

Supporters of the merged Pittsburgh Filmmakers and Pittsburgh Center for the Arts are counting on Charlie Humphrey to guide the new organization with creativity and vigor, not gasping for breath as the sculpture "Breath" on the center's lawn appeared to be doing before a tree was planted in its mouth last year.



ARTISTIC

WITH SUPPORT — AND TOUGH LOVE — FROM LOCAL FUNDERS, THE PITTSBURGH CENTER FOR THE ARTS ROSE FROM FINANCIAL RUIN BY UNITING WITH PITTSBURGH FILMMAKERS. NOW, IT'S UP TO CHARLIE HUMPHREY, ARCHITECT OF THE MERGER AND EXECUTIVE DIRECTOR OF THE NEW ARTS GROUP, TO KEEP THE ORGANIZATION ON TRACK.

BY JEFFERY FRASER PHOTOGRAPHY BY JOSHUA FRANZOS

VISION

The storm clouds that had gathered over the Pittsburgh Center for the Arts broke just a few days before Charlie Humphrey was to leave for England on the first two-week vacation of his adult life. No longer able to bear the weight of a festering debt that had reached \$1.1 million, the arts center closed its doors in 2004 after 60 years of supporting local artists and offering visual arts education to tens of thousands of Pittsburghers, young and old.

It was staggering news to the local arts community. None was more affected than Humphrey.

As director of the successful media arts nonprofit, Pittsburgh Filmmakers, he had emerged as one of the city's leading arts managers and a passionate advocate of nurturing and promoting the creativity of local artists. Moreover, the center had deep family roots. His great-grandfather, Charles Donnell Marshall, had donated the center's trademark yellow stone mansion on Fifth Avenue to the city in 1945 to be used as a community arts center, and Humphrey's father was an early member of the center's board of directors.

While Humphrey was touring London in the late summer of 2004, his thoughts were of the trouble brewing back in Pittsburgh. "I thought about it the whole time," he says. "I tried to go back in my mind to figure out what had happened. I thought about what could be done to help the Center for the Arts through its problems. I thought about what that meant.

"If you look at the tapestry of Pittsburgh culture and took that panel out, there would be a gaping hole. I couldn't stand the thought of that."

Within two months of returning to Pittsburgh, Humphrey was leading an effort to right the troubled arts center, drawing support from artists, staff, an army of volunteers and major funders, including The Heinz Endowments. In a little more than a year, nearly 70 percent of the arts center's debt had been whittled away. The center reopened. Its core programs were resumed. And a deal was struck, merging it with the more stable Pittsburgh Filmmakers and installing Humphrey as its executive director.

While the merged organization has yet to settle on a name, it presents untold creative possibilities and the potential for broadening the reach and offerings of both organizations. It also reflects a recent national trend of arts-group mergers as cultural organizations experience more financial difficulties,

large foundations seek greater assurances that their funds are used efficiently, and the cultural sector looks for new organizational models to better address increased pressures faced by arts groups today.

A *Wall Street Journal* survey found that at least a dozen arts organizations around the country have formed some type of alliance in recent months to ensure the viability of one or more of the groups involved. The newspaper reported that the long-term prognosis of these unions is uncertain, as some still struggle to reach financial goals while artistic differences, audience discontent and ego battles among key players have made others less than harmonious.

In Pittsburgh, the new arts organization's performance so far has done the most to restore the trust that had been eroded by the arts center's financial turmoil. The Pennsylvania Council on the Arts agreed to continue its support, and the Regional Asset District resumed funding the center. Much of the funding from the region's foundations also has been restored.

The Endowments, for example, recently awarded \$90,000 in general operating support for this year, a sum that had been withheld from the center at the height of its crisis. The Endowments also forgave a \$100,000 debt incurred after the center had improperly paid general operating expenses with money from a grant awarded for training school and community art teachers.

"That was a vote of confidence," says Janet Sarbaugh, senior director of the Endowments' Arts & Culture Program. "We agreed to do those things based on the strength of the work Charlie had done to retire the debt, repay artists and reopen the center."

The city's artist guilds established the Pittsburgh Center for the Arts more than six decades ago. The center, housed in two donated Shadyside mansions, became a significant resource for local artists, schoolchildren and others interested in the arts and arts education. Its school offered studio classes and workshops taught by local artists, and enrolled more than 3,000 children and adults in peak years. Its exhibition program gave contemporary artists of the region a showcase for works in watercolor, ceramics, fiber art, sculpture and other disciplines, and a shop where they could sell those works. Its school and community program sent artists into schools and community centers to teach more than 7,000 students a year.



Even before Pittsburgh Filmmakers and the Pittsburgh Center for the Arts merged, they shared similar missions, such as supporting arts education. At left, Central Catholic High School sophomore Zack Wallman, left, pays close attention as instructor Eric Fleischauer gives him computer pointers during an animated documentary class at Pittsburgh Filmmakers. Below, ceramics instructor Kristin Degiovanni lends a helping hand to 9-year-old Katya Grahm as she shapes clay on a pottery wheel at the Pittsburgh Center for the Arts.

EDUCATION



post-merger director. “We were the city’s major center for artists, and we weren’t paying our artists. That’s as bad as you can get.”

The center’s failure to provide an annual financial report as required raised concern at the Endowments. The information would later reveal the depth of the crisis and how the struggling center, its cash flow ruined, inappropriately used restricted monies to pay operating expenses. The Endowments suspended the center from its general operating support program and withheld \$90,000 remaining from a three-year, \$279,000 operating support grant awarded in 2002.

The first public sign of trouble came early in 2002, when the center closed its exhibition program to save money. Many factors reportedly contributed to the financial problems, including mission drift, tightening of traditional revenues and, generally, an inability to make the tough decisions necessary to bring costs in line with available resources to stave off crisis.

Once the crisis was at hand, the problems quickly compounded. The state Attorney General’s office investigated the center for misusing restricted funds. Benefactors began to back away. Cash flow shriveled to a few dollars. All 13 staff members were laid off in August 2004. All operations were suspended except a few scheduled summer art camps and wedding receptions. And the center closed, leaving \$1.1 million in unpaid bills, including money owed to artists who had sold their works in the shop and to teachers who had taught classes.

“There was an enormous amount of trust broken,” says Laura Domencic, who was initially affiliated with the center as an artist and teacher, then last year was named its first

The decision was made knowing it would contribute to the center’s financial woes. Just as distressing was that the Endowments had built a long relationship with the center, supporting it with more than \$2.8 million in grants in the previous 20 years.

“It was one of the most wrenching decisions I had ever encountered since coming here,” says Sarbaugh. “But I think it was the only way to send a message. I hate to use the term ‘right sizing’ about the arts, but in difficult times, institutions need to look at their missions, look at their products and make adjustments. If the resources are no longer there to carry out the original mission, no not-for-profit can take a God-will-provide attitude.

“The Endowments puts a great deal of emphasis on financial health. We think that keeping your financial house in order is related to having the freedom to make better art. If you are in financial crisis day after day, it’s unlikely you’re going to be producing your best work.”



EXHIBITION

One of the first collaborative projects of Filmmakers and the Center for the Arts following the merger was a citywide series of symposia, photography and film exhibitions, and other events called “From Intolerance to Understanding.” The series featured the work of Pittsburgh photographer Lynn Johnson, top photo center, and included installations at Filmmakers, above, and at the center, below. The project also illustrated another shared goal of the two groups: providing venues for exhibiting contemporary art.



That Humphrey agreed to attempt to turn the center around came as good news to the arts community and those who supported it. In his 14 years as director of Filmmakers, he had successfully moved the 35-year-old nonprofit from a hodgepodge of unconnected spaces in central Oakland to a new home on Melwood Avenue that consolidated classrooms, studios, galleries and administrative offices. It expanded its course offerings for filmmakers and photographers, opened three theaters to showcase independent film and kept its budget balanced.

Humphrey began working on reviving the Center for the Arts in October 2004 after suggesting to the Filmmakers board that the organization enter into a management contract rather than a merger and allow him to explore ways to help the center through its crisis. “Then, if it made sense to do it, we could talk about a merger,” he says. “It’s a little like living together before you get married... But this was a little different from simple cohabitation. We were also trying to nurse it back to health.”

The center restored its core programs on a limited basis with intentions of expanding them as finances allowed. Fall classes that year enrolled 120 students compared to the typical 600 to 800. The shop was reopened with volunteer

support, and Domencic was able to open the Artist of the Year show with limited hours.

Filmmakers made it clear, however, that a merger was out of the question until the debt was significantly reduced. Within 15 months, the debt was pared to about \$300,000, well below the \$425,000 limit Filmmakers had imposed. The center’s reopening, the gradual return to a typical course schedule and shop sales helped lower debt. Humphrey also reached an agreement that allowed the center to use some restricted funds to pay teachers and artists who were owed money.

Early in the process, he convened local foundations to outline his rescue plan and kept them informed of progress, both of which helped to restore trust and raise money for general operating expenses.

Just as encouraging was the attitude of staff, artists and volunteers. Rather than wallow in bitterness and gloom, they rallied in surprising numbers to lend whatever services they could to help the troubled center.



Both Pittsburgh Filmmakers and the Pittsburgh Center for the Arts also support the work of local artists. At left, director Buzzy Miller, center, and Squonk Opera co-founder and artistic director Steve O'Hearn, right, prepare to shoot a scene of the Squonk Opera's production, "Pittsburgh, the Opera," in a Filmmakers studio. Below, Josh Andra, seated, director of the center's studio arts programs, and Teresa Foley, media literacy coordinator, set up computers for the new Annie Seamans Electronic Media Arts lab at the Center for the Arts.

SUPPORT



"There was an enormous amount of goodwill," says Domencic, who salvaged the Artist of the Year show with the help of no fewer than 75 volunteers. "People kept coming to this place because there was a community need for it to be open."

By the end of last year, the groundwork had been laid for a merger that could benefit both nonprofits. The center's debt had been slashed, and its budget was trimmed to a manageable \$1.2 million. Its school enrolled 2,832 students during this school year, only a few hundred shy of its peak enrollment in 2003–04. The community and school program was again serving about 7,000 students a year. Exhibitions were regularly scheduled. Sharing insurance costs, public relations, marketing, development, financial and other services with Filmmakers brought economies of scale.

More important, a merger made programmatic sense. Both nonprofits had core missions devoted to education, support for local artists and exhibition of contemporary work. Their demographics invited intriguing possibilities. Filmmakers media arts courses primarily target college-age students, while the center's educational infrastructure focused on the other ends of the age spectrum: schoolchildren and older adults. Filmmakers had an extensive schedule of media arts courses in increasingly popular subjects not offered at the center.

Both organizations had dedicated audiences, so that any shared activity would likely get broader exposure.

The merger of Pittsburgh Filmmakers and the Pittsburgh Center for the Arts became official in January. But it was not without critics.

Carolyn Speranza, an activist, video artist and former Filmmakers board member, was disappointed that a fresh face wasn't sought to rescue and operate the center as a separate organization. "It was an opportunity for new leadership, new vision, new growth. With the merger, that opportunity was lost."

While speaking highly of Humphrey's abilities, Tom Sokolowski, director of The Andy Warhol Museum, believes that reviving the center's artistic relevance will take a yeoman's effort. He says Humphrey and others must not let nostalgia prevent them from curing the arts center of its "schizophrenia," reflected in the way it promotes both artists not ready for formal exhibition and those more accomplished.

Reacting more positively to the move are others like Andrew Swensen, director of Pittsburgh Filmmakers, who says the merger "awakened possibilities."

This summer, for example, the center's art camps will offer teenagers Filmmaker media literacy classes ranging from digital photography to animation production. "From Intolerance to Understanding" is another shared project. The citywide series of photography and film exhibitions, multi-media installations, symposia and workshops explores hate crime, hope and understanding.

Humphrey realizes that such progress must continue for the merger to be successful, and that he has to steer clear of the problems that threw the center into crisis.

Prospects for future Endowments funding, says Sarbaugh, will be influenced by how programs evolve and how successful the new organization is at staying financially stable. "Given the magnitude of the center's crisis, it is easy to understand how fragile the rebuilding process is. All the center's supporters will be watching carefully. We're ecstatic that we didn't lose the center. But Charlie needs to make this work. It is still a work in progress." *h*