

Dear Local Residents of Saanen



I am delighted to report on some positive developments in the Les Arts Gstaad project. Where do we stand? How do the municipal authorities intend to proceed? What is the status of the fundraising efforts? What adjustments are necessary over time for those developments, which we are unable to influence?

With your support the Board of the Les Arts Gstaad Foundation has been able to steer the project from an idea with project plans to a mature building project. This alone is extremely pleasing and would not have been possible without your support. The entire Foundation Board would like to thank you and now asks you to remain loyal to us and help the project become a reality in a municipal assembly as a final step. At this point I would also like to thank the municipal authorities of Saanen: The municipal council approved the development file with the planning application last summer and submitted it to the Canton for preliminary investigation. In the meantime this file has been reviewed by the Office for Municipalities and Town Planning (AGR). The relevant report by the AGR is now available. As a result the second publication can take place from 21st

June until 21st July 2017. The Board of the Les Arts Gstaad Foundation and the municipal authorities of Saanen agreed in October 2015 to move the development of the project for the Les Arts Gstaad cultural centre forward in a so-called combined approach: The development plan and the planning application project are subject to public consultation.

You now all have another opportunity to study the project in depth once again and express your opinions on it. We would like to invite you to a public information evening on 4th July 2017. Municipal representatives and representatives from the Les Arts Gstaad Foundation will be available to answer your questions. As soon as funding has been secured, the municipal assembly can reach a decision on the implementation of the project.

The Foundation Board is convinced that Les Arts Gstaad will give the region a new impetus and in this way contribute towards securing its future. No one could sum up the situation better than Dr. Monika Bandi Tanner, Head of the Research Office for Tourism at the University of Berne, who stated recently: «Les Arts would be an obvious and logical further development in Gstaad. The project would strengthen the positioning of the destination and bring about an improvement in quality.»

I would like to thank you for your support.
J. Markus Kappeler

Chairman of the Les Arts Foundation Board

THE PLANNING APPLICATION PROCEDURE MAJOR OPPORTUNITY FOR THE ENTIRE TOURIST REGION AND FOR GSTAAD

The municipal authorities of Saanen and the cantonal authorities have made all the arrangements so that the municipal assembly can reach a decision on the project soon. The second publication of the project is taking place now.

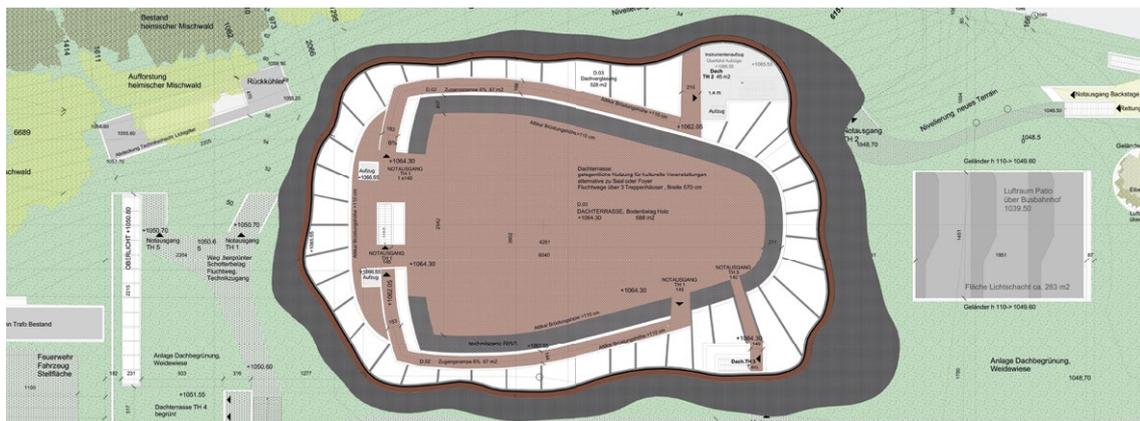
The development plan consists of three structures. They will be put to the municipal assembly after an assessment by the municipality and the Canton. These three projects, the access tunnel (municipality of Saanen), railway project (MOB) and the actual construction of the cultural centre (Les Arts Gstaad Foundation) have been assessed by the municipal council in a comprehensive planning application with the development plan (UeO no. 79) and approved at its meeting held on 12th July 2016. The municipal authorities of Saanen repeatedly emphasised the many synergies for Saanen and the region as a result of the project: it represents a major opportunity for the entire tourist region and for Gstaad, particularly as the solutions for existing traffic problems have already been clarified with the MOB. The project has the potential to benefit everyone in the Saanenland.

Only when the second publication procedure has been carried out, any objections have been dealt with and funding has been secured, will the authorities convene a municipal assembly. You the local electorate of Saanen will then decide on the

implementation of the project with the corresponding loans and contracts.

The project is enhanced by wide-ranging optimisation from an architectural perspective: At the suggestion of the municipal authorities of Saanen, access to the entire building complex has been improved: the entrance to the cultural centre designed as an arena has been moved and now also provides access to the bus station for pedestrians. The safety, evacuation and fire protection plans are now also included in the planning application.

The project team working with the architect Rudy Ricciotti had already improved the arrangement of the sections of the building on the site and its interior layout in 2015. This made the entire complex more compact and more cost effective. It was therefore possible to reduce the building perimeter for the entire cultural centre and make the area required smaller. At the same time the building was optimised to overcome a few objections, for example by locating the car park under the building and allowing it to nestle into the slope in the direction of Obergstaad.

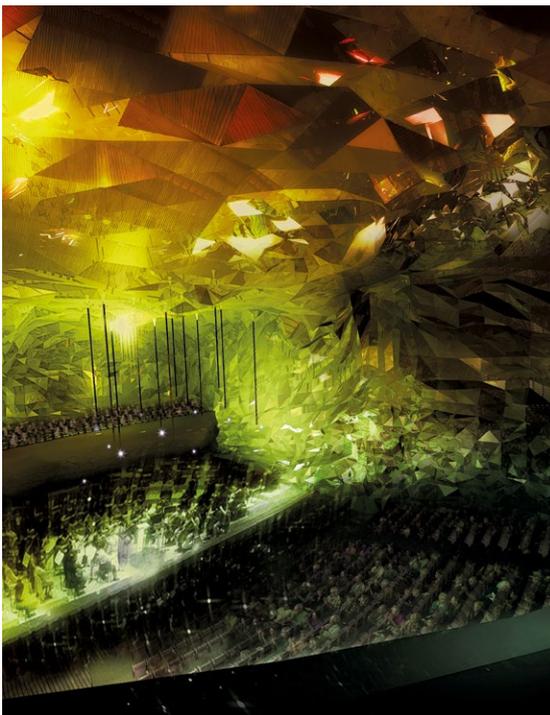


CONCERT HALL

«EXCELLENT ACOUSTICS WITH BREATHTAKING ARCHITECTURAL EXPERIENCE»

The design of the Gstaad concert hall is breathtaking. The space is designed for the natural reverberation and full sound of symphony orchestras like in the best philharmonic orchestras in the world – and in an impressive natural hollow. The hall must generate perfect clarity of sound to make the quality and sensitivity of musical phrasing possible. The proposed Gstaad concert hall in the shape of a crystal grotto merges architecture and acoustics. The arrangement of each individual facet of the crystal-shaped walls enables the sound reflections to be directed specifically at the audience, which increases the sound quality, the details of the musical phrasing and the intimacy of the space.

It is a delicate balancing act to fine-tune the reflections in such a way that a perfect combination of clarity and reverberation is created. The arrangement of the crystal formations must then be monitored so that both bases and high-pitched sounds can be reflected. This ensures clear, enveloping and yet surprisingly warm acoustics in the stylised crystal grotto.



Thomas Scelo

Marshall Day Acoustics

«Without doubt the Gstaad concert hall will combine excellent acoustics with a breathtaking architectural experience. It offers a tailor-made design for symphony orchestras and chamber musicians who play in the region or appear at the Festival.»

Although the Gstaad concert hall is unique in its architectural appearance, there are comparable concert halls with similar critical acoustic features: The Philharmonic de Paris, designed by Sir Harold Marshall, demonstrates the excellent acoustic quality possible when a balanced equilibrium is achieved, as does the Deakion Edge Theater in Melbourne, Australia.

The Gstaad concert hall is a challenge. However, it has found realistic solutions, based on the experience of existing concert halls as well as the science of acoustics, working with the latest technology.

The hall is designed to seat an audience of 1200. As well as the Menuhin Festival, it will offer a top-quality program of events all year round.

INTERVIEW

«CONSTANT EFFORTS ARE REQUIRED TO REMAIN ATTRACTIVE AS A DESTINATION»

Toni von Grünigen, the new mayor of Saanen, reminds us: Saanen needs projects with a high quality of experience. LES ARTS GSTAAD is unique and offers everyone incomparable opportunities.



Mr von Grünigen, you preside over a municipality with a world-famous health resort. How should Saanen and Gstaad develop over the next few years?

Our municipality has developed continually and sustainably since the beginning of the 20th century and this process should continue along the same lines.

The municipal council of Saanen has stated its positive attitude towards the Les Arts Gstaad project several times. What do you – as the new mayor - hope such a project will bring?

It was stated in the destination strategy approved last year that the region should progress along its path of becoming an all year-round destination. Products with a high quality of experience are also to be created. Les Arts would be part of this.

Gstaad has always had an appreciation of major, visionary projects – for example if one looks at Hotel Palace. In your opinion how great is the awareness of the residents of Gstaad that it needs a project for the future if Gstaad is to increase and improve its attractiveness?

I think that the residents are very aware that efforts are always required to remain attractive as a destination. However, I also understand that not everyone regards the same projects as being important.

In the final analysis such projects stand – and fall – with funding; but also elsewhere the funding of such cultural buildings posed great challenges to both the private and public sector. How optimistic are you?

The initiators have already raised a lot of money to bring the planning to the stage it has reached today. A large proportion is already waiting for the start of the construction work. However, it's not possible for me to assess whether the project can actually be financed at the end of the day.

If you were not the mayor, but one of the fund-raisers, what would you say to potential donors?

Donors have the opportunity to become involved in a project, which is unique. It offers them the opportunity to attend concerts and events with their guests and friends, which would not be possible otherwise.

How could the municipal council incorporate the project for the Saanenland in its future planning - provided that the inhabitants agree?

Areas which affect the municipality (access, parking, bus terminal) are already incorporated in the budget and transport plan. If the municipal assembly approves the corresponding loans and plans, further work will be done in this area.

The project would then be put forward once again in a combined approach. How will you deal with any new objections?

As usual any objections will be discussed with the people objecting and then further work will be done on the process.

What are now the most urgent items, which need to be implemented by a municipal assembly?

The municipal council has always asserted to the initiators that it will submit the necessary funding and planning details as soon as the funds required for implementation have been raised.

What is the best way for you to make a contribution in your role as mayor?

The municipal assembly has always supported the project. I will also do this in my position as mayor. I have a positive attitude to Les Arts.

What do you say when the building is described as a «pile of manure»?

The expression refers to the exterior of Les Arts. As a farmer I know that manure is a very important fertiliser. Therefore this expression does not have so many negative connotations for me. I personally see more of a tree trunk in this architecture.

What do you expect at national level/from politicians and from the Canton of Berne – because the project will be the subject of conversation well beyond the country's borders?

I expect that cantonal and national politicians will support this project to the best of their ability. If the initiators have done their bit towards the planning and funding, you can rightly expect that politicians will also make their contribution, provided this is approved by the people.

FUND

A CONTEMPORARY OPERATING FUND FOR LES ARTS GSTAAD

An operating fund for Les Arts Gstaad makes sense and is necessary. It must be established in line with the framework conditions on the financial market and the interest rate front.

Anyone who wants to read the present day and then the future correctly, should be very familiar with the past. This is why it is worth looking back over the 12-year history of the Les Arts Gstaad Foundation: From the outset the Foundation Board emphasised these principles: the construction (estimated at CHF 100 million at that time) of the LES ARTS GSTAAD cultural centre should be privately funded as far as possible, but security should be provided for the public sector against any deficits during operation.

The initiators of LES ARTS GSTAAD therefore correctly decided to envisage the solution of a fund for the project: The fund should initially receive an injection of CHF 50 million – in the justified assumption that it would take about five years until operations would be able to cover costs. According to the original estimates in the business plan, during the first few years approximately CHF 1.5 million would be needed to cover additional expenditure compared with the budgeted income. During subsequent years this annual amount would be available for maintenance of the building, repairs etc. The situation at that time on the financial markets would have enabled capital of CHF 50 million to generate a corresponding amount via net interest earnings of about 3 %.

This situation changed fundamentally with the start of the financial crisis in 2008 at the latest. On the one hand the generation of CHF 50 million for investment in an operating fund proved unattractive to possible donors. On the other hand the prospects of even only a fraction of the necessary interest earnings were zero in the medium to long term because currently a negative interest rate has to be paid on such amounts for gilt-edged investments.

This is why the Foundation Board decided on two major changes: Firstly, an annual flow of funds of CHF 1.5 million from donors to the Foundation is intended to cover any deficits during the first few years and later when operations had achieved «break even», these funds were to be used for maintenance and repairs. Secondly the amount to be generated via private funding for a security fund is to be reduced to CHF 20 million. There would be a greater chance of achieving the funding with this combination and the operation of the cultural centre would also be secured.

The Foundation Board is continually following the situation on the financial markets and on the interest rate front. Possible external financial models are examined with experts. The intention is to keep to the above-mentioned annual inflow of funds of CHF 1.5 million p.a. As an alternative to the above-mentioned fund, a secure financial backer (bank, insurance company, institutional investor, foundations or similar) is to provide a binding guarantee to pay CHF 20 million, which would be available if required. Both funding instruments are to first be secured contractually with a term of 20 years. This would ensure that the operation of the cultural centre, but also events which require a large amount of money are well secured.

FUNDING AND FUNDRAISING

SOLID FUNDING – ADDITIONAL FUNDS ARE REQUIRED

Investments of approximately CHF 105 million are estimated for the construction of the partial building project for the cultural centre. CHF 76 million have been secured and promised to date: Private donors have so far made available and contractually confirmed CHF 41 million for the project development and implementation of Les Arts Gstaad. An application for CHF 15 million is pending with the lottery fund. In addition, it is being examined whether Canton Berne will become involved via the New Regional Policy (NRP) with CHF 5 million to strengthen this important regional project. CHF 15 million has been promised for funding secured by mortgages. At present there is therefore a shortfall of funding for the building of CHF 29 million. A further CHF 20 million as well as CHF 1.5 million per annum are also required to ensure operations in the long term.

The funding for the transport infrastructure (access tunnel, car parks, bus station plus underpass) will be provided by an additional CHF 28 million – subject to approval by the municipal assembly – by the municipality of Saanen.



Stephan Schmidheiny

«I am happy that my wife Viktoria – a Viennese and a passionate music lover – and I can contribute to the realisation of this visionary undertaking».

The funds required in addition to the promised funding from the lottery fund and the NRP to build and operate Les Arts Gstaad are to come from private individuals or companies. The Foundation Board has adhered to this principle from the outset. For example the family of the well-known Swiss entrepreneur Dr. Stephan Schmidheiny has made a substantial contribution to support the Les Arts Gstaad project, as has Aline Foriel-Destezet, a guest in Saanen-Gstaad for many years and patron of the Gstaad Menuhin Festival as well as Theresa Sackler and Dimitry Rybolovlev. J. Markus Kappeler: «Obtaining funding was and is our greatest challenge. We want to be able to present the municipal assembly in Saanen with a project, which is not only of excellent architectural merit, but also for which we can provide evidence of funding and guarantee the latter on a long-term basis». Albert Bach, former mayor of Saanen says: «Anyone who is impressed with Gstaad, has taken our region to their hearts and is looking for a sustainable project for a donation, should now automatically come across Les Arts Gstaad. It would really be an investment in something permanent. Something full of life, created to celebrate Gstaad and move it forwards.»

VOTES FOR LES ARTS GSTAAD



**Erich von
Siebenthal**
National Councillor

«If we don't seize this opportunity, then others will.»



**Gerhard
Fischer**
Grand Council,
Meiringen BE

«Les Arts Gstaad is a high point and an enormous enrichment.»



Rudy Ricciotti
Architect

«Unique within the international landscape of concert halls.»



Walter Egger
Construction engineer
Gstaad

«There is no alternative to Les Arts Gstaad.»



Christian Hoefliger
President of the
Hotel Association of
Gstaad Saanenland

«Enormous significance for the future of our region.»



Bice Curiger
Curator at Kunsthaus
Zurich

«In the Alpine air the spirit is open and as bubbly as Champagne.»



**Christian
Wasserfallen**
National Councillor

«The entire region will benefit from this project with its international focus.»



Aldo Kropf
Chairman of the Gstaad
Menuhin Festival und
Academy AG

«Our Festival is one of the most important classical music festivals in Switzerland. Only with a corresponding concert hall can the Gstaad Menuhin Festival satisfy the current requirements of artists and audiences.»

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