



Press Release

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Settlement Reached on Overture Debt

***Overture Leadership, Donors, Banks Join Forces to Ensure Arts Center's Success;
No Taxpayer Dollars Spent on Debt***

MADISON – Overture Center for the Arts today announced it has reached a settlement with its financial lenders to retire its outstanding debt. U.S. Bank, M&I Bank and JPMorgan Chase have agreed to accept significantly less than the \$28 million of the loan obligation, which means that taxpayers will not be affected by this financial obligation.

The debt was left after the liquidation of a trust fund that was to provide for Overture's long-term capital needs as well as operating costs. The trust fund was liquidated in the wake of the global financial crisis of 2008, leaving the multi-million-dollar debt to the three financial institutions.

The settlement involves approximately \$15 million contributed by a group of local philanthropists led by W. Jerome Frautschi, whose stunning \$205-million gift to build the massive arts center remains the largest of its kind in history. These contributions are contingent upon the City of Madison taking ownership of the building and continuing to contribute to the center's ongoing operation as it has for the last 30 years. Madison Mayor Dave Cieslewicz has proposed an approach in which the City would own and maintain the building but a non-government, non-profit organization would operate and program it with the help of an ongoing subsidy from the City.

"I am very pleased that the long standing issues surrounding Overture Center have been resolved," said Frautschi. "With this agreement, I hope the future of the arts in the heart of Madison is secure now and for future generations."

"This agreement will ensure that Overture continues to help orchestrate a strong and vibrant Madison that has a thriving downtown and an educational and creative arts culture for all," said Scott Lockard, U.S. Bank Madison market president, speaking for the bank consortium. He noted that

Overture has become a strong economic generator for the region, attracting nearly a half million visitors last year who collectively spent nearly \$10 million at local businesses above and beyond what they spent on tickets.

"We couldn't be more grateful to everyone involved in bringing this agreement together," said Overture Center President and CEO Tom Carto. "Linda Baldwin and the Madison Cultural Arts District Board, Deirdre Garton and the 201 State Foundation Board, Jerry Frautschi and the consortium of donors, and of course the three banks all deserve a standing ovation for their hard work and good-faith negotiations. I'd also personally like to thank Overture's exceptional staff who, even in the midst of all this uncertainty, are quietly breaking sales records and putting together what might be Overture's strongest season ever for next year. I've never been more proud to be part of this institution."

"This is the dawning of a new day for Overture and for Madison," said 201 State Foundation Chair Deirdre Garton. "Today marks the beginning of a renewed commitment to the arts in Madison, a true engagement of the entire community in the success of this incredible center and its mission."

"Great cities need great cultural resources like Overture Center. Not only is Overture critical to our quality of life and to recruiting talented people and businesses, it is an important economic engine bringing jobs, patrons, and tax base to keep our downtown vibrant," Cieslewicz said. "I've said all along that the City would step up to the plate only after the debt was settled. Now, that time has come. I believe the City's role should be, as I recommended five years ago, to take ownership of and care for the building. I'm looking forward to working with the City Council, Overture and the broader community in building a strong foundation for Overture going forward."

About Overture Center for the Arts

Overture Center for the Arts in Madison, Wisconsin features seven state-of-the-art performance spaces and five galleries where national and international touring artists, ten resident companies, and hundreds of local artists engage nearly half a million people in educational and artistic experiences each year.

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