

**Name of Project: Dia:Beacon, Beacon, New York**

**Name of CDE: National Trust Community Investment Corporation**

## **BACKGROUND**

Andy Warhol, Joseph Beuys and Donald Judd are among artists of the 1960s and 70s who experimented with light, space, dimension and shape in huge sculptures or multi-painting series. Many works by these masters had been warehoused by the Dia Art Foundation because the nonprofit did not have adequate space to display them in its Manhattan facilities. The opening of Dia:Beacon in May, 2003 elegantly solved that problem, as well as what to do with an aging industrial factory that had sat vacant since 1991.

## **The Project:**

After receiving a donation of the former Nabisco carton making and printing plant from International Paper, Dia planned a dramatic reuse of this 292,000 square foot former industrial space. The result is an array of stunning single-artist galleries renovated specifically for each installation. The structure's 34,000 square feet of skylights and wide expanses between columns provide an optimal setting for viewing the renowned yet rarely seen contemporary arts collection.

## **Project Financing:**

Dia Beacon, a modern art museum located in the economically distressed Hudson Valley of New York State, utilized an HTC investment to close and begin construction in August 2002, and received an additional 15% or \$766,889 in NMTC equity after the signing of NTCIC's Allocation Agreement. Dia used the funds to create an operating reserve. In this case, the reserve will be used to help cover projected operating deficits of about 70% of the budget, typical of the operations of most highly visited and well-managed art museums. Over the first 5 years of operations, the reserve will offset the amount of cash that Dia would normally have had to fundraise to cover expenses. Several HTC-only projects in LICs were not enhanced with NMTCs because they did not demonstrate a need for additional equity. In addition to the \$6 million historic/NMTC equity investment, the \$31.5 million project was financed by donations and private contributions.

## **Community Impact:**

Dia:Beacon is a unique demonstration of a historic tax credit project by a 100% tax-exempt tenant. It also furthers the City of Beacon's goals of redeveloping the Hudson waterfront, enhancing cultural opportunities, and protecting some of the most spectacular scenic vistas in the mid-Hudson region. Dia:Beacon has an important economic impact on the area. In its first full year of operations it drew 145,000 patrons and directly created 60 new jobs.