

City May Drop Landmark Status For Grand Central Terminal

By ROBERT A. GRAY

The city is considering withdrawing the landmark designation of Grand Central Terminal after receiving indications it may lose a multi-million dollar lawsuit challenging that designation.

Although Supreme Court Judge Irving Saypol has not issued a written decision, he has made a number of statements from the bench that indicate he is leaning heavily in favor of the plaintiffs who want to build a superstructure over the landmark terminal.

If, as now anticipated, the city loses the five-year legal battle, it faces the possibility of paying upwards of \$60 million in damages.

The case began five years ago after proposals to build a 56-story office tower—designed by the prestigious architectural firm of Marcel Breuer & Associates—over the 1913 landmark were rejected by the Landmarks Preservation Commission. Any new building would have caused some degree of demolition or encroachment of the terminal.

Describing the terminal as "overpowering in its timeliness grandeur," the commission voted at the time that "to balance a 56-story office tower above the landmark of the law.

Beaux-Arts facade seems nothing more than an aesthetic joke. Quite simply, the tower would overwhelm the terminal by its sheer mass" and "reduce the landmark itself to the status of a 'curiosity.'"

After that proposal was rejected another was put forth that would demolish the terminal, except for the main concourse. That too was rejected.

Several Months' Discussion

Penn Central, owner of the property, and UGP Properties, the British-owned developer, filed suit to have the city's landmark preservation law found unconstitutional and the terminal removed from its protected landmark status. They also claimed a combined \$50 million loss of earnings due to their inability to build as planned. Five years later this claim would amount to \$60 million.

Most principals involved in the court fight refuse to comment for the record on the expected outcome before the actual decision. However, some of them have indicated that Judge Saypol appears to be leaning toward ruling only on the specific application of the law to the Grand Central situation without ruling on the overall constitutionality of the law.

Settlement discussions have been going on for several months between representatives of the plaintiff and the city. And, the judge was asked to defer judgment in the hope the case could be settled beforehand.

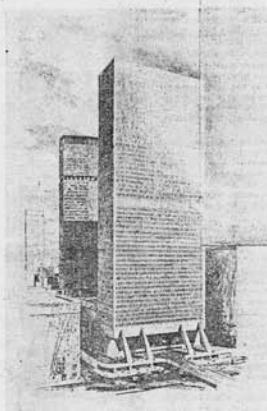
One of the proposals under discussion is a withdrawal of the damage claim if the city were to withdraw the landmark designation. This would allow the owner and developer to build the skyscraper the landmarks preservation commission disallowed.

What effect this will have on the landmarks law is already a subject of debate. Some observers argue that withdrawal of the designation would not affect the law and would only be "instantaneous in negating the specific designation."

Others maintain that such an arrangement would be "nothing short of capitulation by the city. If the city does not appeal the case it is ripping the guts right out of the law and inviting similar challenges to all sorts of individual designations."

Under the law, a designated landmark may not be externally altered or demolished without approval by the Landmarks Commission.

In the lawsuit, UGP attorneys described the mid-Manhattan site as "one of the most valuable commercial areas in the world" and challenged the constitutionality of the landmark designation which had the effect of placing the site off limits to future commercial development.



Architect's sketch of the Grand Central skyscraper site, designed by Marcel Breuer and Herbert Breukhard in 1960. Pan Am building is in background.