

# World Trade Center Here Upheld by Appeals Court

## Appellate Division Reversed in Voiding 470-Million Port Authority Plan— Case to Go to Supreme Court

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ALBANY, April 4—The Court of Appeals cleared the way today for the Port of New York Authority to go ahead with its \$470,000,000 World Trade Center on the lower West Side of New York City.

In a 6-1 decision, the state's highest court reversed a ruling by the Appellate Division of the Supreme Court in Manhattan that the state law authorizing the project was unconstitutional. A majority opinion by Associate Judge Adrian P. Burke held that the law, identical with one passed by New Jersey, violated no state or Federal constitutional provisions.

[In New York City, Oscar Nadel, chairman of the Downtown West Businessmen's Association, said the organization would appeal the decision

to the United States Supreme Court. The association is made up of businessmen on the site of the proposed center.]

The Appeals Court ruled that the law was broad enough to permit the Port Authority to acquire the private property on the 13-square-block area where the world trade structures would be erected and also the properties of the Hudson and Manhattan Railroad.

Concurring in the majority opinion were Chief Judge Charles S. Desmond and Associate Judges Charles W. Froessel, Sydney F. Foster, Marvin R. Dye and Stanley H. Fuld. A dissenting opinion was filed by As-

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sociate Judge John Van Voorhis.

The effect of the majority ruling will be to give the Port Authority the go-ahead signal on its project. Title to the Hudson and Manhattan Terminal was vested in the bi-state agency by the Supreme Court last July 26.

The entire project calls for the expenditure of about \$270,000,000 for the proposed huge World Trade Center for import and export businesses and \$200,000,000 for the acquisition and rehabilitation of the Hudson and Manhattan properties, including complete reconstruction of the terminal at 30 and 50 Church Street. This will involve demolition of commercial structures on the 13-block World Trade Center site. The terminal is now a part of the site.

## Lower Court Held to Err

In the majority opinion Judge Burke noted that the Appellate Division had agreed that the World Trade Center represented a public purpose, but that three of the five justices had felt that the statute was unconstitutional on its face, because it granted power to condemn property to be used for no other purpose than the raising of revenue for the cost of the project.

The lower court majority was mistaken, Judge Burke held, in taking the view that the statute allowed unfettered construction of buildings that would be solely revenue-producing. The Court of Appeals held that the statute allowed only parts of structures that would be devoted to project purposes to be used to produce incidental revenue for the expenses of all or part of the port development project.

In his dissenting opinion, Judge Van Voorhis disputed the constitutionality of the state law.

The provisions declared unconstitutional by the Appellate Division, he said, did not appear to be inadvertent, but to have been inserted in the statute deliberately to give the

Port Authority extensive and uncontrolled power to condemn and manage private real property for private purposes as a major object of the acquisition.

This acquisition, he said, could put the Port Authority in the real estate business by making it a potential landlord.

Judge VanVoorhis saw no merit in the Port Authority's argument that "centralizing" private activities in the 13-square-block area would transform them into public purposes. He declared that the bases of private ownership and enterprise would be impaired if a project was to be held public merely because a public body declares it to be so to serve its own idea of the public good.

## Port Authority to Act

Soon after the Court of Appeals decision was made public, the Port Authority announced that it would move next week to revive the dormant modernization plans for the Hudson and Manhattan (Hudson Tubes) System.

Also up for action will be to advance the architectural work on the World Trade Center.

Both subjects will be on the agenda of the Port Authority Commission, which will hold a meeting next Thursday at the agency's headquarters, 111 Eighth Avenue.

Plans for the World Trade Center had been shelved, and operation of the tubes had been put on a caretaker basis after the Appellate Division ruling in February. The Port Authority had returned, unopened, bids on a contract to supply 250 air-conditioned cars when the lower court ruled against the New York-New Jersey law.