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Fund-raising work is on track for Barnes' move to Parkway

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By Stephan Salisbury

A great hole has been opened between 20th and 21st Streets on the Benjamin Franklin Parkway. The foundation slab is laid. Trucks grind in and out of the site, and workers guide great crane loads of rebar and concrete into place.

The future home of the Barnes Foundation art gallery is expected to open here in 2012. The 2004 court-approved plan to relocate the Barnes from its original home in suburban Merion was a years-long source of contention, and a 2009 movie about it stirred the pot with depictions of moneyed foundations and grasping politicians trampling the wishes of the late Albert C. Barnes, patent-medicine king, collector extraordinaire, and a man who loved a good fight.

That's in the rearview mirror now. Derek Gillman, the Barnes' executive director and president, said in a recent interview that he was "very confident" the foundation would open on time and with adequate funding.

He said construction of the new Parkway facility, designed by Tod Williams Billie Tsien Architects, was on schedule and even slightly under budget, because of recession-related deflation in the construction industry.

The move is riding on a \$200 million fund-raising campaign - \$150 million for construction and \$50 million for endowment. The foundation has raised about \$160 million so far, the majority of it from the state (\$32 million), the Annenberg Foundation (\$20 million), the Pew Charitable Trusts (\$15 million), Marguerite and H.F. "Gerry" Lenfest (\$15 million), the Neubauer Family Foundation (\$10 million), and the William Penn Foundation (\$10 million).

The Annenberg, Pew, and Lenfest foundations have been strong supporters of the move - and targets of sharp criticism from those who believe the Barnes should stay where it is. (The Merion facility will remain open after the move, operating the Barnes' highly regarded arboretum programs.)

At the time of his death in 1951, Barnes left a trust indenture governing operations that stipulated the foundation should remain in Merion and the priceless collection of early modernist art should never be moved or loaned.

In the 1990s, however, the foundation fell into serious financial difficulties and faced the possibility of closure. The Barnes board proposed a move to a more accessible and visitor-friendly location in Philadelphia as a way out of the fiscal mess. The three

foundations strongly supported the plan, and Montgomery County Orphans Court approved modification of the trust indenture to allow the change.

Of the \$160 million raised or pledged so far, Gillman said, between \$130 million and \$140 million is in hand.

"We have the remainder to bring in and we're very confident of it," he said, adding that "over 30 seven-figure gifts" already had been pledged. "We have a wonderfully generous pool of million-dollar donors."

In the last several months, the Barnes Foundation has built up a development staff, which now is also beginning to draw in contributions, large and small.

In 2008, general contributions and memberships amounted to \$171,416, according to foundation records. In 2009, that figure rose to \$411,260. In March 2009, memberships totaled 390; a year later, the number had risen to 3,372.

"We feel we can raise the money now," a foundation official said, asserting that membership numbers and contributions were continuing to rise. "People are giving."

No funding opportunities are being ignored, Gillman said.

"Like other educational and arts institutions, the Barnes will welcome endowments for named staff positions, especially in the education, curatorial and conservation areas," he wrote in an e-mail response to an inquiry. "We are offering naming opportunities for a number of spaces in the new building on the Parkway. We are not offering naming rights to the replicated galleries, where the Barnes collection will be installed as it is in Merion."

Still, the foundation has about \$40 million to raise to meet its campaign goal and to establish an endowment capable of generating \$2 million to \$3 million annually for operations.

Gillman said the projected budget once the move is complete is above \$11 million annually, more than twice the current budget. He said he believed the fund-raising target would be met, yielding enough cash for operations to break even. About 60 percent of the budget is expected to come from ticket sales, parking, the store and cafe, he said. Twenty percent would come from contributions and 20 percent from the endowment.

"We think that's a reasonable, sensible, and, most importantly, a realistic business model," he said.

Big backers of the effort do not disagree.

Lenfest, for instance, said he was more than satisfied with operations so far, and was taking a "hands-off" approach to the project.

"They have a great board," he said. "In my personal opinion, the design [of the new building] is wonderful, they have the funding to build. I'm very pleased. They could no longer stay in Merion. There were no finances. . . . We did the right thing."

Rebecca Rimel, head of the Pew Charitable Trusts, said the trusts were not engaged in Barnes operations at all.

"Our role with the Barnes now is sort of as cheerleader and observer as this moves forward," she said, adding that there were no Pew plans for additional capital funding.

"We will treat the Barnes and work with the Barnes as we would with any other organization," she said. "We don't anticipate any sort of special relationship."

City officials said they did not require any economic-benefit analysis for the project.

"It's a pretty easy case from the city's perspective," said Duane Bumb, the city's senior deputy director of commerce. "If we were being asked to provide a public asset [in this case, the site on the Parkway] for a for-profit undertaking, we'd be requiring much more detail."

The Barnes, which has projected an annual visitation rate of 180,000 after the first Parkway year, did commission an economic-impact study from Philadelphia-based Urban Partners.

That study estimates the facility would have an annual economic impact of \$50.32 million, create 1,960 jobs during its construction and development period, and 740 permanent jobs. Additionally, it says the Barnes will generate \$3.86 million in state and city taxes annually.

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