

Virginia Museum of Natural History ---Waynesboro Campus

General Assembly background document January 2018

The Virginia Museum of Natural History in Martinsville (VMNH) and the City of Waynesboro are in discussions to locate a campus of the museum in the City's downtown. The purpose of the Waynesboro campus would be to expand the museum's reach, interpret the unique attributes of the Shenandoah Valley, provide educational opportunities for the region, augment cultural and tourism opportunities, and generate local and state revenue.

We are seeking General Assembly support of \$250,000 in FY19.

\$1,150,000 SUPPORT TO DATE

We invite the Commonwealth of Virginia to join the City of Waynesboro and the Virginia Museum of Natural History in establishing a campus of the museum in Downtown Waynesboro. To date, the City has committed \$1 million in support of this project, and \$150,000 was raised with charitable donations and grants to establish a demo museum site and conduct a Feasibility Study, Museum Master Plan, and Capital Campaign Planning Study. These efforts show the commitment of not only the museum, but also the City and its citizenship.

KEY BENEFITS

The museum will benefit by running a financially sustainable operation that will increase its visibility and impact on science literacy in Virginia. The City and region will benefit from the estimated \$1.8 million in economic impact as the museum will drive new traffic into the area that will support the service and cultural sectors. The Commonwealth will benefit with an estimated \$50,000 in annual tax revenue, a positive cash flow to the existing museum operation, and the creation of a new tourist attraction.

LOW RISK INVESTMENT

The details provided in this document have been excerpted from a Chmura Economics & Analytics study published in April 2013 and demonstrate that this is a low-risk investment for the Commonwealth. In the Feasibility Study, Chmura concludes that the number of

annual visitors to the Waynesboro Campus will be over 65,000 people and the museum will generate a positive cash flow and maintain sustainability with only 40,000 visitors.

THE PROJECT

Completed studies have indicated that the investment in a 25,000 square foot, multi-story facility located along the banks of the South River adjacent to the central business district and in the recently expanded Constitution Park will be \$10m. Additional studies indicate that corporate and citizen donations could reach \$2.5m. Coupled with the City commitment of \$1m, the Commonwealth's investment is only \$6.5m. The \$250,000 requested in FY19 is to begin engineering and architecture work.

CORE SERVICE AREA

VMNH-Waynesboro will serve the 8 million citizens of Virginia, with its core service area reaching the following 11 cities and counties: the Cities of Waynesboro, Staunton, Harrisonburg, Lexington, Buena Vista, and Charlottesville, and the Counties of Augusta, Nelson, Rockingham, Rockbridge, and Albemarle.

The total population of this region was estimated to be 446,004 in 2012. From 2000 through 2012, the pace of population growth was 1.1% per year.

\$1.8m Economic Impact

65,000 annual visitors

Wide Public Support

Positive Cash Flow for Museum

Serve all citizens of State

Higher Education Impact

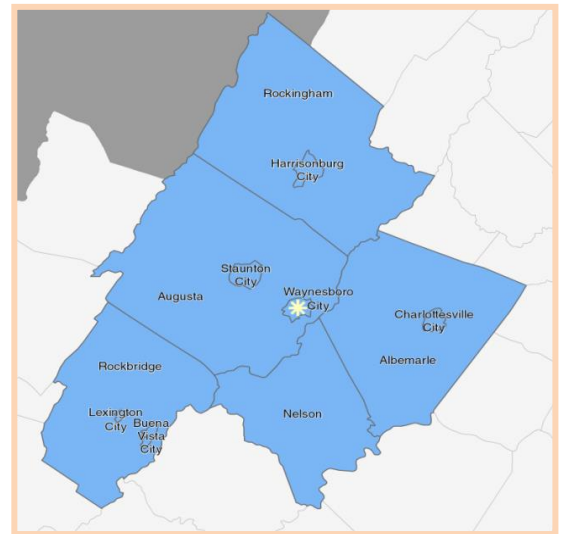
STEM Education Opportunity

New Tourist Destination

Entrepreneurial Growth

ANNUAL ATTENDANCE IS ESTIMATED TO BE 65,582 VISITORS

The Waynesboro campus is expected to draw double the number of visitors than VMNH-Martinsville. The existing museum in Martinsville had outstanding success in 2017, reaching attendance of 40,000 and yielding a three-year annual average attendance of 33,000, half of which came from the City of Martinsville and Henry County. These two areas have a combined population of 67,972. The comparable region of Waynesboro, Augusta, and Staunton had a combined population of 119,705 in 2012.



- The low-range annual attendance estimate of VMNH-Waynesboro is 45,332. This assumes that 23% of the population of Waynesboro, Augusta, and Staunton, and 3.8% of the population of the rest of the service area will visit the museum per year. Those percentages are the same for the existing museum facility.
- Waynesboro is within one hour of three of the top 12 state tourist attractions. An additional attraction will encourage more overnight stays and longer visitation in the region.
- Shenandoah National Park attracts 1.2 million annual visitors. One quarter (25%) of park visitors use the southern entrance of the park, which is located within five miles of Waynesboro. A 2013 Chmura survey indicated that 13.5% of park visitors may have an interest in visiting a natural history museum, if one is close by. If those interests materialize, the high-range annual attendance estimate to VMNH-Waynesboro is estimated to be 85,832 visits per year.
- In the feasibility and economic impact analysis, Chmura used the mid-point of both the low- and high-range estimates, which results in 65,582 visitors per year.
- The rate structure of the new museum will be the same as the existing museum facility in Martinsville. The admission charge is \$5 for adults, \$4 for seniors and college students, and \$3 for children age 3 through 18.
- A paid annual membership will provide free admission to both facilities.

NET INCOME IS EXPECTED TO BE POSITIVE

- The museum will employ a modest size staff taking full advantage of the current expert staff.
- Assuming an attendance of 65,582 per year, the annual operating revenue of VMNH-Waynesboro is projected to be \$324,246. Annual operating expenses including payroll are projected to be \$242,250. From an operating standpoint, VMNH-Waynesboro will be financially feasible after construction is completed.

ECONOMIC IMPACT

- Construction of the campus is expected to generate a total impact of \$10.4 million and 108 jobs.
- The ongoing operation is expected to generate \$500,000 per year and support 10 indirect jobs per year.
- The ongoing operational revenue of VMNH-Waynesboro includes revenue from admission, membership, and donations. Total annual direct impact is estimated to be \$324,246.
- State government is expected to receive an average of \$8,813 in individual income tax.
- The total number of visitors is estimated to be 65,582 per year in this analysis. It is estimated that an average visitor spends \$20.60 per day that can be attributed to the museum.
- Direct VMNH-Waynesboro visitors are estimated to spend \$1.2 million in the region (plus museum spending).
- Adding direct, indirect, and induced impacts, the total economic impact of VMNH-Waynesboro visitor spending in the region is estimated at \$1.8 million that can support 20 jobs (direct, indirect, and induced) in the region.
- Museum visitor spending is estimated to result in \$23,608 in tax revenue for local governments in the Waynesboro region from sales, meals, lodging, and BPOL taxes. The state tax revenue was estimated to be \$49,576 from sales, individual and corporate income taxes.

ECONOMIC, EDUCATIONAL, AND CULTURAL BENEFITS

For The Commonwealth:

- Expand the relevance and the interpretation of Virginia's natural heritage to all citizens of the Commonwealth.
- Create additional exposure and encourage a greater impact on science literacy.
- Enhance Virginia tourism opportunities by creating a strategically located facility.
- School visits, outreach, and teacher professional development will impact a new area of the Commonwealth now difficult to serve from southern Virginia.
- Provide additional tax revenue.
- Create positive cash flow to current museum operations possibly eliminating annual budget subsidy.

For The Museum:

- Achieve General Assembly goal of extending the museum's physical reach by becoming more easily accessible to the majority population centers of the state thereby increasing the museum's relevance, impact and services to all citizens.
- Create a size-appropriate facility to draw from cities within a half-hour drive, Blue Ridge Parkway, and Shenandoah National Park, while maximizing efficiency of cost of operation.
- Extend the reach and citizen impact of VMNH to the Central, Northern and Eastern regions of Virginia, resulting in an increase in memberships.
- Create a positive annual net income estimated at \$45.3K
- Increase the current museum attendance by over 65,000 visitors by drawing from the region encompassing Staunton, Harrisonburg, and Waynesboro.
- Expose more than 10 million specimens and artifacts to a greater segment of the Commonwealth's population.



For The City Of Waynesboro:

- Provide an anchor for the Center for Coldwaters Restoration strategy for the long-term economic development plan for the City of Waynesboro (see The Bigger Picture on page 4).
- Take advantage of the proximity to the Blue Ridge Parkway and Skyline Drive and strategic location on two interstate highways to welcome 40,000 travelers into Downtown Waynesboro.
- Create a cultural tourism draw in a strategic location that will encourage additional visitation while complementing current opportunities such as the Wayne Theatre, Cultural Heritage Museum, Constitution Park, Greenway, Festivals, Restaurants and Shops
- Capitalize on existing populations that desire a cultural/science/museum experience.
- Generate traffic into Downtown Waynesboro that will support the service industry. Seventy-six percent of all U.S. leisure travelers participate in cultural or heritage activities such as visiting museums. These travelers spend 60 % more on average than other leisure travelers.
- Generate \$1.8 million economic impact.
- Establish Waynesboro's first higher education presence, which will provide additional collaboration with universities.

THE BIGGER PICTURE

Establishing a 25,000-square-foot campus of the state's museum of natural history in Downtown Waynesboro will attract a wide audience seeking a cultural and educational experience. At the intersection of I-64 and I-81, and within just a few miles of top tourist attractions such as the Blue Ridge Parkway and Shenandoah National Park / Skyline Drive, the museum's exhibit and interactive experience will be large enough to attract an audience estimated at over 65,000 visitors per year, while being small enough that the cost of operations will be low. Once complete and open to the public, the VMNH-Waynesboro campus will be a self-sustaining presence in the Downtown that will drive an estimated \$1.8 million in economic development annually.

Impressive on its own, but only part of the picture.

The Center for Coldwaters Restoration, an independent 501 (c) (3) corporation is a volunteer organization focused on envisioning and advocating for programs, policies, and plans that foster long-term and sustainable natural resource-based economic development for the greater Waynesboro community. Working with the City, the long-term goal is to create high paying jobs in innovative industry, commercial application, and or higher education opportunities, while taking advantage of Waynesboro's strategic location and proximity to the South River and Blue Ridge Mountains.

The Waynesboro campus is a critical component along this strategic path. The museum will not only bring much needed investment to the central business district, but will generate awareness and interest in the location from over 65,000 visitors, many of whom would not be in the City without it.



To achieve this goal, the philosophical and financial partnership between the Commonwealth, VMNH, City of Waynesboro, and the citizens of the area must be strong. The citizens, City, and museum have demonstrated their commitment to the project.

We are asking the General Assembly to begin the Commonwealth's commitment by including \$250,000 in the FY19 budget so that development of the Waynesboro Campus may begin.

FOR MORE INFORMATION:

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