THE EMRCA NEWSLETTER

With the hiring of Skanska USA and the Gilbane Building Co., we are on course to begin construction in February/March of 2019, with completion scheduled for early 2020, slightly less than a year later. With another year to complete the installation once we obtain the certificate of occupancy, the EMRCA opening would take place in June 2021.

The big issues remaining are assembling the full $25M in private equity and $10M in public funding. Meetings with state officials last week indicate that the state is fully behind the EMRCA and the North Adams Cultural Development plan, and is prepared to work with us project by project, step by step to bring this to fruition. The Opportunity Zone Funds are seeming to play an increasingly important role. All of the EMRCA, Heritage Park, and downtown development projects fall into the Opportunity Zones designated by Governor Baker a few weeks ago.

EMRCA is the lynchpin. It will be the first project realized, and if it generates the visitation predicated by Prof. Steve Sheppard’s Economic Impact Analysis model, there seems little doubt that it will have a transformative impact on the entire region, generating a 25% increase in jobs in North Adams alone.

We want to welcome Perri Petricca to the EMRCA, Inc. Board of Directors and the Planning & Finance Committee. His enthusiastic and unrelenting participation proved pivotal in developing the partnership with Skanska and Gilbane and we look forward to working closely with him in the coming months.

EMRCA Planning & Finance Committee
- Duncan Brown
- Allan Fulkerson
- Dr. Gray Ellrodt
- Orion Howard
- James Hunter
- Thomas Krens
- Anthony Murad
- Perri Petricca
- Gov. William Weld

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In announcing the deals, Thomas Krens described Perri Petricca, president of Unistress Corporation in Pittsfield, as instrumental in coordinating the discussions and negotiations: “Mr. Petricca’s vast experience in the construction business at the highest levels, and his aggressively pragmatic approach, have enabled us to give a concrete foundation to the plans that we believe will be transformative for northwestern Massachusetts.”

As of April 8, 2018, Skanska now serves as the project manager, coordinating the activities of the designer, the construction manager, and the EMRCA teams. Gilbane will be responsible for constructing the new museum on time, within budget, and in accordance with the final design documents.

Skanska, headquartered in Stockholm, is the fifth largest construction company in the world with 42,000 employees and $12 billion in annual revenues. Skanska USA is one of the largest and most financially sound construction and development companies in the country with $6.8 billion in revenues and more than 10,000 employees in the US.

Gilbane, one of the largest construction firms in the country, was founded in 1873 and is headquartered in Providence, RI. The Gilbane Building Company is the 78th largest private company in the US, with $4.9 billion in revenues in 2016, and was the construction manager for the recent expansion of MASS MoCA. Gilbane has completed nearly 30 museum projects, including the National Air and Space Museum in Washington, the Cleveland Museum, and the Norton Museum of Art in Palm Beach.

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The park opened in 1952 and, after a renovation in 2012, now welcomes 740,000 visitors every year.

Integrating techniques including cutting-edge Carbon 3-D printing, and adding an element of motion with trains and cars, this category underscores the unique value proposition of EMRCA—a wholly new model for an art museum/theme park experience.

Miniatur Wunderland in Hamburg, Germany is the world’s largest model railway with more than 11,000 locomotives and rolling stock traversing 50,500 feet of track. Since opening in 2000, Miniatur Wunderland has become a major BJ tourist attraction with more than 1 million visitors annually. Wunderland is housed in a former warehouse building, occupying several rooms, each with their own theme—Austria, USA, Italy, etc. The rooms have low ceilings and hand-painted murals on the walls, recalling the humble beginnings in cramped rooms of Wunderland’s founders and most other model train buffs.

Gulliver’s Gate in NYC has received much acclaim. Like EMRCA, Gulliver’s Gate employed high-tech modeling techniques including cutting-edge Carbon 3-D printing, and adds an element of motion with trains and cars navigating through the installation. However, like Miniatur Wunderland, the exhibit is restricted by the physical confines of its space, with low ceilings forcing modelers to sacrifice true scale by truncating larger buildings. Interestingly, each component was built in respective international model-making studios, only coming together on-site at the opening. Unfortunately, this led to inconsistencies of scale as those models from around the world were not built according to a single set of requirements, nor were they stylistically coherent.

Madurodam in The Hague escaped physical limitations by forgoing a building altogether. Madurodam is an open-air museum where visitors walk through a 1:25 scale town containing highly detailed models of Dutch landmarks. The park opened in 1952 and, after a renovation in 2012, now welcomes 740,000 visitors every year. While not a comprehensive survey of model train or miniature attractions, these examples serve to highlight the primary obstacles of venues of this sort—detail and sophistication, size, and scale. EMRCA is designed with precisely these characteristics in mind.

Size and scale: The single, 49,000 sf gallery, over 40 feet in height allows EMRCA to construct all buildings in precise scale to match the O-scale locomotives. All components will be 1:48, relating to one-another as they do in real-life.

EMRCA is truly unlike any other museum or attraction in existence. It is high art meets popular culture—it is art and culture for the masses.

Federal Tax Legislation Provides Advantages for EMRCA/City Investors:

Gov. Baker Designates EMRCA, Heritage Park, Main Street as "Opportunity Zones"

Massachusetts Governor Charlie Baker has designated 138 neighborhoods across the commonwealth as economic Opportunity Zones.

Among these zones is the census tract containing the EMRCA site, Heritage State Park, and the current North Adams Parkade Shopping Center, making all of the cultural development projects in the downtown vicinity eligible to receive capital investments from certified Opportunity Funds.

Opportunity Zones are the product of a little known provision in last year’s tax overhaul intended to address the nearly $6 trillion in unrealized capital gains US investors would hold by the end of 2017.

The $1.5 billion Opportunity Zone program was developed to spur investment in business and real estate by offering significant tax breaks on capital gains for those who invest in certified Opportunity Funds.

These funds offer a temporary tax deferral—lasting until December 31, 2026—on the capital gains invested and a capital gain reduction through a basis adjustment, meaning deferred taxes on capital gains may be reduced by as much as 19%. Investors receive a permanent gain exclusion on the appreciation of interest in qualified projects so that no taxes will be owed on appreciation after an investment is made in a Qualified Opportunity Fund.

In practice, this means hefty tax breaks are now available for those wanting to invest capital gains in certified Opportunity Funds and it is expected that the US Treasury Department will make this new investment mechanism available to investors as soon as September 2018.

SKANSKA, GIKLBANE (continued from p.1)

With expertise in construction, civil infrastructure, public-private partnerships, and commercial development initiatives in select US markets, Skanska includes among its current and recent projects the reconstruction of the Harvard Art Museums, the World Trade Center Transportation Hub, MetLife Stadium, the new Moynihan Penn Station in New York, and the Stetson-Sawyer Library project at Williams College.

Skanska and Gilbane bring considerable professional experience to the EMRCA project. The firms have been in business for a combined total of 275 years, and have an impressive record of partnering on projects, including several in western Massachusetts.

The Extreme Model Railroad and Contemporary Architecture Museum is the critical initial component of a public-private partnership cultural master plan for the City of North Adams that the EMRCA team has been developing for the past two years. The Heritage Park component, located between the southern boundary of MASS MoCA and the northern edge of the EMRCA, has been designed by architects Gluckman Tang of New York. It includes the Massachusetts Museum of Time, a craft distillery, and two restaurants.

The master plan also calls for three other museums, the Massachusetts Museum of Fine Arts, the Northern Berkshires Cultural Museum, and the Berkshires Art Museum, to be built in the downtown district. The museum development initiative also includes several in western Massachusetts.

The master plan also calls for three other museums, the creation of a downtown park and commons, a luxury hotel and wellness center on Main Street designed by Pritzker prize winning architect Jean Nouvel, the renovation of the Mohawk Theater, and a municipal parking garage.

Precision Architectural Models At 1:48 Scale
Max Hollein Named Director Of The Met

Max Hollein—former Executive Assistant and Chief of Staff for EMRCA Chairman Thomas Krens when they were at the Guggenheim—has been named Director of The Metropolitan Museum of Art. He currently serves as Director of the Fine Arts Museum of San Francisco (FAMSF).

Mr. Hollein invited Gov. Bill Weld and Thomas Krens to present the North Adams projects (followed by a panel discussion) at FAMSF last December. He also was a keynote speaker at the first opening of MASS MoCA in 1999, and often traveled to the area.

Mr. Hollein, who is Austrian, has 17 years of experience directing museums in Germany and the US. With The Met’s annual budget of $305 million and nearly seven million visitors a year, this new appointment will offer a great many opportunities for Hollein, who has already developed a reputation for major exhibitions with widespread appeal.

It was during his time at the Guggenheim that Hollein says he learned to “think big.” The New York Times said that came as no surprise given that he was part of the team that assisted Krens on several key inter-national projects, including the Frank Gehry designed Guggenheim Bilbao and Deutsche Guggenheim in Berlin. Hollein has said that he learned a great deal from his time at the Guggenheim, and “Krens was very encouraging of moving people up the ladder,” a fact that is evidenced by the number of former executive assistants who have gone on to direct museums around the world—a list that includes Michael Govan at LACMA, Julian Zugazagoitia in Kansas City, Zelfira Tregulova, Min Jung Kim, and Joe Thompson going back to the pre MASS MoCA days when Thompson worked at WMAA in the 1980s.

As the Times article pointed out, not only has Hollein shown himself to be an art world firebrand, he has also developed a reputation as an extraordinary fundraiser. While director of the Stadel Museum in Frankfurt, Hollein went everywhere in bright yellow work boots to promote the museum’s plan for a new addition, even going so far as selling the boots as a means of raising the necessary funds. Such a promotional strategy might easily come off as a gimmick except for the fact that Hollein gained support from patrons and the city alike and in the end raised a grand total of $69 million to cover construction costs, half of which came from private donors.

EMRCA Enabling Technology:

Immersive Video Projection

Max Hollein (right) in Venice when he was Chief of Staff of the Guggenheim Museum, with his parents Helene and architect Hans Hollein, Min Jung Kim (now director of the New Britain Museum of American Art), Peter Hauer (former director of the Applied Arts in Vienna), Agnes Husslein (former director of the Belvedere in Vienna).

VIDEO PROJECTION SYSTEM

Visitors to EMRCA will experience a one-of-a-kind immersive video installation surrounding the interior of the 49,000 square-foot gallery in its entirety. The background projection will stretch for 1,115 linear feet and range from 25 - 45 feet high as it encircles the gallery.

The continuous 34,000 square foot video imagery will be achieved by coordinating 354 continuously back-lift projectors into a single seamless video feed surrounding to articulate the urban and natural context of the museums installation of trains and architecture.

The video will be projected on a scrim stretched taut over 835 structural aluminum sections that wrap around the interior of the museum, and will be fully synchronized with the movement of the 100 O-scale locomotives pulling trains operating on 11 separate lines running over 7.5 actual miles of 2-rail track weaving across the natural and built landscapes.

The intention is that the seamless video projection will integrate completely with the gallery, most precisely with the installation of precision scale objects and models; and by using dynamic illumination and sound; and whatever experience-enhancing information-delivery systems technology will have to offer when the new museums opens in 2021.

Time-lapse footage, for example, will allow the changing of day into night, storms to gather and pass, and wildlife to come in and out of view all while traces of planes fly overhead, thus creating a truly immersive theatrical presentation to complement the exhibition of trains and architecture. That this process can be controlled suggests that it can add significantly to the overall museum experience. The directions and extent of that curatorial definition will be shaped by an historical and technical staff of enthusiastic and creative individuals, some of whom are already part of the team, and some of whom are still be recruited.
The Extreme Model Railroad and Contemporary Architecture Museum (EMRCA) is the centerpiece of the comprehensive Cultural Master Plan for the City of North Adams, building on the success of MASS MoCA and re-making the city into a truly international cultural destination. EMRCA is the key to the revitalization of Heritage Park and, by extension, the south side of main street, which was razed more than fifty years ago in the name of an urban renewal for downtown that never really took place. EMRCA is the key to the current plan by virtue of its capacity to attract a significant audience. The Economic Impact Analysis generated last summer by the Center for Creative Community Development - an independent research center at Williams College - estimated audience demand at 500,000 to 750,000 visitors annually, based on three factors: existing attendance at Berkshire cultural attractions; international comparables; and an extensive national audience survey conducted with the participation of Berkshire, the county-wide Chamber of Commerce. If those numbers materialize, the economic impact will create as many as 1,500 new jobs, transform the local economy, and jump start the other components of the Master Plan.

One significant feature of the Master Plan is that all the components—from MASS MoCA to EMRCA; from Heritage Park to the Mohawk Theater—are all within walking distance of one another, with new Central Park/North Adams Commons at its center. Contiguous to this complex of cultural attractions are parking spaces for 1,500 cars and 50 tour buses.
The Louvre Abu Dhabi opened on 11 November 2017 and became the first museum outside of France to bear that famous name.

Almost a decade earlier, in January 2007, the French government signed a long term $1.2 billion agreement with the Abu Dhabi Tourist Development Investment Company, that would guarantee the presence of the Louvre, its expertise, and loans from the French National Collections for thirty years from the opening of the museum. Specifically, The Louvre has agreed to loan its name to the Abu Dhabi museum for 30 years and 6 months, temporary exhibitions for 15 years, and artworks for 10 years.

The architect for the 260,000 sf Louvre Abu Dhabi is the celebrated Pritzker prize winning French architect Jean Nouvel.

Mr. Nouvel was recommended by Thomas Krens, then Director of the Guggenheim, to be the architect of the "classical" museum that was to be part of the Saadiyat Island Cultural Master Plan. Mr. Krens and the Guggenheim were hired by the Abu Dhabi government in 2005 to develop the plan (which included five major new museums) and recruit the architects. Mr. Nouvel and Mr. Krens worked on the Louvre plan together for most of 2006.

The museum displays treasures of East and West side by side, with works from ancient Iraq dating back to 2125 BC under the same roof with Picasso, Da Vinci, and the ancient Sphinx. The centerpiece of the Louvre Abu Dhabi is a large, 7,500 ton latticed dome meant to let in a dappled "rain of light" in the daytime while allowing a view of the stars at night.

Nouvel says his inspiration behind this unique space is the Arabic medina. And in that spirit of just such a marketplace and hub of activity, Nouvel transformed this area into "more of a neighborhood than a building" that "invites visitors to linger, to talk, to watch, and to listen". He also credited Mr. Krens with suggesting that the azure waters of the Arabian Gulf be integrated into the territory of the museum, referencing the city of Venice as an inspirational model. The New York Times called the Nouvel building "Arabic-Galactic."

It was originally anticipated that the new museum would attract 2-3,000 visitors per week. According to Abu Dhabi Tourism and Culture Authority, the Louvre has attracted an average of 12,000 visitors a week since the opening, and the museum is projected to have received 5 million visitors by the end of 2018, which compares to the 1.6 million visitors to the Guggenheim Bilbao in a comparable time frame after its opening in 1997.

One of the first major, site-specific commissions for the new museum is a work by American artist Jenny Holzer—three stone walls engraved with historic texts: Ibn Khaldun’s "Muqaddimah;" an Arcadian and Sumerian "Creation Myth" tablet currently housed in Berlin; and the 1588 "Essais" by Michel de Montaigne. Holzer’s work is prominently featured at MASS MoCA.

Photo left, middle: Jean Nouvel and Thomas Krens at the opening of the Louvre; Mohammed al Mubarek, Chairman of the Abu Dhabi Tourism & Culture Authority, giving opening remarks at the lunch honoring Jean Nouvel, Thomas Krens and the French Minister of Culture as founders of the Louvre AD.
CROWN PRINCE MOHAMMED BIN ZAYED AL NAHYAN AND FRENCH PRESIDENT EMMANUEL MACRON INAUGURATE LOUVRE ABU DHABI

SAUDI CROWN PRINCE BUYS DA VINCI FOR $450 MILLION TO LEND TO LOUVE AD

French President Emmanuel Macron, and first Lady Brigitte Macron, traveled to Abu Dhabi to attend the opening of Louvre Abu Dhabi in early November 2017. The President called the museum a bridge between civilizations that draws on the art and history of cultures from around the world.

The Macrons were officially welcomed by UAE Crown Prince Mohammed bin Zayed Al Nahyan, and Mohammad bin Rashid Al Maktoum, Vice President of the United Arab Emirates.

The Crown Prince said he sees Louvre Abu Dhabi as an important tool in international relations as a function of its capacity to bring together people from different cultures and identities through experiencing great works of art, from the prehistoric to the contemporary.

Manuel Rabate, director of the new Louvre Abu Dhabi, shared similar sentiments, adding that as an art enthusiast he believes the art of all nations is of great social, cultural and historical importance.

The success of the Louvre in its first five months of operation are already proving the case for the impact of cultural tourism. Already in the first quarter of 2018, the UAE Department of Tourism is reporting an distinct increase in visitors from countries around the world. Tourists from China are up by 31 per cent compared to the same period last year. Visitors from India are up 30 per cent and set to exceed 100,000. This same trend holds true for the West as the UK registered a 25 per cent increase, with the US up 24 per cent and Germany 27 per cent.

Nouvel, who first became involved in the Louvre Abu Dhabi project when approached by Thomas Krens who was director of the Guggenheim Foundation, is also slated to design a 110 room luxury hotel, spa, and wellness center in North Adams as part of EMRCA’s downtown development project.

In mid-November 2017 it was announced the painting by Leonardo da Vinci entitled “Salvator Mundi” was acquired at auction as Christie’s for $450 million by a relatively unknown Saudi royal, reportedly acting on behalf of Mohammed bin Salman, the crown prince of Saudi Arabia.

The painting was then placed on long term loan to the Louvre Abu Dhabi museum. The Louvre Abu Dhabi is one key part of the $27 billion cultural plan for Saadiyat Island developed by Mohammed bin Zayed Al Nahyan, the Crown Prince of the UAE. In addition to Nouvel’s new facility, plans for the area also include a Guggenheim Abu Dhabi designed by Frank Gehry, a performing arts center by the late Zaha Hadid, and a National Museum designed by Sir Norman Foster; as well as a cluster of major brand resort hotels; a championship golf course designed by Gary Player; and more than six thousand residential villas.

The relationship between the two Crown Princes-- Mohammed bin Zayed and Mohammed bin Salman-- has been particularly close in recent years. Globally, the policies of Saudi Arabia and the United Arab Emirates are aligned. They are allies in the war in Yemen, and both countries are developing strategies for that time in the future when oil reserves, the bedrock of the economies in both countries, run out.

Last October, Saudi Arabia announced a massive new city of the future on the Red Sea in the northwestern part of the country on the border with Jordan. The project is called NEOM City, and begins with an initial commitment of $500 billion from the Saudi Government. In April 2018 on a trip to Paris, the Saudi Crown Prince Mohammed bin Salman signed a $20 billion agreement with the French Government for the development of tourism and Saudi national heritage museums and archeological sites in the area.
CULTURAL CORRIDOR SPOTLIGHT:
GLOBAL CONTEMPORARY ART MUSEUM

Driven by a cluster of overlapping and complimentary ideas that suggest that this is the unique moment for the expansion of contemporary cultural institutions and activities worldwide, the Global Contemporary Art Museum will show the best international contemporary art that is being made today by acquiring and commissioning work directly from the artists for specific spaces in the museum.

The rising art historical prominence, and commercial importance, of non-western artists and the emergence of a new generation of extraordinary art museums and exhibition platforms in the Middle East, India, China, and Latin America among others, signal a seismic shift in the art world. However, most existing museums and many private collections simply do not have the space to either systematically or sustainably exhibit the explosion of creativity that has taken place in the visual arts of recent time.

The Global Contemporary responds to these conditions, acquiring and housing art on an immense scale, with expert curation honed over decades. Furthermore, the art finds a home in an award-winning building by an internationally renowned architect. Richard Gluckman’s 165,000 square foot exhibition and art storage facility was honored with an American Architecture Award from the Chicago Athenaeum.

The building itself adapts the economic and flexible architectural language of industrial sheds, also inspired by the scale, mass, and form of nearby mill buildings. Furthermore, it aims to be “the World’s Least Expensive Museum” - referred to as WLEM, for short - with an anticipated construction cost of less than $200/sf, or one tenth of the cost of typical world-class contemporary museum construction today.

To this end, prefabricated steel trusses were selected as the main building block of the structure. Their structural efficiency reduces the amount of steel needed, and therefore reduces the cost involved in the basic frame of the building, while the open web will allow mechanical equipment and lighting to be suspended without reducing the ceiling height of the galleries. Also designed with large clerestory windows, there is the possibility of eliminating artificial light altogether.

Characterized by its repeating, yet flexible design, the building is disrupted by the high-tech storage wing that extends towards Route 2 to create a street presence for the museum, while four bars of exhibition space are perforated by courtyards to bring additional natural light into the building and provide pauses for contemplation. The courtyards also make the most of views north and south, connecting the art spaces with the outside environment.

The prototype for the Global Contemporary was built in Abu Dhabi in 2009 as a temporary exhibition space for the Louvre and the Guggenheim, and as a venue for Art Fairs and other cultural events.

Government Officials Updated
Secretary Ash, Sen. Hinds, Mayor Bernard and other Government officials strategize as EMRCA Plans Moves Forward

Jay Ash, Secretary of Housing and Economic Development for the Commonwealth of Massachusetts, visited the EMRCA for an update on the project and to discuss the impact of being in one of Massachusetts’ newly created Opportunity Zones. Ash said the EMRCA project and plans for developing a new Massachusetts cultural corridor are incredibly promising for the area and discussed the possibility of creating an EMRCA-specific Opportunity Fund for individuals to invest unrealized capital gains at a significant tax break.

Ash also updated the EMRCA on the availability of MassWorks grants to address the infrastructure needs that will be generated by the nearly 1 million visitors per year the EMRCA expects.

EMRCA also recently hosted North Adams Mayor Tom Bernard, Massachusetts State Senator Adam Hinds, and Matthew Russet, staff assistant for US Congressman Richard Neal, and Patrick Carnevale, who was recently named director of Gov. Baker’s office in Springfield for a discussion of the involved in moving forward to the next crucial phase.

While the talk ranged from public-private partnerships, investment in infrastructure, and what this will mean for the larger project of the Massachusetts Cultural Corridor, all agreed that EMRCA’s deal with Skanska and Gilbane marks a significant step forward for the Extreme Model Railroad Museum as well as the city of North Adams.

In addition to the nearly 1 million visitors expected due to the EMRCA’s additional draw, the museum will also create over 2 thousand jobs as well as create a significant economic impact by attracting an overwhelming percentage of visitors from outside of Berkshire County, thus bolstering local businesses in addition to adding significant tax revenue for the area.