

## **National Arts Club Fires Back at Aldon James**

September 23, 2011 | By Amy Zimmer, DNAinfo News Editor

MANHATTAN - The National Arts Club may have gotten a shiny new coat of paint and upholstery, but infighting rages on at the venerable Gramercy Park institution.

The embattled O. Aldon James - who is presently under investigation by the Manhattan District Attorney and State Attorney General offices for alleged financial misdeeds - was recently ousted from the presidency after 25 years and now faces possible eviction from his apartments there. Even so, he told DNAinfo this week that he and other supporters were "taking back the club."

Dianne Bernhard, who officially became the club's president in June, after serving as James's No. 2, fired back with a statement late Thursday night blasting the club's former leader.

"For what purpose is Mr. James taking back the club?" Bernhard asked in her statement. "So that a quarter-century of neglect can continue until the building falls down around us, or law enforcement appoints a receiver? Or maybe he's taking back the club so he can continue using the members' dues to write questionable checks from the club's bank account without any oversight?"

The club's board moved earlier this month to boot James, his twin brother, John James, and their friend Steven Leitner from the landmark building after DNAinfo revealed James was renting some apartments at the club at below-market rate and using others to hoard junk. They have six apartments in the club. Bernhard said that at one time they occupied nearly 20 of the roughly 40 club apartments.

James filed a lawsuit against the board over the eviction, and on Tuesday, state Supreme Court Judge Carol Edmead issued an injunction delaying the hearing the board had planned for the eviction proceedings. Her decision said that before the hearing takes place, both parties had to agree on a group of people to inspect the apartments.

After the hearing, James made his pledge to take back the club on the steps of the courthouse, but said he didn't personally want to resume the presidency. "The club belongs to the people," he said.

"We're asking: From whom is Mr. James taking it back? From the members, to whom this club rightfully belongs, who pay annual dues that support this public institution?," Bernhard wrote. "Or is he taking it back from the democratically-elected board of governors that he himself voted for this past May?"

According to an internal investigation by the club, a summary of which was obtained by DNAinfo, James used the 113-year institution as a personal piggy bank during his reign, spending "thousands and thousands" on personal expenses. The report claimed, for instance, that James wrote \$1.4 million worth of club checks - including thousands of dollars that went toward his own personal expenses - without any backup documentation, oversight or invoices.

"Let's not forget that when we started this process there were nearly 20 hoarded units that were dangerously unsanitary and it is only through the perseverance of our members and governors that we have reduced that number to six," Bernhard's statement said

She added: "We wish that Mr. James, his brother and their 'family friend' would spare the club the hardship of their long-standing pattern of lawsuits and vindictiveness that serve no other purpose than to drain the Club of its precious resources. We would much rather focus our time and resources on the future stability of The National Arts Club."

James' lawyer did not immediately respond for comment.