

# Milwaukee County MPM-Domes Co-Location

Feasibility Study

02.19.2019



## Table of Contents

1. Executive Summary
2. Content/Experience
3. Market Analysis & Comparable Museums
4. Building/Space Program Size
5. Operating Pro Forma
6. Thank You

# Executive Summary

Using information and historical data provided to Gallagher Museum Services by Milwaukee County, GMS performed a review and analysis of the current Mitchell Park Horticultural Conservatory and the potential for the Conservatory to be integrated with the Milwaukee Public Museum.

Based on our review of the information we believe there could be a great guest experience which integrates the content and stories from Milwaukee Public Museum with the content and experience of the current Domes and Conservatory. Specifically, the natural history portion of the MPM storyline fits very nicely with the Domes experiences.

From our analysis, GMS has concluded that the Milwaukee Domes should be demolished. The cost of properly renovating the Domes greatly outweighs the benefit of doing so. As part of our recommendation, we have concluded that the content and experience of the Domes could be integrated into the Milwaukee Public Museum on the site of the current Domes in a new 222,000 SF building. The new building could be linked into the Greenhouse facility providing a 284,000 SF facility. This new facility is 60% of the physical space of the 2 existing complexes which would save approximately 200,000 SF of building space and provides a very efficient yet very strong guest experience for Milwaukee County and its citizens.

Joining these two institutions would require a capital raise of approximately \$300M (includes an endowment fund) and a significant amount of planning and study will need to take place to execute this plan. A site plan and design of the new facility will need to be conducted; a program and use plan will need to be introduced; a new operating/staffing plan will need to be developed; the existing plants from the Domes and collection from MPM need to be transferred, a significant capital campaign will need to take place.....however, we do think the long term opportunity exists to create a great cultural institution for Milwaukee County and its citizens.



## Content & Experience

Creating a blended experience that marries the immersion into the natural world currently at Mitchell Park and the journey of the human experience at Milwaukee Public Museum is a model that can be self-sustaining, advance the mission of both institutions, and serve and inspire the people of Wisconsin.



HOUSTON MUSEUM OF NATURAL SCIENCE - Houston, TX



COCKRELL BUTTERFLY CENTER AT THE HOUSTON MUSEUM OF NATURAL SCIENCE - Houston, TX

Working with our content and design teams, we have identified museums that have successfully paired the experience of a natural history museum and the immersion of a conservatory or botanical garden.



NATURAL HISTORY MUSEUM OF LOS ANGELES - Los Angeles, CA



NATURE GARDENS AT NHMLA - Los Angeles, CA



**GARDENS BY THE BAY** - Singapore



Immersion In The Natural  
World



The Human Experience



Who We Are & How We Got  
Here







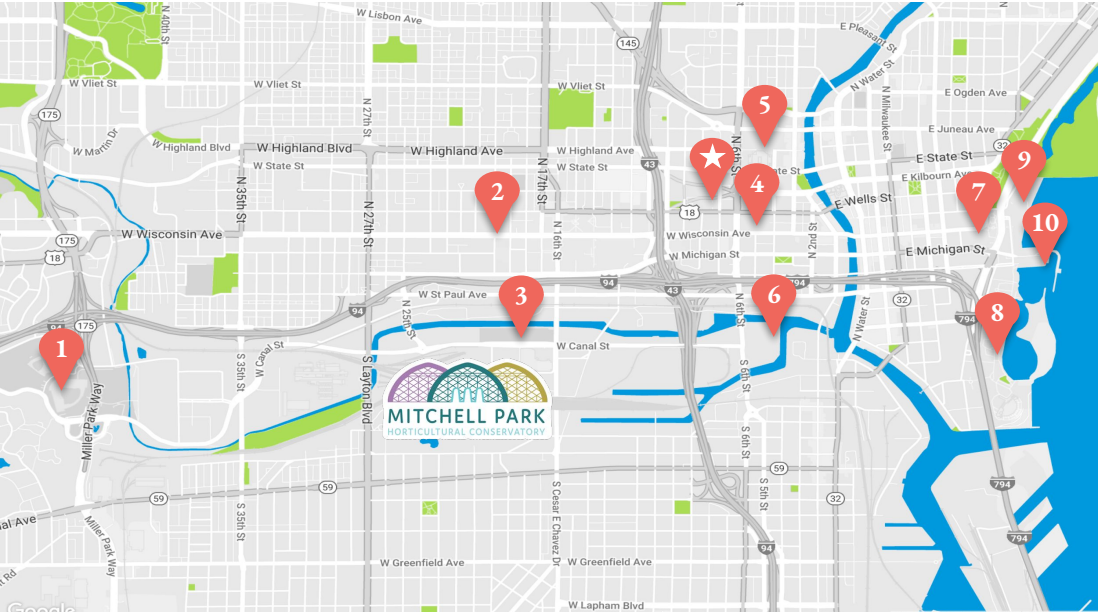
**Montreal Biodome - Montreal Canada**





# Market Analysis & Comparables

# Neighborhood Overview



## Overview

- The current MPM building (★) is currently positioned in a more central location of the city
- Mitchell Park, while more isolated from the city, provides a large space and existing facilities that could be utilized by the museum

## Key Destinations

1. Miller Park
2. The Pabst Mansion
3. Potawatomi Hotel & Casino
4. The Wisconsin Center
5. Fiserv Forum
6. Harley-Davidson Museum
7. Betty Brinn Children’s Museum
8. Henry W. Maier Festival Park
9. Milwaukee Art Museum
10. Discovery World

# Demographics

Local Population	Population	Capture Rates		Attendance	
		Low	High	Low	High
Milwaukee, WI	599,086	2.00%	5.00%	12,000	30,000
Milwaukee County, WI (excludes above)	357,500	1.00%	4.00%	3,600	14,300
Rest of Wisconsin (excludes above)	4,806,631	0.25%	0.50%	12,000	24,000
<b>Total Local Population</b>	<b>5,763,217</b>			<b>27,600</b>	<b>68,300</b>
Tourism	Tourists	Capture Rates		Attendance	
		Low	High	Low	High
Milwaukee Total Visitors	22,500,000	0.50%	2.00%	112,500	450,000
<b>Total Tourist Visitation</b>	<b>22,500,000</b>			<b>112,500</b>	<b>450,000</b>
				<b>Combined Visitation</b>	
				<b>Low</b>	<b>High</b>
			<b>Totals</b>	<b>140,100</b>	<b>518,300</b>

Sources: U.S. Census Bureau, VISIT Milwaukee

## Comparable Museums - Local

Local Attractions	Museum Type	Adult Ticket Price	Annual Attendance	MSA Capture Rate
Milwaukee County Zoological Society	Zoo	\$16.95	1,300,000	82.50%
Milwaukee Public Museum (2018)	Natural Human History	\$18.00	502,000	31.80%
Milwaukee Art Museum	Art Museum	\$19.00	400,000	25.40%
Discovery World	Science Center	\$20.00	400,000	25.40%
Harley-Davidson Museum	Motorcycle	\$20.00	300,000	19.00%
Mitchell Park Horticultural Conservatory (2017)	Conservatory / Botanical	\$8.00	180,000	11.40%
<b>Proposed Museum at Mitchell Park*</b>	<b>Natural History/Conservatory</b>	<b>\$20.00</b>	<b>175,000</b>	<b>11.10%</b>
Betty Brinn Children's Museum	Children's Museum	\$9.00	160,000	10.20%
Milwaukee County Historical Society	History Museum	\$10.00	65,000	4.10%
The Captain Frederick Pabst Mansion	Historical Home	\$12.00	25,000	1.60%
Grohmann Museum	Art Museum	\$5.00	22,000	1.40%

Sources: U.S. Census Bureau, Official Museum Directory, Museum's official website

\*The attendance estimate for the proposed museum at Mitchell Park includes only paid attendance. The other institutions listed reflect an "all-in" attendance figure. For the purpose of this study, GMS only estimated the paid admission attendance for the newly proposed museum.

## Comparable Museums - Content

Museum	Museum Type	Adult Ticket Price	Annual Attendance	Location	MSA Population	MSA Capture Rate
North Carolina Museum of Natural Sciences	Natural Science	Free	724,000	Raleigh, NC	1,273,568	56.85%
Museum of Life and Science	Natural History & Science	\$20.00	300,000	Durham, NC	552,493	54.30%
Denver Museum of Nature and Science	Natural History & Science	\$19.95	1,252,300	Denver, CO	2,888,227	43.36%
Houston Museum of Natural Science	Natural Science	\$25.00	2,700,000	Houston, TX	6,892,427	39.17%
Bishop Museum	Natural & Cultural History	\$24.95	328,000	Honolulu, HI	988,650	33.18%
Milwaukee Public Museum (2018)	Natural Human History	\$18.00	502,000	Milwaukee, WI	1,576,236	31.85%
American Museum of Natural History	Natural History	\$23.00	5,000,000	New York, NY	20,320,876	24.61%
Pacific Science Center	Science Center	\$23.95	937,000	Seattle, WA	3,867,046	24.23%
Cleveland Museum of Natural History	Natural History	\$17.00	263,000	Cleveland, OH	1,273,568	20.65%
Mitchell Park Horticultural Conservatory (2017)	Natural History/Science	\$8.00	180,000	Milwaukee, WI	1,576,236	11.42%
The San Diego Natural History Museum	Natural History	\$19.95	380,000	San Diego, CA	3,337,685	11.39%
<b>Proposed Museum at Mitchell Park*</b>	<b>Natural History/Conservatory</b>	<b>\$20.00</b>	<b>175,000</b>	<b>Milwaukee, WI</b>	<b>1,576,236</b>	<b>11.10%</b>
The Witte Museum	Natural & Cultural History	\$14.00	200,000	San Antonio, TX	2,473,974	8.08%
Natural History Museum of Los Angeles	Natural History	\$13.00	650,000	Los Angeles, CA	13,310,447	4.88%

Sources: U.S. Census Bureau, Official Museum Directory, Museum's official website

\*The attendance estimate for the proposed museum at Mitchell Park includes only paid attendance. The other institutions listed reflect an "all-in" attendance figure. For the purpose of this study, GMS only estimated the paid admission attendance for the newly proposed museum.



# Houston Museum of Natural Science

5555 Hermann Park Dr, Houston, Texas 77030

**Museum Bio:** The Houston Museum of Natural Science is a science museum located in Houston, Texas. Museum attendance totals over two million visitors each year. The museum is one of the most popular in the United States and ranks just below New York City's American Museum of Natural History and Metropolitan Museum of Art and the M. H. de Young Memorial Museum in San Francisco in most attendance amongst non-Smithsonian museums.

## Museum Profile

Attendance	Adult Ticket Price	Total SF	Exhibit SF	Greenhouse/Conservatory/Gardens Size
2,700,000	\$25.00			

## Financial Snapshot - Form 990 (2016)

Earned Revenue	Unearned Revenue	Total Revenue	Total Expense
\$18,374,312 (50%)	\$18,268,871 (50%)	\$36,643,183	\$27,686,733

## Market Snapshot - Houston, TX

City Population	MSA Population	City/MSA Capture Rate	Annual Tourism	K12 Students (City)
2,312,717	6,892,427	116.7% / 39.2%		395,561

**Mission Statement:** The mission of the Houston Museum of Natural Science shall be to preserve and advance the general knowledge of natural science; to enhance in individuals the knowledge of and delight in natural science and related subjects; and to maintain and promote a museum of the first class.

**Strengths & Features:** The museum has has 5 floors of exhibit and programming space, a cafe, museum shop, planetarium, an observatory, a 60x80 3D IMAX theater, and a butterfly garden and indoor rainforest conservatory that boasts a 50 ft. waterfall.

**Weaknesses:** With it's multi-tier pricing for tickets and \$20 parking fee, some find the museum to be overpriced. While the content offering in the permanent exhibit is large, the special exhibit (\$5), the planetarium (\$9), IMAX Theater (\$12), and Butterfly Garden & Rainforest Conservatory (\$12) all require the purchase of an additional ticket.

**Audience Segments:** The museum serves Houstonians of all ages, with programming for children, teenages, and adults. The museum also offered field trip programs for all curriculum levels from K-12.

# Natural History Museum of Los Angeles

900 Exposition Blvd, Los Angeles, CA 90007

**Museum Bio:** The Natural History Museum of Los Angeles County is the largest natural and historical museum in the western United States. Its collections include nearly 35 million specimens and artifacts and cover 4.5 billion years of history. The three floors of exhibit spaces offer a vast collections of artifacts, interactive labs, and a large outdoor garden.

## Museum Profile

Attendance	Adult Ticket Price	Total SF	Exhibit SF	Greenhouse/Conservatory/Gardens Size
650,000	\$13.00	415,000	125,000	3.5 acres

## Financial Snapshot - Form 990 (2016)

Earned Revenue	Unearned Revenue	Total Revenue	Total Expense
\$15,507,493 (29%)	\$37,203,971 (71%)	\$52,711,464	\$47,622,662

## Market Snapshot - Los Angeles, CA

City Population	MSA Population	City/MSA Capture Rate	Annual Tourism	K12 Students (City)
3,949,776	13,310,447	16.5% / 4.9%	48,000,000	1,668,012

**Mission Statement:** To inspire wonder, discovery, and responsibility for our natural and cultural worlds.

**Strengths & Features:** The museum has three floors of exhibits and interactive spaces, including live animals, a dinosaur lab, a nature lab, and a butterfly pavilion. Outside, the museum boasts a 3.5 acre walkable garden. The museum also has a cafe and 3D movie theater.

**Weaknesses:** Some find the museum to be outdated and in need of an upgrade.

**Audience Segments:** The museum serves people of all ages, with programming for children, teenages, and adults. The museum also offered field trip programs for all curriculum levels from K-12.



Building/Space Program Size

## Space Program - Size Comparison

Development Components	Current Mitchell Park	Current MPM Building	Combined Current Space	Proposed Museum at Mitchell Park	Difference	Cost Difference
Exhibit Gallery & Domes	46,200	145,167	191,367	70,000	(121,367)	(\$60,700,000)
Greenhouse Existing Function	62,000		62,000	62,000	-	-
Retail		2,628	2,628	2,500	(128)	(\$30,000)
Food Service		7,088	7,088	6,300	(788)	(\$200,000)
Lobby		12,840	12,840	8,000	(4,840)	(\$1,200,000)
Program/Event/Flex Space		11,304	11,304	15,500	4,196	\$400,000
Auditorium		2,946	2,946	3,000	54	\$20,000
Theater		13,725		-		
Laboratories		19,437	19,437	5,200	(14,237)	(\$2,800,000)
Workshop		11,135	11,135	5,000	(6,135)	(\$1,200,000)
Studio		3,449	3,449	500	(2,949)	(\$600,000)
Administrative		25,828	25,828	15,500	(10,328)	(\$1,000,000)
Storage		58,547	58,547	40,000	(18,547)	(\$7,400,000)
Back of the House / Support Space	38,000	33,354	71,354	50,500	(20,854)	(\$1,000,000)
<b>Total Building Square Feet</b>	<b>146,200</b>	<b>347,448</b>	<b>479,923</b>	<b>284,000</b>	<b>(195,923)</b>	<b>(\$75,710,000)</b>

The proposed building is approximately **40% more space efficient** than the combined current buildings

\*If space is available at another county location, the storage could be moved to that site/location

# Space Program - Proposed Museum at Mitchell Park

Development Components	MPM / Domes
Permanent Gallery Space	70,000
Greenhouse Existing Function	62,000
Retail	2,500
Food Services	6,300
Lobby	8,000
Program/Event/Flex Space	15,500
Auditorium	3,000
Laboratories	5,200
Workshop	5,000
Studio	500
Administrative	15,500
Storage*	40,000
Back of the House	50,500
<b>Total Building Square Feet</b>	<b>284,000</b>

\*If space is available at another county location, the storage could be moved to that site/location

## Commentary

- We have assumed the existing Domes are demolished and a new 222,000 SF building would be added to the 62,000 Greenhouse(s).
- We believe there is a complementary blending of natural history content with the Greenhouse and “Domes” content to achieve a strong, consolidated guest experience\*
- We expect a portion of the Greenhouse facility to be used for exhibit area increasing the “gallery space” to well above the 70,000 s.f. listed in the table
- We assume the “storage” area would be used for the MPM collection.

\*Public occupancy of the existing greenhouses would require changes to the greenhouses & additional capital expenditure

# Development Budget - Proposed Museum at Mitchell Park

Development Components	Square Feet (SF)	Development Cost (\$/SF)	Total Development Cost
<b>Core &amp; Shell (New Building)</b>	<b>222,000</b>	<b>\$350.00</b>	<b>\$77,700,000</b>
<b>Core &amp; Shell (Existing Greenhouses)</b>	<b>62,000</b>	<b>Allowance</b>	<b>\$1,000,000</b>
<b>Fit-out Costs</b>			
Permanent Gallery Space	70,000	\$500.00	\$35,000,000
Greenhouse Existing Function	62,000	\$100.00	\$6,200,000
Retail	2,500	\$250.00	\$600,000
Food Services	6,300	\$300.00	\$1,900,000
Lobby	8,000	\$250.00	\$2,000,000
Program/Event/Flex Space	15,500	\$100.00	\$1,600,000
Auditorium	3,000	\$300.00	\$900,000
Laboratories	5,200	\$200.00	\$1,000,000
Workshop	5,000	\$200.00	\$1,000,000
Studio	500	\$200.00	\$100,000
Administrative	15,500	\$100.00	\$1,600,000
Storage	40,000	\$400.00	\$16,000,000
Back of the House	50,500	\$50.00	\$2,500,000
<b>Total Fit-out Costs</b>	<b>284,000</b>		<b>\$70,400,000</b>
Domes Demolition & Site Prep		Allowance	\$12,000,000
Site Allowance		Allowance	\$10,000,000
Surface Parking	400 Space	\$7,500 / Space	\$3,000,000
Hard Cost Contingency		15%	\$26,100,000
<b>Total Hard Costs</b>			<b>\$200,200,000</b>
<b>Soft Costs</b>			
Pre-opening Marketing		Allowance	\$1,000,000
Pre-opening Salaries		Allowance	\$1,500,000
Pre-opening Operations		Allowance	\$1,500,000
MPM Collections Transfer		Allowance	\$20,000,000
Domes Collections Transfer		Allowance	\$3,000,000
Design / Architecture / Engineering / Consultant		15%	\$30,000,000
Development/Project Management		2%	\$4,000,000
Soft Cost Contingency		10%	\$6,100,000
<b>Total Soft Costs</b>			<b>\$67,100,000</b>
<b>Total Development Costs</b>			<b>\$267,300,000</b>
<b>Total Endowment</b>			<b>\$30,000,000</b>
<b>Total Capital Raise</b>			<b>\$297,300,000</b>

## Commentary

- The greenhouses will already have over 60,000 SF of usable building space; we have assumed a new building of 222,000 will be added
- The “Core & Shell” costs for the new building are to provide a warm, vanilla shell
- We have assumed an allowance of \$1M to “connect” the greenhouse to the new building
- The “fit out” costs are similar to tenant improvements and are the build-out of the various spaces
- The new building will allocate 70,000 SF of exhibit space but overall the museum will have approximately 90,000 SF of exhibit space by utilizing the already existing greenhouses
- The Mitchell Park site will require the demolition of the existing Domes and the creation of a 400 space surface parking lot. The \$12M allowance for the Domes Demolition comes from the ConsultEcon and HGA report provided by the county.
- The total development of the project will be approximately \$267M; With the addition of a \$30M endowment, the total campaign will be approximately \$297M



Operating Pro Forma

# Revenue Assumptions

## Revenues

### Attraction Exhibit

- Total Paid Attendance has been set to 175,000
- Adult Ticket Price of **\$20.00**
- Avg. Ticket Price of \$16.00

### Membership Revenue

- Membership in year one is expected to total 15,000 members with an average membership cost of \$120

### Retail Revenue

- 3rd Party Operator
- \$4.50 retail per capita
- 25%-32% commissions paid to MPM/Domes on gross revenue

### Cafe Revenue

- 3rd Party Operator
- **\$4.00** cafe per capita
- 12.5% commissions paid to MPM/Domes on gross revenue

### Facility Rental Revenue

- Year one projection of 70 private events; 100 in year two
- Average revenue of \$3,250 per event

### Parking Revenue

- Parking Revenue is estimated at \$0 in year one

### Program Revenue

- Program Revenue is estimated at \$300,000 in year one

### Special Event Revenue

- Special Event revenue is revenue generated by events, such as fundraising events or galas. Special Event revenue is projected at \$500,000 in year one

### Fundraising Revenue

- Fundraising Revenue is estimated at \$3,000,000 in year one

### County Support Revenue

- County Support Revenue provided to MPM in 2018 of \$3,500,000 and the \$300,000 to be provided to the Milwaukee Domes in 2018 to cover operation losses

### Endowment Contribution

- Endowment Contribution assumes a 4% annual draw on the museum's total endowment principal of \$30,000,000

## Cost of Goods Sold

### Attraction Exhibit

- \$0.03 per guest for ticket stock/wristbands

### Retail Revenue

- Operator responsible for all costs

### Cafe Revenue

- Operator responsible for all costs

### Facility Rental Revenue

- Assumes Cost of Goods Sold to be 10% of all Facility Rental Revenue



# Expense Assumptions

## Staffing

- Staffing is expected to be 60% of the museum's total revenue (Not including County Support)
  - 75% of staffing expense will go towards Salary & Wages
  - 25% of staffing expense will go towards Employee Benefits

## General & Administrative

- G&A Expenses are expected to be 8% to 10% of total revenue
- Common G&A expenses include:
  - Museum and office supplies
  - Equipment rental
  - Employee-related expense (travel, lodging, training, etc)
  - Dues & subscriptions
  - Bank fees
  - Professional Fees

## Utilities

- Utilities estimated at \$5/square foot

## Insurance

- Insurance expense estimated at 1.0% to 1.5% of total revenue

## Marketing Expense

- Marketing Expenses are expected to be 7% to 10% of total revenue
- Common marketing expenses include:
  - Search engines
  - Surveys
  - Ad-buys
  - Media monitoring
  - Print/digital/video/online ads
  - Fees to agencies
  - Production costs

## Repairs & Maintenance

- Repair & Maintenance Expenses estimated at 7% to 10% of total revenue

## Contingency Expense

- Contingency is calculated as 5% of total revenues

## Capital Expenditure Reserve

- Annual funds set aside for the replenishment of capital equipment and other long-term assets

# Operating Pro Forma - MPM/Domes

	Proposed Museum at Mitchell Park							
	MPM 2018	Domes 2018	Combined 2018	Year 1	Year 2	Year 3	Year 4	Year 5
<b>Museum Attendance</b>	<b>135,000</b>	<b>120,000</b>	<b>255,000</b>	<b>175,000</b>	<b>160,000</b>	<b>160,000</b>	<b>160,000</b>	<b>160,000</b>
<b>Revenues</b>								
Exhibit (Admission, Membership, Programming)	\$3,670,094	\$904,118	\$4,574,212	\$4,921,875	\$4,820,400	\$4,965,012	\$5,113,963	\$5,267,382
Retail	\$709,297	\$0	\$709,297	\$236,250	\$222,480	\$229,154	\$236,029	\$243,110
Parking	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Facility Rental	\$295,916	\$70,464	\$366,380	\$227,500	\$325,000	\$334,750	\$344,793	\$355,136
Special Events	\$638,498	\$0	\$638,498	\$500,000	\$515,000	\$530,450	\$546,364	\$562,754
Food Services	\$0	\$10,730	\$10,730	\$87,500	\$80,000	\$82,400	\$84,872	\$87,418
Fundraising	\$2,634,148	\$0	\$2,634,148	\$3,000,000	\$3,090,000	\$3,182,700	\$3,278,181	\$3,376,526
Net Assets Released from Restrictions	\$1,656,190	\$0	\$1,656,190	\$0	\$0	\$0	\$0	\$0
Other Revenues	\$55,862	\$39,131	\$94,993	\$50,000	\$51,500	\$53,045	\$54,636	\$56,275
<b>Total Revenues</b>	<b>\$9,660,005</b>	<b>\$1,024,443</b>	<b>\$10,673,718</b>	<b>\$9,023,125</b>	<b>\$9,104,380</b>	<b>\$9,377,511</b>	<b>\$9,658,837</b>	<b>\$9,948,602</b>
<b>Cost of Goods Sold</b>								
Exhibit	\$0	\$0	\$0	\$10,800	\$10,800	\$11,100	\$11,100	\$11,100
Retail	\$302,456	\$0	\$302,456	\$0	\$0	\$0	\$0	\$0
Facility Rental	\$0	\$0	\$0	\$22,750	\$31,850	\$30,863	\$30,850	\$31,467
<b>Total Cost of Goods Sold</b>	<b>\$302,456</b>	<b>\$0</b>	<b>\$302,456</b>	<b>\$33,550</b>	<b>\$42,650</b>	<b>\$41,963</b>	<b>\$41,950</b>	<b>\$42,567</b>
<b>Expenses</b>								
Salaries and Wages	\$5,734,528	\$676,099	\$6,410,627	\$4,600,406	\$4,692,414	\$4,786,263	\$4,881,988	\$4,979,628
Employee Benefits	\$1,452,364	\$286,859	\$1,739,223	\$1,533,469	\$1,564,138	\$1,595,421	\$1,627,329	\$1,659,876
Storage	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General and Administrative	\$1,865,594	\$59,483	\$1,925,077	\$1,022,313	\$1,042,759	\$1,063,614	\$1,084,886	\$1,106,584
Marketing	\$679,701	\$650	\$680,351	\$944,138	\$963,021	\$982,281	\$1,001,927	\$1,021,965
Utilities	\$1,096,590	\$207,450	\$1,304,040	\$1,420,000	\$1,448,400	\$1,477,368	\$1,506,915	\$1,537,054
Insurance	\$80,443	\$0	\$80,443	\$102,231	\$104,276	\$106,361	\$108,489	\$110,658
Repairs and Maintenance	\$742,560	\$81,239	\$823,799	\$823,578	\$840,050	\$856,851	\$873,988	\$891,467
Miscellaneous	\$197,671	\$0	\$197,671	\$0	\$0	\$0	\$0	\$0
Contingency	\$0	\$0	\$0	\$511,156	\$515,219	\$528,876	\$542,942	\$557,430
<b>Total Expenses</b>	<b>\$11,849,451</b>	<b>\$1,311,780</b>	<b>\$13,161,231</b>	<b>\$10,957,291</b>	<b>\$11,170,277</b>	<b>\$11,397,034</b>	<b>\$11,628,464</b>	<b>\$11,864,662</b>
<b>Net Operating Income</b>	<b>(\$2,491,902)</b>	<b>(\$287,337)</b>	<b>(\$2,789,969)</b>	<b>(\$1,967,716)</b>	<b>(\$2,108,547)</b>	<b>(\$2,061,486)</b>	<b>(\$2,011,577)</b>	<b>(\$1,958,627)</b>
Debt Service	(\$63,646)	\$0	(\$63,646)	\$0	\$0	\$0	\$0	\$0
Capital Ex Reserve				(\$180,463)	(\$227,610)	(\$281,325)	(\$338,059)	(\$397,944)
Endowment Income				\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000
<b>Net Income Before County Support</b>	<b>(\$2,555,548)</b>	<b>(\$287,337)</b>	<b>(\$2,853,615)</b>	<b>(\$948,179)</b>	<b>(\$1,136,156)</b>	<b>(\$1,142,811)</b>	<b>(\$1,149,636)</b>	<b>(\$1,156,571)</b>
Public Support	\$3,500,000	\$287,500	\$3,787,500	\$3,800,000	\$3,800,000	\$3,800,000	\$3,800,000	\$3,800,000
<b>Net Cash Flow</b>	<b>\$944,452</b>	<b>\$163</b>	<b>\$933,885</b>	<b>\$2,851,821</b>	<b>\$2,663,844</b>	<b>\$2,657,189</b>	<b>\$2,650,364</b>	<b>\$2,643,429</b>

\*Total full paid admission; does not include discounted or free admission

# Sensitivity Analysis - Proposed Museum at Mitchell Park

Sensitivity	Proposed Museum at Mitchell					
	Estimated Y1	(50.00%)	(25.00%)	(10.00%)	10.00%	25.00%
<b>Museum Attendance:</b>	<b>175,000</b>	<b>87,500</b>	<b>131,250</b>	<b>157,500</b>	<b>192,500</b>	<b>218,750</b>
<b>Revenues</b>						
Exhibit (Admission, Membership, Programming)	\$4,921,875	\$2,460,938	\$3,691,406	\$4,429,688	\$5,414,063	\$6,152,344
Retail	\$236,250	\$118,125	\$177,188	\$212,625	\$259,875	\$295,313
Food Services	\$87,500	\$43,750	\$65,625	\$78,750	\$96,250	\$109,375
Parking	-	-	-	-	-	-
Facility Rental	\$227,500	\$113,750	\$170,625	\$204,750	\$250,250	\$284,375
Special Events	\$500,000	\$250,000	\$375,000	\$450,000	\$550,000	\$625,000
Fundraising	\$3,000,000	\$1,500,000	\$2,250,000	\$2,700,000	\$3,300,000	\$3,750,000
Other Revenues	\$50,000	\$25,000	\$37,500	\$45,000	\$55,000	\$62,500
<b>Total Revenues</b>	<b>\$9,023,125</b>	<b>\$4,511,563</b>	<b>\$6,767,344</b>	<b>\$8,120,813</b>	<b>\$9,925,438</b>	<b>\$11,278,906</b>
<b>Cost of Goods Sold</b>						
Exhibit	\$10,800	\$5,400	\$8,100	\$9,720	\$11,880	\$13,500
Facility Rental	\$22,750	\$11,375	\$17,063	\$20,475	\$25,025	\$28,438
<b>Total Cost of Goods Sold</b>	<b>\$33,550</b>	<b>\$16,775</b>	<b>\$25,163</b>	<b>\$30,195</b>	<b>\$36,905</b>	<b>\$41,938</b>
<b>Expenses</b>						
Fixed Expenses	\$7,099,563	\$7,099,563	\$7,099,563	\$7,099,563	\$7,099,563	\$7,099,563
Variable Expenses	\$3,857,729	\$1,928,864	\$2,893,296	\$3,471,956	\$4,243,501	\$4,822,161
<b>Total Operating Expenses</b>	<b>\$10,957,291</b>	<b>\$9,028,427</b>	<b>\$9,992,859</b>	<b>\$10,571,518</b>	<b>\$11,343,064</b>	<b>\$11,921,723</b>
<b>Net Operating Income</b>	<b>(\$1,967,716)</b>	<b>(\$4,533,639)</b>	<b>(\$3,250,678)</b>	<b>(\$2,480,901)</b>	<b>(\$1,454,531)</b>	<b>(\$684,755)</b>
Capital Ex Reserves	(\$180,463)	(\$180,463)	(\$180,463)	(\$180,463)	(\$180,463)	(\$180,463)
Public Support	\$3,800,000	\$3,800,000	\$3,800,000	\$3,800,000	\$3,800,000	\$3,800,000
Endowment Income	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000
<b>Net Cash Flow</b>	<b>\$2,851,821</b>	<b>\$285,898</b>	<b>\$1,568,860</b>	<b>\$2,338,637</b>	<b>\$3,365,006</b>	<b>\$4,134,783</b>

Thank You