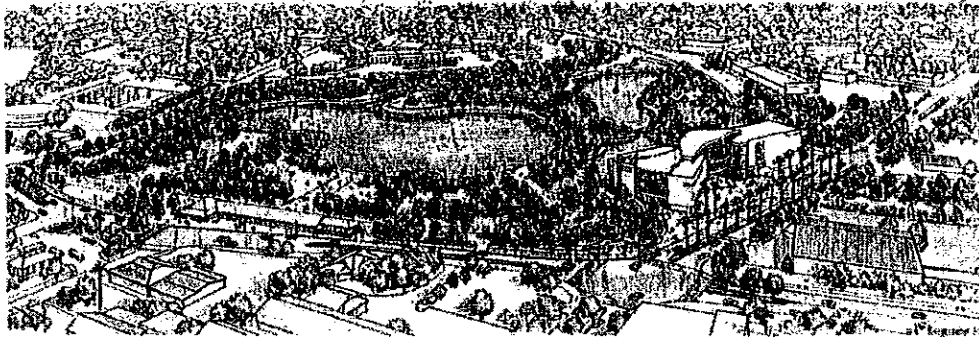


LEGISLATIVE # 110374J

THE CADE MUSEUM

FOR INNOVATION AND INVENTION



2010 Business Plan (Capital Projects that Promote Tourism)

Submitted to the Alachua County Board of County Commissioners

***Alachua County Purchasing Division
County Administration Building
12 SE 1st St.
Gainesville, FL 32601-6983***

***Cade Museum for Innovation and Invention
530 W. University Ave.
Gainesville, FL 32601
352-381-7100***

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Why Fund the Cade Museum?

Among the projects under consideration by the County, the Cade Museum for Innovation and Invention has the biggest potential for creating an entirely new source of tourism. The Museum will draw many of its visitors by serving as a common space for researchers, entrepreneurs, educators, students, and the general public. Its location in Depot Park – midway between East Gainesville and the University – will serve as a meeting point for different sectors of the community and provide programs tailored to their respective interests, such as inventor's clubs and camps for kids, commercialization workshops for post-graduate inventors, and academic seminars. The development of a virtual museum will reach a broad audience of secondary school educators in Alachua County, the state, and the nation.

We will increase the visibility and attractiveness of Alachua County by helping to harness the tremendous intellectual and entrepreneurial energy in the area. From the University of Florida, the top patent-generating public university in the U.S., to the over 80 tech start-up firms in Gainesville and Alachua, to the Innovation Gainesville initiative launched last year by the Chamber of Commerce, there are signs everywhere of Alachua County's growing reputation as an innovation hub.

The Cade Museum already has begun to raise the profile of Alachua County by sponsoring the annual Cade Prize for Innovation. The competition – open this year to Florida teams – drew over 100 high-quality entries from the state. A winner will be named on June 11 and receive \$50,000 in cash (provided through a grant by the Gainesville Community Foundation) and one year of office space at the Gainesville Technology Enterprise Center. In its first year, this competition already has drawn strong interest and attention from around the state, and will focus attention on Alachua County as the place to be for innovative people and companies.

Brief Description

The Cade Museum is named for Dr. James Robert Cade, the physician, musician, researcher and inventor best known for leading the University of Florida team that created Gatorade. The Museum is being created to promote a culture of creativity and innovation in Gainesville as well as in the United States.

In particular, the programs and the exhibits will focus on:

- America's unique national legacy of innovation
- The brain science behind creative thought
- Inventors and their stories
- Current inventions and technologies
- The innovative process from the laboratory to the marketplace

These themes will be presented to the public through educational outreach programs, innovation competitions, virtual exhibits, conferences, workshops, and

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lectures as well as interactive exhibits in a building to be located in downtown Gainesville's Depot Park.

Collaborating with local schools, Santa Fe College and the University of Florida, the Cade Museum will also be an invaluable educational asset in Central Florida. A virtual museum will give students around the world access to the Cade's exhibits and programs as well as to special lectures and seminars.

How does the project fit the requirements of Florida Statute 125.0104(5)?

The Cade Museum meets the statutory requirement that the project funds be used "to construct [a] publicly owned and operated ...museum that [is] operated by [a] not-for-profit organization and open to the public within the boundaries of the county."

The Cade Museum Foundation is a registered 501(3)(c) non-profit organization. The Foundation's Board of Directors, Officers, and Executive Director receive no compensation except for reasonable expenses incurred on behalf of the Foundation.

Anticipated Return on Investment (ROI) on Tourism

The museum has the ability to attract tourists of all ages, income levels, and educational backgrounds consistently throughout the entire year. The Museum will host science fairs, commercialization workshops, technology conferences, invention camps, and seminars in the fields of high-tech research and development, entrepreneurship, and innovation. These events will attract school children and their families, entrepreneurs and business people, technology enthusiasts, academics, and venture capitalists. Many of these visitors will come outside of Alachua County.

In combination with area partners, the Cade Museum also will draw eco-tourists to Alachua County to capitalize on Gainesville's growing "Green" reputation. Such visitors will want to combine trips to nature preserves such as Payne's Prairie with visits to exhibits on green technology at the Museum. This has been a growing market for years, and one in which Alachua County has significant growth potential.

Name of Event	Events Per Year	Annual Out of County Attendees	Hotel Rooms Per Event (\$120 per night)	Annual Revenue for Hoteliers	Annual Bed-Tax Generated by Out of County Visitors	Annual Sales Tax Generated by Out of County Visitors

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Annual Visitors	N/A	50,000	12,500	\$1,500,000	\$45,000	\$101,250
Eco-Tourism Packages	N/A	1500	500	\$60,000	\$1800	\$4050
Science Fairs	2	100	200	\$48,000	\$1440	\$3,240
Technology Conference	1	100	200	\$24,000	\$720	\$1,620
Commercialization Workshops	3	60	20	\$7,200	\$216	\$486
Seminars	1	25	50	\$6,000	\$200	\$475
Invention Camps	1	20	40	\$4,800	\$144	\$324
TOTALS				\$1,650,000	\$49,520	\$111,445

The Cade Museum's programs, which have already begun or will start in 2010, will draw a steady stream of visitors to Gainesville. In addition to the Cade Prize for Innovation, the Museum is sponsoring a Commercialization Workshop to teach innovative entrepreneurs how to get their inventions to market (April 23), A full scholarship for at-risk children to attend Camp Invention (July 2010 at Rawlings Elementary School), and a weekend invention club at the Museum's offices on University Avenue (the Florida "Caders").

Project Location

The museum's location in Depot Park, offers easy access to tourists traveling on I-75 via Williston Road, from Route 301 for visitors coming south from I-10 and Jacksonville, from Route 441 for tourist traveling north from Ocala, and Highways 20 and 24 for visitors coming from St. Augustine or I-95.

Depot Park is about two blocks south of the historic Gainesville downtown area, which offers a wide array of restaurants, lodging, and retail shops. Most of these establishments would directly benefit from increased visitor traffic to Depot Park.

How Does the Project Support the Main Purposes of Travel into Alachua County?

The Museum will be an additional reason to travel to Alachua County for the one million plus annual tourists that already come for other activities. A 2007 study¹ showed that there is a demand among tourists for more cultural and historical

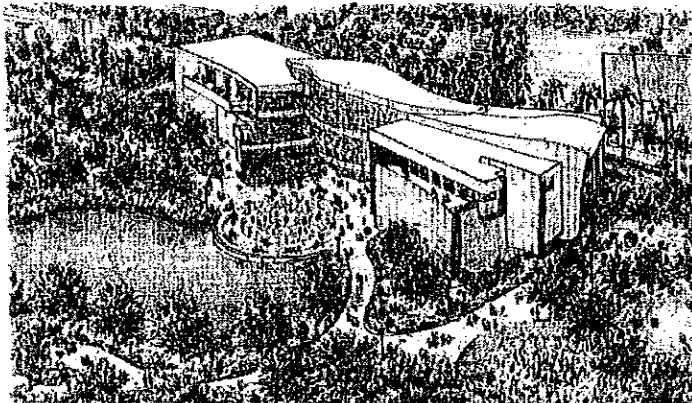
¹ A 2007 Study of Tourist Behaviors in Alachua County Florida, Center for Tourism Research and Development, Department of Tourism, Recreation & Sport Management, University of Florida, 325 FLG, PO Box 118208 Gainesville, FL 32611-8208 (352) 392-4042

attractions in Alachua County. Asked to rank their perceptions of their stays in Alachua County, visitors indicated, among other things, that the availability of cultural and historical sites made a relatively poor impression on them:

Rank (1-22)	Aspect	Percent Saying "Excellent"
1	"Quality of sporting events"	74
2	"Quality of natural areas"	72
7	"Beautiful parks"	67
10	"Quality of performing arts"	58
11	"Plentiful wilderness activities"	57
13	"Opportunities to attend fairs and exhibits"	55
15	"Plentiful cultural and historical sites"	47

According to the same study, the County hosts approximately 1 million tourists annually, of which almost 90% stay one or more nights. Data from the survey, conducted by the UF Center for Tourism and Research Development, showed that over 25% of overnight tourists to Alachua County – about 250,000 annually – visit a museum, art gallery, or historic site. The Museum has the strong potential to add significantly to this number.

The building itself will be a tourist draw for Gainesville. Incorporating the limestone of the surrounding area, the Cade Museum building will be an iconic structure designed to evoke the look and feel of the fresh water springs in Alachua County. Water features throughout will remind visitors what is unique about north central Florida. According to one recent economic impact study, "Cultural



institutions that inhabit iconic architecture have positively impacted communities both quantitatively and qualitatively. There is significant evidence of the economic impacts of these projects. In addition, these projects add to the quality of life of communities by

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creating a "quality of place," not just by the programmatic visitor experience of an institution but also by its external layer: its iconic architecture."²

Verner Johnson, Museum Architects and Planners (Boston) developed the initial vision for the Cade Museum for Innovation and Invention. With more than 200 projects in its portfolio, Verner Johnson has planned or designed more museums than any other architectural firm. Its projects have included every type of museum, and have ranged in size from 7,500 to 1,250,000 square feet. International work includes projects in Europe, Hong Kong, China, Dubai, New Zealand, South America, and the Caribbean, with clients including the Smithsonian Institution, the Louvre Museum in Paris, and the Urban Council in Hong Kong.

For the Cade Museum in Gainesville, the firm has conceived a building that seems to flow naturally into the landscape and master plan for the reclamation and renovation of Depot Park. In addition to state of the art galleries, the three-story, 55,000 square foot facility will include a theater, science labs for use by schools and others, a restaurant and a dedicated space for hosting top traveling exhibits. The building is also designed to serve as a venue for meetings and community events.

What Would Be the Secondhand Benefit to the County Other Than Tourism?

The physical location of the museum in Depot Park will act as a bridge between East Gainesville and the downtown area and the University of Florida and west Gainesville. Many community members who may view the UF and the tech sector as inaccessible now will have a window into the tremendous research and technological breakthroughs taking place in their own backyards.

The museum also will serve as a one-stop portal for the general public, national media, and private sector to view the tremendous advances in innovation taking place in Alachua County. It also will promote the development of a "knowledge economy" in Alachua County, and in particular focus on the tremendous job-creating potential of new technologies.

Additionally, the museum will be a connector and facilitator for existing institutions in Gainesville and Alachua County. With a mission that cuts across numerous disciplines – science, technology, arts, education, business, and entrepreneurship – the Museum will be very well placed to act as an "honest broker" and community-wide sponsors for multiple sectors.

² "Evaluation of the Economic Impact of the Iconic Rainbow Bridge Project," Final Report, ConsultEcon, Inc., prepared for the Flandrau Science Center at the University of Arizona, December 19, 2005.

For example, the Museum is in the early stages of developing a pilot project to design a virtual exhibit on the science of brain creativity. This initiative, which brings together researchers from the UF McKnight Brain Institute, Alachua County schools, and student entrepreneurs, is the first step towards serving as a collaborative space for people from different types of disciplines.

How Will the Project Be Marketed to Tourists?

The Cade Museum will be presented as a major cultural institution with exhibits and programs that are highly interesting, interactive, and educational. The museum is



designed to be especially attractive to individuals of all ages that are interested in the science of creativity, (with an emphasis on brain research), innovative technology, sports physiology, entrepreneurship, and the contribution of the arts to the inventive

process. Frequent traveling exhibits and varied educational programs will continually refresh the content of the museum and attract repeat visitors from outside the county.

The Museum will be particularly attractive to school groups and families with school-age children, many of who will travel to Gainesville and combine a visit the museum with shopping, entertainment, sporting events, or other activities. We will also market the museum to Gator Sports Enthusiasts who will come to our museum to gain access to the complete Gator Archives and Video Clips from historic games, as well as an interactive exhibit outlining the development of Gatorade and the role of the Gator Football Team in creating this national brand.

How Will the Project Have National and International Recognition?

The theme of innovation is hot. Several national pundits have written recently of the need to foster innovation as the engine of our economic growth. "What the country needs most now is not more government stimulus, but more stimulation," wrote Thomas Friedman of the New York Times in January. "We need to get millions of American kids, not just the geniuses, excited about innovation and entrepreneurship again. We need to make 2010 ...the year of innovation, the year of making our pie bigger, the year of "Start-Up America."

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Similarly, last November, David Brooks warned, "It would be nice if some leader could induce the country to salivate for the future again. That would mean connecting discrete policies — education, technological innovation, funding for basic research — into a single long-term narrative. It would mean creating regional strategies, because innovation happens in geographic clusters, not at the national level."

The Cade Museum will be one of only six museums in the country that focus on innovation and invention. Of those institutions, the Cade will be the **ONLY** museum that presents the emerging brain science of creativity and the commercialization process, both of which are integral to understanding and promoting a culture of innovation in the United States.

	National Legacy of Innovation	Brain Science of Creativity	Inventors and Their Stories	Inventions and Tech.	Commercialization Process
Cade Museum (FL)	X	X	X	X	X
National Inventors Hall of Fame (DC)	X		X	X	
Lemelson Center for the Study of Invention and Innovation (DC)	X		X	X	
Tech Museum of Innovation (CA)				X	
Charles River Museum of Industry and Innovation (MA)				X	
Elliot Museum (FL)				X	

The Cade Museum website already has generated significant national and international interest. In the just over a year of operation, the site has received about 49% of its hits from outside the state of Florida. About 6% of the visits have come from 76 countries besides the United States. Similarly, on the museum's Facebook fan page (launched in January 2010), about 58% of the fans are from cities outside of Gainesville, and 6% are from 15 countries apart from the U.S.

Total Design and Building Costs

According to early 2009 estimates from the museum's architects and exhibit designers, the estimated design and construction costs for the 55,000 square museum building and 17,000 square feet of exhibits are just over \$40 million.

Building (design and construction)	\$27.475 m
Exhibits (design and construction)	\$11.402 m
Other expenses and start-up costs	\$1.543 m
TOTAL	\$40.42 m

Since the cost of construction materials has dropped in 2009, the current price tag may be lower. In addition, the pricing above does not take into account potential savings from using a design-build firm for the exhibit construction. (Such firms, of which there are several in the U.S., generally deliver lower overall costs.)

Next-Phase Costs

The museum has completed the conceptual design phase and is ready – contingent upon funding - to move forward to the next 3 phases: Schematic Design, Design Development, and Contract Documents. The cost of these phases (also included in the table above) is about \$1.8 million.

Schematic Design Phase	\$473,000
Design Development Phase	\$566,500
Contract Documents Phase	\$805,000
TOTAL	\$1.84 m

Current Funding

In 2006, Dr. and Mrs. J. Robert Cade contributed an asset that funds an endowment for museum foundation operating costs. This asset currently generates just over \$300,000 a year, sufficient to fund a maximum of 3 professional staff positions and to cover basic expenses. In addition, the President and Executive Director are working full-time as unpaid professional staff, the value of which is approximately \$200,000 a year. The Museum receives about \$22,000 a year in rent payments from property it owns on South Main Street in Gainesville (immediately across from the

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proposed museum location in Depot Park). The City of Gainesville has donated the land in Depot Park. Finally, as of mid-April 2010, the Museum had received about \$15,000 in private donations as part of a grassroots donor campaign.

The 2010 budget for the museum is approximately \$323,000. The Museum Foundation has net assets of almost \$2.8 million (primarily the present value of the asset donated by Dr. and Mrs. Cade.) Over a 30-year time period, the paid out value of the Cade Endowment will reach over \$10 million.³

Fundraising Plan

According to a feasibility study conducted by a fundraising consultant in 2008, a successful capital campaign could raise between \$9-12 million from private donations in Alachua County. The bad economy has caused us to revise that estimate downwards to between \$6 - 8 million. The remaining \$32 - 34 million will need to come from private donors, foundations, corporate sponsors, and public entities outside of Alachua County.

The ability of the museum project to move forward will be directly related to the museum's ability to identify and raise significant amounts of funding from varied sources over the next few years. If necessary, donations will be used to leverage loans from commercial banks in order to maintain momentum from phase to phase.

Source	Est. Amount	Est. Time Period
Alachua County private and corporate donations	\$6-8 m	1- 5 years
Alachua County and Gainesville public funding	\$3-7 m	1- 4 years
Florida private and corporate donations	\$5-8 m	2 - 5 years
Florida public funding	\$2 - 3 m	2 - 4 years
National private and corporate donations	\$10-12 m	2 - 6 years
Federal funding	\$2- 3 m	2 - 4 years
TOTAL	\$30 - 41 million	

The Museum will hire a full-time professional museum director with strong fundraising experience in the summer of 2010. By the end of 2010 it may also be able to hire a professional fundraiser. In addition, once a museum director is aboard, the President and Executive Director of the Museum Foundation will focus

³ Accounting services are provided by James Moore and Company. The Museum's Form 990's are available on our website, and further financial documentation is available upon request.

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exclusively on fundraising outside of Alachua County. Board members also will occasionally volunteer their time for fundraising. This means that by the end of 2010 the Museum will have at least 4 people whose full or part-time job will be fundraising in Alachua County and across the nation.

Governance

The Cade Museum Foundation is a registered 501(c)(3) non-profit organization. It is governed by a Board of Directors, currently comprised of seven representatives from the Alachua County community and four Cade family members. The current full-time staff consists of a President, Executive Director, and Program Director. The President, Executive Director, and Board of Directors receive no compensation except occasionally for reasonable expenses incurred on behalf of the Foundation. As of April 2010, the Program Director is the only paid staff member. (A nationwide search has identified several candidates for the position of Museum Director, who may join the staff as early as summer, 2010.)

Board of Directors

Mary Cade, donor and co-founder (family member)

Joseph Cirulli, former ^{Chairman} president of Gainesville Chamber of Commerce and owner of Gainesville Health and Fitness Center

Lucinda Lavelli, Dean, University of Florida School of Fine Arts

Perry McGriff, Agent, State Farm Insurance and former representative in Florida House of Representatives

Phoebe Cade Miles, President and co-founder (family member)

Richard Miles, Executive Director and retired Foreign Service Officer from the U.S. Department of State (family member)

Susannah Peddie, Treasurer, Owner of Susannah Peddie Photography, and former financial advisor at Merrill Lynch

Scott Perdue, Captain, American Airlines (family member)

Thomas Rose, Chief Operating Officer, RTI Biologics

Sheila Spence, Executive Director, Flycaster and Company, John Spence LLC

Marilyn Tubb, Associate Vice President, Santa Fe College, Gainesville, FL

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Staff

President - Phoebe Cade Miles (unpaid)

Executive Director - Richard Miles (unpaid)

Program Director - Monika Oli (paid)

Volunteer Coordinator - Wendy Person (unpaid)

Contact

Please contact Executive Director Richard Miles, rmiles@cademuseum.org, 352-381-7100 for any additional information.