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## **\$30 Million Rescue for Los Angeles Museum**

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Edward Wyatt / Jori Finkel. *The New York Times*, 23 de diciembre de 2008

**LOS ANGELES — The Museum of Contemporary Art, known for its impressive collection of postwar paintings and sculpture but also for an ambitious exhibition program that has driven it to the brink of financial collapse, said Tuesday it had negotiated a \$30 million bailout with Eli Broad, this city's leading cultural patron.**

The museum said the rescue plan, which involves a restructuring of its management, would allow it to maintain its current headquarters, seen as a linchpin in the revitalization of downtown. It will also prevent the museum from selling off artwork.

The plan avoids a painful embarrassment for Los Angeles, which has promoted itself as a leading force in contemporary art.

Institutions here have long struggled to raise adequate endowment and operating funds from local business and entertainment leaders. But with the rescue plan now in place, the museum said Tuesday, its trustees have pledged to give more than \$20 million over the next five years to support the endowment and operations.

Mr. Broad's foundation has offered to match the first \$15 million as the money is received and to provide an additional \$3 million per year for exhibitions for five years.

"Today is a great day — it's really the rebirth of MOCA," Mr. Broad said at a news conference at the museum, known by that acronym. The president of the Los Angeles City Council, Eric Garcetti, said, "We've known for years that MOCA loves L.A., but today we know that L.A. loves MOCA as well."

But the official celebratory tone was undercut by artists in attendance who voiced frustration with the secrecy in which the deal was brokered. Diana Thater and Cindy Bernard, two artists who started an online Facebook group, MOCA Mobilization, to press for the museum's survival, lamented the timing of the announcement — on the cusp of a long holiday — and the absence of a question-and-answer session at the news conference.

“It’s like President Bush at 5 p.m. on a Friday making major announcements,” Ms. Bernard said. “It undercuts our ability to have a real discussion, and it underscores MOCA’s lack of transparency.”

As part of the overhaul, Jeremy Strick, the museum’s director since 1999, has resigned, and a new chief executive, Charles Young, has been named. Mr. Young, 76, a chancellor emeritus of the University of California, Los Angeles, has little museum experience but is known to be friendly with Mr. Broad. Mr. Young will oversee the museum’s day-to-day operations.

The museum also announced the creation of an advisory committee whose members are John Lane, the former director of the Dallas Museum of Art; Joel Wachs, the president of the Andy Warhol Foundation in New York; John Walsh, the former director of the J. Paul Getty Museum; and Gary Cypres, a financial adviser. Mr. Cypres is married to Kathi Cypres, a museum trustee.

David Johnson, a co-chairman of the Museum of Contemporary Art’s board, said the committee “has no fiduciary duty” but would “help the board to think about directions and leadership.” He said he played an instrumental role in assembling the group.

Mr. Young, a longtime colleague of Mr. Broad, was the U.C.L.A. chancellor when Mr. Broad served on the board of what was then called the U.C.L.A. Hammer Museum. Mr. Young said his first challenge at the museum would be “to see what budget cuts can be made most quickly” without jeopardizing programming. “We have to use a scalpel and not a sledgehammer,” he said.

Mr. Broad said he would not be involved in the museum’s search for a new director. Asked about his potential role in choosing Mr. Strick’s successor, Mr. Young said, “I think I will be involved — that’s the board’s decision.

“My advice will be to postpone it for some time,” he continued, “until things get to a point where you have an attractive opportunity to offer, where you could attract a better candidate than you could now.”

Under the rescue plan, the museum said it would also begin a \$75 million fund-raising campaign, hire “reputable investment advisers” to manage the endowment, and exhibit its seldom-seen permanent collection “widely, consistent with customary museum practices.”

Such steps are intended to address severe criticisms that have been leveled at the museum as its financial condition worsened in recent years. Its endowment has declined to about \$6 million from roughly \$40 million at the beginning of the decade, in large part because the museum has drawn on it to pay for operations, a frowned-upon practice in the nonprofit world.

The museum chose Mr. Broad’s offer over a competing offer to merge with the Los Angeles County Museum of Art, a larger institution that in February opened a new building devoted to contemporary art that was paid for — and named after — Mr. Broad.

Many museum supporters opposed the Museum of Contemporary Art's being subsumed into the county museum. But many also expressed doubt about the offer from Mr. Broad, a former businessman known for maintaining strict control over his ventures.

To address concerns about his power in the city's cultural world, Mr. Broad and the Museum of Contemporary Art agreed that "any responsible party" who would agree to the same terms of support for the museum could replace him within 90 days.

Paul Schimmel will remain in place as the museum's chief curator. Also remaining are the board's co-chairmen, Mr. Johnson and Tom Unterman, who served in oversight roles when the museum repeatedly spent restricted endowment funds to pay for daily operations.

The California attorney general is conducting an audit of the museum's finances to determine whether the museum violated any of the restrictions on gifts it received that were used to pay for operating expenses.