

**Institute of Texan Cultures Museum
Operational Model Development/ Relocation Options**

	<u>As-Is</u>		<u>Scenario 1</u>		<u>Scenario 2</u>		<u>Scenario 3</u>	
	No Change to Existing ITC Building		Construct New ITC Building on New Site in Alamo District		Demolish and Replace Existing ITC Building in UTSA's Hemisfair Campus		Renovate Existing Texas Pavilion Building	
Key Statistics	2019		Year 3		Year 3		Year 3	
Attendance	62,000		200,000		120,000		90,000	
Memberships	101		500		200		200	
Retail Space (SF)	719		600		600		600	
Museum Net Area (SF)	112,630		59,445		77,695		112,630	
Gross Area (SF)	185,840		98,084		128,197		185,840	
Operating Revenues and Expenses (in thousands)	Basis		Basis		Basis		Basis	
Operating Revenues								
Admissions	\$236	\$3.81 / attendee	\$1,554	\$7.77 / attendee	\$932	\$7.77 / attendee	\$699	\$7.77 / attendee
Retail Sales	105	\$146 / SF of retail space	340	\$567 / SF of retail space	340	\$567 / SF of retail space	340	\$567 / SF of retail space
Venue Rentals	77	annually	250	annually	250	annually	250	annually
Membership	22	\$218 / member	75	\$150 / member	30	\$150 / member	30	\$150 / member
Educational and Public Programs	0	na	50	annually	50	annually	50	annually
Fundraising Event (net)	0	na	40	annually	40	annually	40	annually
Other Earned Income	0	na	10	annually	10	annually	10	annually
Existing Endowment/ Interest	260	annually	260	annually	260	annually	260	annually
Existing Private Support	100	annually	100	annually	100	annually	100	annually
Existing University/ State Support	1,002	annually	1,002	annually	1,002	annually	1,002	annually
Total Revenue	\$1,802		\$3,681		\$3,014		\$2,781	
Operating Expenses								
Salaries, Wages, Benefits	\$1,854	annually	\$2,541	annually	\$2,541	annually	\$2,541	annually
Occupancy	800	\$4.30 / gross SF	360	\$3.67 / gross SF	471	\$3.67 / gross SF	682	\$3.67 / gross SF
Collections Care	0	na	10	annually	10	annually	10	annually
Exhibitions	25	annually	180	annually	180	annually	180	annually
Public and Educational Programs	34	annually	100	annually	100	annually	100	annually
General and Administrative	137	7% of staffing cost	254	10% of staffing cost	254	10% of staffing cost	254	10% of staffing cost
Development	278	annually	350	annually	350	annually	350	annually
Marketing	7	annually	150	\$0.75 / attendee	90	\$0.75 / attendee	68	\$0.75 / attendee
Retail Costs of Goods Sold	58	55% of retail sales	170	50% of retail sales	170	50% of retail sales	170	50% of retail sales
Total Expenses	\$3,193		\$4,115		\$4,166		\$4,355	
Net Operating Income	(1,391)		(\$434)		(1,151)		(1,573)	
<i>(equal to Amount Required from Additional University/State, Private and Endowment Sources to Break Even on Operations)</i>								
Scenario for University/ State at 75% of Additional Financial Support Needed			\$326		\$863		\$1,180	

Source: Johnson Consulting

**Institute of Texan Cultures Museum
Operational Model Development/ Relocation Options**

	<u>Scenario 1</u>	<u>Scenario 2</u>	<u>Scenario 3</u>
	Construct New ITC Building on New Site in Alamo District	Demolish and Replace Existing ITC Building in UTSA's Hemisfair Campus	Renovate Existing Texas Pavilion Building
Development Budget			
Land Costs	\$ -	\$ -	\$ -
Soft Costs			
Building	\$ 6,698,645	\$ 7,304,418	\$ 12,901,257
Exhibits	\$ 1,620,000	\$ 1,620,000	\$ 2,400,000
Other	\$ 350,000	\$ 350,000	\$ 350,000
Contingency	\$ 433,432	\$ 463,721	\$ 782,563
Hard Costs			
Building	\$ 34,205,000	\$ 43,779,130	\$ 85,770,000
Exhibits	\$ 13,950,000	\$ 13,950,000	\$ 20,955,565
Contingency	\$ 4,815,500	\$ 5,772,913	\$ 10,672,557
Escalation	\$ 8,667,900	\$ 10,391,243	\$ 19,210,602
Additional Costs			
Storage Facility	\$ 7,722,000	\$ 7,722,000	\$ -
CAR Base Build	\$ 8,775,000	\$ 8,775,000	\$ -
CAR Fit Out	\$ 4,387,500	\$ 4,387,500	\$ 3,750,000
Fees & Other (Not included in the DBA Report)			
Project Contingency (10%)	\$ 9,162,498	\$ 10,451,593	\$ 15,679,254
Financing Fees (0.5%)	\$ 222,884	\$ 590,000	\$ 885,000
Development Fees (2.5%)	\$ 2,525,259	\$ 2,888,938	\$ 4,333,920
Total Development Budget	\$103,535,618	\$118,446,456	\$177,690,717

Source: DBA Report

Operating Proforma (in thousands)

Operating Revenues	\$ 4,267	\$ 3,495	\$ 3,224
State Funding	\$ 1,000	\$ 1,000	\$ 1,000
Total Revenues	\$5,267	\$4,495	\$4,224
Operating Expenses	\$ 4,770	\$ 4,829	\$ 5,048
Capital Expenses	\$ 530	\$ -	\$ -
Capital Reserves	\$ 127	\$ 127	\$ 265
Total Expenses	\$5,428	\$4,956	\$5,313
Net Operating Income	(\$161)	(462)	(1,089)
Debt Service	\$ 2,487	\$ 4,164	\$ 9,966
Net Cash Flow	\$ (2,648)	\$ (4,626)	\$ (11,055)