

Architecture

The Plot Thickens

By ADA LOUISE HUXTABLE

IT gives us absolutely no pleasure to announce that the matter of the Villard Houses has gone exactly according to the script. The script appeared here two and a half years ago and detailed how a landmark gets backed toward extinction by the wonderful world of real estate.

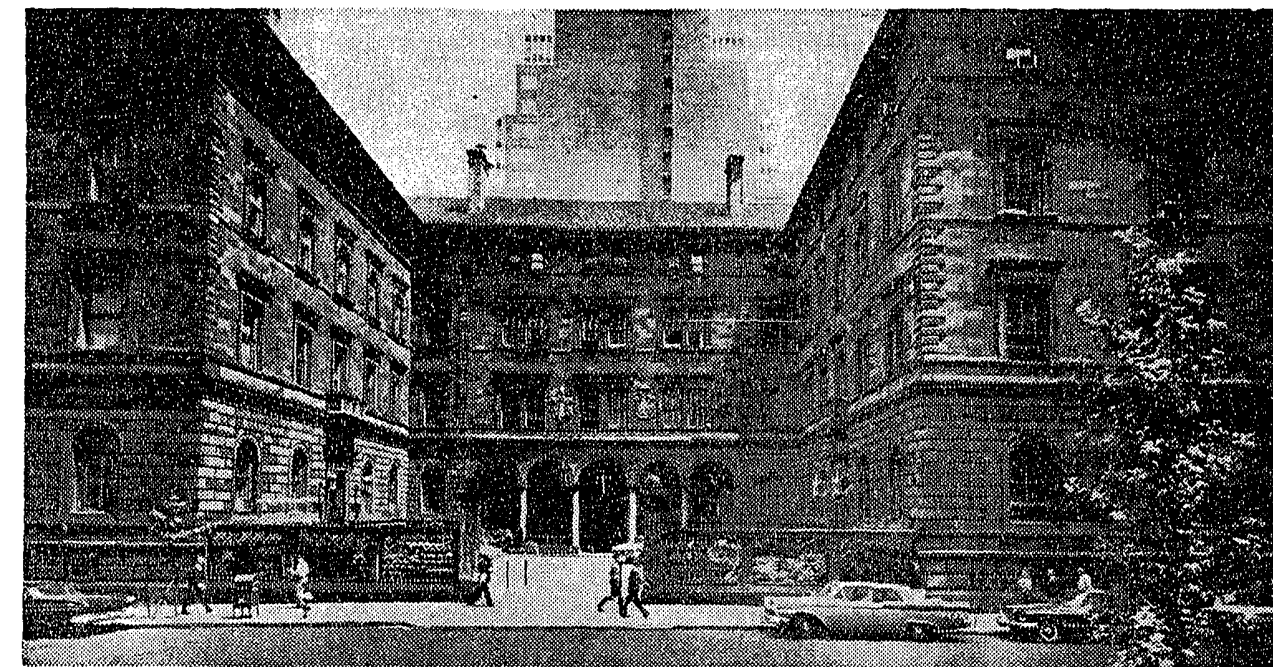
The Villard Houses on Madison Avenue between 50th and 51st Streets were built in the 1880's for railroad magnate Henry Villard and his friends by McKim, Mead and White, the connected residences modeled after the Cancelleria in Rome. The whole was, and is, one of the finest buildings in New York, and was designated a city landmark in 1968.

The south wing is owned and occupied by the Archdiocese of New York; the north wing is owned and was occupied by Random House until the publishing firm was acquired by the RCA conglomerate and moved to Third Avenue. Part of the north, or 51st Street side, just beyond the Random House section, is owned by the Archdiocese and rented to the Capital Cities Broadcasting Company.

The Archdiocese also owns the two buildings on each of the side streets directly adjoining the Villard Houses, making a sizable blockfront-around-the-corners property in an elite commercial location, tax-free, with a solid gold development potential. Random House is the missing piece.

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The 1968 script pointed out that by certain prescribed real-estate rituals the Villard Houses were doomed when Random House moved out. There were expressions of ritual regret followed by reluctant admissions of willingness to sell by both the publishing house and the Archdiocese, due to the high value of the land (Random House) and the pressure of financial problems (the Archdiocese). The inevitable speculative process was launched to the audible accompaniment of the wheeking and dealing of the real-estate baracudas, ever alert for the kill. At that point, the Arch-



McKim, Mead and White's Villard Houses on Madison Ave. The Random House end is for sale.
"At what point does a landmark become a developer's dream?"

diocese announced that it would not sell, and would do everything it could to maintain and protect the landmark building.

So what's new in 1971? Nothing that any New Yorker couldn't have guessed. The wheeling and dealing continues, although in the wonderful world of real estate nothing is ever on the record. Everyone denies everything, categorically. That is also part of the ritual.

Only one thing is on the record so far. RCA is selling the Random House part of the Villard Houses. No hedging this time; the sign has been up on the building since summer. For a while, Brown, Harris, Stevens, the real estate firm that had represented Random House previously, was the exclusive agent. Some of its people have been working closely with the Landmarks Preservation Commission to find a buyer who will save the building.

But the plot thickens. The RCA conglomerate has also acquired Cushman and Wakefield, a real estate firm. Cushman and Wakefield has entered the action as RCA's agent, with authority to find its own buyer or to review any deal turned up by Brown, Harris, Stevens.

Hold on now for a short, rough trip through the murky waters of New York real estate. The assessed valuation of the Random House property is \$4.8-million. Reliable sources say that RCA, anxious to sell fast, might take a firm \$3-million. They also say that if Brown, Harris, Stevens comes up with a preservationist buyer at \$3-million, Cushman and Wakefield

is very likely to follow that bid with another buyer at \$3.5-million — regardless of preservation. The talk around town is that there may even be a buyer waiting in the wings for the shoe — and bid — to drop, and that it could be the Archdiocese. A good many people have this impression, including Mr. Robert Sarnoff, head of RCA.

This has been denied, categorically of course, by Mr. John J. Reynolds, real-estate broker for the Archdiocese. He stated, when I called, that the Archdiocese is not interested in buying the Random House property, and would not dream of demolishing the Villard Houses. He called the landmark a lovely old building (and called me dearie).

But in New York economics is destiny. And in the business Mr. Reynolds is known as a shrewd man. As long as the Random House part of the Villard Houses is owned by someone else and kept as a landmark, the assembly value of the rest of the Archdiocese's land is hurt. That's real-estate gospel.

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Mr. Reynolds, over the phone, didn't sound like a man who would let destiny get away from him. Categorically, no broker would. Astute observers feel the wind blowing from Cushman and Wakefield to Mr. Reynolds as a matter of simple investment logic.

The Random House property would complete Archdiocese ownership of the Villard Houses to tie everything together on Madison Avenue and the side streets for one irresistibly profitable development parcel. The full po-

tential, of course, could only be realized by demolishing everything on the site and putting up a new office building. That investment could do a lot for poor parishes, and the Archdiocese could move into the new building.

At the least, completing the land assembly would be a sound holding investment for the Archdiocese, and at the most, a developer's dream. It is almost certain that at some point the growing financial problems of the Archdiocese would make development of the commercial bonanza and demolition of the Villard Houses irresistible and inevitable.

Actually, there are several ways to keep the Villard Houses. But each one entails more than lip service to the principle that public and urban values are involved that are a legitimate balance to the commercial value of the land. Everyone agrees about this—in principle if not in practice — another part of the ritual.

Brown, Harris, Stevens has been having fruitful talks with professional and cultural organizations. But that is not the kind of fast cash deal that RCA would evidently prefer. It's a funny thing about conglomerates; on the one hand they act like corporate principalities, and on the other they operate as if they were starving.

Then there is the curious and controversial matter of the Lehman Collection and the Metropolitan Museum. The Lehman Collection was given to the Metropolitan with the stipulation that it be housed there in its own wing, for which an undis-

closed and obviously very large sum of money for design, construction and maintenance in perpetuity has been provided by the Lehman Foundation. What Mr. Lehman really wanted was to have his town house moved up to the Metropolitan and hooked onto it, as the architects' astonishing early renderings clearly show. The presently proposed wing is a negotiated compromise. How much better it would be to have a Lehman Museum in the palatially appropriate Villard Houses, superbly located in midtown.

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There are New York builders willing to buy the Archdiocese's property at a substantial profit for the Archdiocese, keeping the Villard Houses and building behind them with transferred air rights from the landmark as permitted by New York zoning law. Permissible distance for transferral is being studied now.

Present efforts to establish a Landmarks Preservation Conservancy would make it possible for the Archdiocese and RCA to turn over the Villard Houses to the Conservancy at the same time that they could sell the total development rights as if the building were not there.

Ultimately, the decision is Mr. Sarnoff's at RCA. Mr. Sarnoff has only to decide that the deal he wants is not the one his real estate people think looks best on the books, but one that best preserves the Villard Houses for the city. The matter is already tarnishing the RCA image and disturbing New York.