

## THE ART GALLERY THAT HELPED TO SAVE A CITY

Gord Hume...Sept 2016

Detroit is coming back.

And one of the reasons it has emerged from bankruptcy protection and is showing renewed energy and investment is the role that the Detroit Institute of Arts (DIA) played in the complex and often bitter negotiations.

The DIA is a civic treasure. Located on Woodward Avenue near the downtown, it now anchors a growing Cultural District a few blocks north of the core. A huge, sprawling museum and art gallery, it has been endowed with paintings, artifacts and collectibles for decades.

When the city of Detroit was put into bankruptcy in 2013, angry bondholders began to circle civic assets with a vulture's beady stare. It soon became apparent that the DIA had priceless treasures—but they started to put prices on them anyway. The resulting financial estimates ranged from \$3 billion to 6 billion!

It was to a large degree the thought of Detroit losing these cherished community assets at the DIA that finally galvanized the city and its residents and roused the community into constructive action. A smart federal judge overseeing the bankruptcy proceedings provided thoughtful guidance and a firm hand. The DIA board went out and raised \$840 million dollars (much of it from external foundations that had no particular attachment to Detroit but recognized the danger of letting the DIA be stripped of its collection at fire-sale prices).

There were three main players in the bankruptcy proceedings: the retirees and their pensions; the bondholders; and the city. Everybody took a bit of a hair-cut. Local corporations stepped up, as did philanthropists. A new mayor started a revitalization of the city. The final resolution was called "The Grand Bargain" and the court accepted the many complex and varied elements that went into the restructuring. Everybody signed off. Finally, although not without some hollering.

Today Detroit is out of bankruptcy and continues to rebuild and reshape itself. There is growing interest in the downtown, and both business and residential spaces are being filled. There is a growing hi-tech sector. More feet on the street. A new hockey rink for the Red Wings is being built close to the downtown locations of Ford Field and Comerica Park, which host the Lions and the Tigers. Bars and restaurants buzz on game night.

Much of the city's rejuvenation is being driven by a marvelous emphasis on local food—converting dilapidated properties into community gardens, supporting local restaurants, attending

community farm markets for fresh produce, home-made jams and jellies, baked goods and much more. Detroit is getting a reputation amongst foodies.

And through it all, the beautiful and serene presence of the DIA continues to reign. For nearly 130 years it has been a place of peace, beauty and history. It was the first museum in the United States to purchase a Van Gogh. Today its inspiring collections include rooms dedicated to the Dutch Masters, European Medieval and Renaissance, and Europe inspired by Italy. But it also includes Modern art, African-American, special exhibitions, Andy Warhol and Picasso and much more. It offers films, music, family events, community outreach and partnerships with a variety of civic organizations.

Importantly, the question of who owns the DIA and its billions in assets has been clarified: it is now an independent organization and not under civic control.

Local residents get free admission to the DIA. Hundreds of thousands of school children have visited the DIA over the years. It is both inspiring and inspirational. It is the art gallery that helped to save a city.