

Aldon James to Face National Arts Club's Board After Court Setback

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O. Aldon James stepped down from his position as president of the National Arts Club in June. He allegedly stole funds from the NAC and used club apartments to hoard personal items. (Astrid Stawlarz/Getty Images)

MANHATTAN — The National Arts Club's board is expected to decide next month whether to evict former president O. Aldon James from his apartments in the arts institution's Gramercy Park landmark building.

James had gone to court to block the club's board from holding a hearing to oust him, his twin brother, John James, and their friend, Steven Leitner. But Manhattan Supreme Court Justice Carol Edmead decided this week to uphold the board's right to hold the vote.

"[T]he hearing on the statement of charges shall proceed," Edmead wrote in her decision.

The board moved to oust James from his position at the head of the club, which he held for 25 years, and boot him from his apartments after a series of stories broken by DNAinfo revealed he had allegedly used club apartments to hoard antiques and junk, misused club funds and abused club members and employees.

The Manhattan District Attorney's office and the state Attorney General's office have both launched probes into James' dealings at the club.

James had hoped Edmead would disqualify the club's May 3 elections of new board members, along with all of the board's decisions made after the new members were voted in. Those decisions included a vote to evict evict him, his brother and Leitner.

In her decision, Edmead did indeed declare the May elections null and void, disqualifying the elected members, citing that there wasn't a quorum present to constitute a proper election for them to join the board.

But the judge also said the board's charges against James still stood, because enough of the existing board members — even without the now-disqualified ones — had formed a quorum when voting to approve the eviction proceedings.

"Clearly the club can and will pursue its actions against Mr. James at the previously scheduled hearing on Jan. 23," the club's attorney, Roland Riopelle, said in a statement. "In short, this attempt to delay the club in its pursuit of charges against Mr. James has failed."

The James brothers and Leitner control six of 40 apartments at 15 Gramercy Park South, down from an estimated 20, paying well below market rates on some and having no leases on others.

Club sources, however said the trio are no longer actually living in the apartments and are only stopping by about once a week.

They had been using the apartments to hoard antiques and other junk, which may have been bought with club money, according to the club's internal investigation launched after the Attorney General and Manhattan District Attorney began probing alleged financial malfeasance at the club.

When the board attempted to hold an internal hearing to evict them from the club's Gramercy Park mansion, the three filed a lawsuit in August.

This week's court decision comes on the heels of another attempt by James to hold up the board's proceedings. He had hoped to get a neutral third party to hold his hearing instead of the board, which he claimed was prejudiced against him.

Instead, Edmead's decision disqualifies two board members who had expressed allegiance to James and the club's new president, and James' former No. 2, Dianne Bernhard, from participating in the eviction vote.

James' lawyer, Adam Gilbert, declined to comment on the recent decisions but told DNAnfo previously, "I am totally convinced that this is going to be a rigged hearing. The fact they are so adverse to having a neutral and independent fact-finding party hear the case supports my conclusion."

The club's lawyer said the NAC was disappointed by the nullification of its May elections, "especially given the fact that the outcome of the election would have been the same had a quorum been present."

The club is considering a possible appeal of the decision, Riopelle said, "in the hope of avoiding the expense of holding a new election." If the ruling is not overturned, the board will have to hold new elections.

The club has already spent more than \$500,000 on legal fees since the investigations began in March.