions

The creation of the Calder Museum at Two Columbus Circle would complete the renaissance of Columbus Circle. The redevelopment of this site would remake the building contextual with the surrounding community while creating a world-class destination. The proposed redevelopment would complement the City's effort at the Coliseum site, the entrance to Central Park, the subway station improvement and the reconstruction of the Circle itself. Additionally, private-sector investment would be supported.

If the Calder Museum is approved by the City for Two Columbus Circle, the redevelopment of the Circle and the Coliseum site can incorporate the location of Calder art pieces. The Circle itself would become a sculpture garden.

Sincerely,



David I. Stadtmauer

cc: Douglas MacLaury, Senior VP, EDC