## The new offer to Annenberg is MAR 1 7 1977

By ROBERTA B. GRATZ and MICHAEL ROSENBAUM

Three city officials were preparing today to offer publishing magnate Walter Annenberg alternative sites for his controversial \$40 million fine arts center, even though he says the plan is dead.

The development came as Gov. Carey was said to be ready to intercede in the situation.

Earlier this week, Annenberg angrily withdrew his original offer to finance the center in the Metropolitan Museum after a group of political leaders questioned the propriety of the arrangement—particularly whether it was in the public interest to place an autonomous or to place an autonomous or semi-autonomous institution in a city facility.

Two of the officials—City Council President Paul O'Dwyer and Councilman Carter Burden—were among those specifically blamed by Annenberg for his decision to withdraw financial backing.

Annenberg Indicated to



WALTER ANNENBERG Sutton phones a plea.

Mayor Beame yesterday that

Manhattan Borough President Percy Sutton—another official whose doubts about the project had angered Annenberg—said he spent "more

than 30 minutes" last night on the phone trying to con-vince the publisher to change his mind,

"He told me there are many places he could take his money to," Sutton said.

Carey was also expected to call Annenberg to ask him to reconsider, Sutton said.

Community Board 8, on the upper East Side, voted last night to support the Annenberg proposal.

Despite Annenberg's decision, O'Dwyer said he is "exploring" the possibility of using the empty U.S. Customs House at Bowling Green in lower Manhattan to house the center.

The 70-year-old landmark

is owned by the federal government, but could be turned over to the city for free.

The French Embassy building, at Fifth Av. and 79th St., was suggested as a site for the center by Burden.

The building can be purchased for \$2 million, Burden said, and would be "a convenient site because it is across from the museum and also backs onto the New York University Institute of Fine Arts on 78th St.

## B'KLYN PROPOSED

Brooklyn Borough President Howard Golden, meanwhile, is suggesting land adjacent to the Brooklyn Museum, on Eastern Pkwy., as a location for the center.

"New York City is much more than Fifth Av., Golden said in a letter to Annenberg.

Beame disclosed yesterday that he called Annenberg twice, on Tuesday and again Wednesday morning, trying to persuade him to reconsider his withdrawal of the wift

gift,
"I expressed to him my
appreciation of his generous appreciation of his generous offer and advised him I had asked the chairman of my Cultural Affairs Commission to review the specifics of the proposal so that I could be fully apprised of all the facts," Beame said.

He added that Annenberg "indicated his decision was final."

## BEAME REGRETS

Annenberg's decision to withdraw his gift came a day before the Parks Dept. received the proposal for approval.

Beame said it is "regret-table that a gift of this mag-nitude . . . is apparently lost to this city because of premature criticism and overreac-tion in the absence of the

Sutton said he called Annenberg in Palm Springs, Cal., to ask the publisher if he "would object" to the Board of Estimate holding an

"informational" hearing on the project as an "academic exercise."

He said the Annenberg told him he was "annoyed" with the city and didn't understandwhy there were "layers of inquisition" surrounding the