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Amid Challenges, Small New York City Museums Are Closing Their Doors

One quarter of all cultural institutions are dipping into their reserves or endowments to cover operating expenses. Mergers may be on the horizon.



Fotografiska New York, a photography museum at 281 Park Avenue South, announced plans to close its current location in September.Credit...Graham Dickie/The New York Times

By **Zachary Small**

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Small museums that have helped define the unique character of New York City's artistic scene are moving, changing or calling it quits, citing a challenging economic climate.

Last week, the <u>Center for Italian Modern Art</u> ceased operations after more than a decade in Manhattan's SoHo neighborhood and said it was looking for a university to take its archive.

In May, news came that <u>Fotografiska New York</u>, an outpost for the global photography museum in Gramercy Park, was looking for a new home, even as it laid off employees with a <u>closure notice</u> that cited economic reasons.

And <u>in January</u> the Rubin Museum of Art announced that it was selling its Chelsea building and cutting 40 percent of its staff as it transforms to focus on traveling exhibitions and long-term loans to other institutions, "redefining what a museum can be."



Earlier this year, the Rubin Museum of Art announced that it would close its physical space and sell the building.Credit...Jeenah Moon for The New York Times

Laura Mattioli, founder of the Center for Italian Modern Art, said that recent financial challenges had led to the decision to close.

"We were open for about 11 years, but the situation has changed since the pandemic," said Mattioli, who has an apartment in the same Broome Street building as the museum. "We sometimes spent more on the travel of artworks to and from Italy than the actual value of the artworks themselves."



Exhibition view of "Staging Injustice: Italian Art 1880-1917," from 2022, at the Center for Italian Modern Art, which closed early this month after more than a decade in SoHo.Credit. Victor Llorente for The New York Times

A Delayed Crisis?

Early in the pandemic, a survey by the American Alliance of Museums <u>warned</u> that, without assistance from governments and private donors, one-third of cultural institutions in the United States might close. Against those stark expectations, very few did. Most survived lockdowns with the help of federal loans and loosened restrictions on how cultural organizations could access <u>their endowments</u> or <u>sell artworks</u> from their collections. Many institutions also <u>raised their entry fees</u> to cover the gap.

But those measures may have simply bought time. Over the past few years, attendance levels fell and fund-raising efforts slowed as overhead costs and employee salaries rose. Many museums are doing fewer <u>exhibitions per year</u> in an attempt to tighten their belts.

"A third of New York's museums entered the pandemic in a deficit," said Erika Sanger, who recently ended her tenure leading the <u>Museum Association of New York</u>. "The expectation that museums have a lot of money is not true for everyone. Smaller and medium-sized institutions have trouble sustaining themselves."

Cultural institutions have sounded the alarm. In January, arts executives sent <u>a letter</u> calling for the restoration of \$53 million in proposed arts funding cuts and describing any further reductions as "penny-wise and foolish," noting that arts spending was only a fraction of a percent of the entire city budget. On Thursday evening, the city obliged.

Mayor Eric Adams said in a statement that "we are proud to announce a full restoration of funds to both our libraries and cultural institutions in the upcoming budget," and added that "these institutions are a critical part of New York City's social fabric."



Leaders of arts institutions rallied at City Hall last week, asking that officials reinstate proposed cuts to cultural funding.Credit. New York City Council

Adrian Benepe, president and chief executive of the Brooklyn Botanic Garden, said it was a relief.

"All of us are getting about the same funding from the city we got 15 years ago," he said, explaining that inflation had driven up costs while the share of operating revenue covered by the city had decreased, from 30 percent to 10 percent, in the same period.

A <u>recent survey</u> of museum leaders by the American Alliance of Museums showed that 25 percent of cultural institutions across the country are dipping into their reserves or endowments to cover operating expenses.

A Search for Answers

Across the state, there are efforts underway to study and save museums. Last year, New York lawmakers appropriated \$1 million to commission a report looking into the economic and social impact of cultural institutions. Recently, legislators approved \$10 million in funding for the Museum of Innovation and Science in Schenectady to ensure the museum, which houses General Electric's archives, would remain operational and repair its crumbling infrastructure.

But for several museums that are closing their doors, there were limited opportunities to get that help.



Laura Mattioli at the Center for Italian Modern Art, in 2022, said grant-making organizations that might have aided her small museum and archive preferred to help institutions exhibiting on themes of racial justice. Credit. Victor Llorente for The New York Times

Mattioli, the Center for Italian Modern Art's founder, said that changes at foundations had made it harder for her small institution to apply for grants. After the pandemic and the Black Lives Matter movement, she said, many grant-making organizations appeared to require that exhibition proposals include elements of diversity and inclusion. She said themes of social justice were more prevalent in American art than in modern Italian art, making it difficult for her museum to compete for funding.

Visitor habits are changing too, she said. "Would I open CIMA today? I think not," Mattioli said. "We are closing because there is a change in the way a young person sees artworks compared to people from my generation."

Michele H. Bogart, an art historian at Stony Brook University in New York, said it was part of the life cycle of smaller arts organizations to eventually merge with larger institutions, citing the example of the Center for Brooklyn History becoming part of the Brooklyn Public Library system in 2020.

"There is something that gets lost," Bogart said. "All of them contribute in some way to the vitality of the city and offer jobs." But she warned that "when there is a bust in the economy, it can go away."

When Fotografiska opened five years ago, in a building made famous by <u>Anna Sorokin</u> — the fake heiress known as Anna Delvey who was convicted of swindling the city's elite — it sought to create a for-profit museum model through a membership club, restaurant and bar, an alternative revenue

stream beyond its entry fee. This summer, adults could buy a \$29 ticket for admission, which included a glass of wine to sip while exploring exhibitions by Vivian Maier and Bruce Gilden.

But renting the Flemish Renaissance building at 281 Park Avenue South was a lavish expense that included a 15-year lease with the real estate mogul Aby Rosen's company, RFR Realty. When Fotografiska signed the lease, the company was <u>reported to be</u> looking for a tenant to pay between \$100 and \$125 per square foot in the 40,000-square-foot building. In 2024, the company put the building up for sale for the second time in two years, <u>according to Crain's</u>.

Two employees who asked for anonymity to discuss internal data said that a bump in ticket sales that followed the museum's reopening after the pandemic had dipped in recent months.

"We came very boldly into one of the densest cultural markets in the world," said Sophie Wright, the executive director of Fotografiska New York, claiming that nearly 240,000 visitors through the doors last year was a sign of health. "That is a pretty strong performance for a young upstart. But we had to put a lot of marketing behind it to cut through the noise."

The institution, which has four other locations (including its original site in Stockholm), also decided in recent years to halt plans for new museums in London and Miami.

Wright said Fotografiska will eventually find a new home in the city, and that a small team would remain employed at the museum. She added that the director of human resources was in error when she sent a letter to nearly 180 employees last month saying that the entire staff would be laid off by the end of 2024.

"We are a story of a shift in strategy," Wright said, "but not a story of the end of something."

Zachary Small is a Times reporter writing about the art world's relationship to money, politics and technology. More about Zachary Small