

WIMODA

WIENER MUSEUM OF DECORATIVE ARTS

MIXED-USE CULTURAL ARTS CAMPUS



Proposed Project **Economic Impact Brief**

AUGUST 2024

The purpose of this study is to assess the fiscal, economic, and community impacts of the WMODA Mixed Use Cultural Arts Campus, and the financial implications to the City of Lake Worth Beach and its partners.

This WMODA Fiscal Impact brief has been prepared for the WMODA Development team by Lambert Advisory.



Arts Alley Rendering
Western View from M Street



WMODA Chihuly on Loan at Smithsonian, Washington, DC



Project Background

United Management and the Wiener Museum of Decorative Arts (WMODA) are currently seeking a Public / Private Partnership with the City of Lake Worth Beach and the Lake Worth Beach Community Redevelopment Agency (CRA) to develop a Mixed-Use Cultural Arts Campus in the downtown. The proposed WMODA mixed-use development is envisioned to be a unique residential and cultural arts campus that has the potential to significantly enhance the character of Downtown Lake Worth Beach, by creating an environment that will attract visitors from within and beyond the broader South Florida region. The mixed-use cultural arts campus will include the WMODA Museum, which at 33,000 Square Feet, will house a diverse collection of pottery and porcelain that spans centuries and continents, including illustrious British names such as Wedgwood and Royal Doulton, and legendary American glass artists like Dale Chihuly. WMODA also displays works by contemporary ceramic artists, notably the Ardmore Studio in South Africa. This world-class museum will be supported by a café, bookstore, and highly amenitized residential development. The museum is conservatively forecasted to attract 50,000 annual visitors and generate approximately \$750,000 to \$1 million in annual gross revenue from attendance and event functions by its 5th year of operations.

The WMODA residences will consist of 110 residential rental apartment units, including eight Artists' Lofts that will provide both housing and artist workspace at 80 - 120% of Area Median Income to support the local art community. The residential complex will include a pool, fitness center, and dedicated community arts space, welcoming the Lake Worth Beach residents to participate in arts classes, programming, and events.

WMODA will also design and construct an Arts Alley that will be dedicated to the public, activating the space between the Museum and the Residential Complex. The Arts Alley will provide a unique placemaking opportunity to connect the development with the rest of the downtown.



In addition to the museum and residential development, the City, CRA, and WMODA propose a public-private partnership to build a four-story 300 +/- space parking garage located one block west of the WMODA development. This public garage will provide parking for current businesses, museum visitors, and the public.

To create synergy between the museum, the residential space, and the community, WMODA will also design the future extension of the arts alley between L and K street to connect this special amenity to the Palm Beach Cultural Arts Council and the proposed Parking Garage at K Street.

The WMODA Mixed-Use Cultural Arts Campus construction and subsequent operations will generate measurable benefits to the immediate area, the City of Lake Worth Beach, and the broader Palm Beach County community.

There are four key areas in which the proposed WMODA Mixed-Use Cultural Arts Campus will provide positive economic impacts:



1
Short-term construction employment and expenditure



2
Long-term residential and museum employment and visitor expenditure



3
Incremental Ad Valorem Tax Revenue



4
Positive Impacts on Surrounding Properties

Impact During Construction Period

The anticipated construction period of the proposed WMODA Mixed-Use Cultural Arts Campus project will generate the following:

\$48 MILLION
of revenue

\$53,000
annual wage for FTE's

522 JOBS
created over 2-years

\$27 MILLION
labor income added
to economy

\$56 MILLION
in total output (GDP)



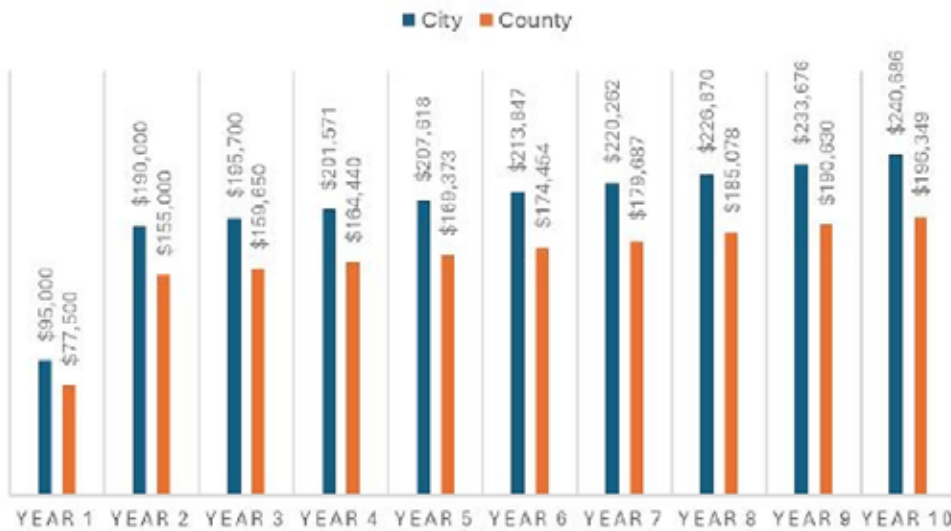
Impact Upon Stabilized Operations

- A large portion of the museum's **estimated 50,000 annual visitors** will come from beyond Lake Worth Beach, and their potential expenditures will have significant impacts on surrounding business and properties.
- It is anticipated that **\$12+ million in annual household income** will be generated in the area from the expenditure on goods and services in the City.
- The on-site employment, building operations, Museum Operation, guest spending, and spending of on-site residents will generate approximately **21 full-time jobs, \$2.2 million in annual salaries and wages, and \$5.1 million in annual business revenue** that will flow through the Downtown Business area.
- The addition of the K Street Garage will increase positive traffic flow to the Downtown and is anticipated to have a significant financial impact to the existing businesses and lead to the leasing of vacant storefronts.

IMPACTS ON TAX REVENUE

By 2028, the proposed development will provide benefits to the City and County by way of real property and personal property (ad valorem) taxes.

The tax amount is based upon the County Tax Collector's (2023) millage rate of 22.2472 (per thousand dollars of value). Ad valorem taxes for the development based on the estimated total development evaluation (including land) of approximately \$42 million, and all of which is net new increment since the property is City/CRA owned with no taxable value. Upon stabilization, the proposed mixed-use development itself will generate approximately \$768,000 in ad valorem taxes annually.



ACROSS 10 YEARS

\$2,025,000
to City (Operating)

\$1,650,000
to Palm Beach (Operating)

\$2,400,000
to County School Board

Impact on Surrounding Properties

Based upon an illustrative assessment of impacts on surrounding properties, the proposed development will potentially enhance property taxable values within a select geography by an estimated \$6 million per annum which translates into roughly **\$40,000 in additional ad valorem tax revenue annually.**



COMMUNITY IMPACTS

The proposed project will create a World Class Museum Destination for visitors to Lake Worth Beach while diversifying the housing stock in the downtown. WMODA will privately fund the project's construction, which includes over \$10 million dollars in public spaces.

AFFORDABLE HOUSING

The WMODA Development includes 8 Artist Lofts that will provide both housing and artist workspace at 80-120% of AMI.

HISTORIC PRESERVATION

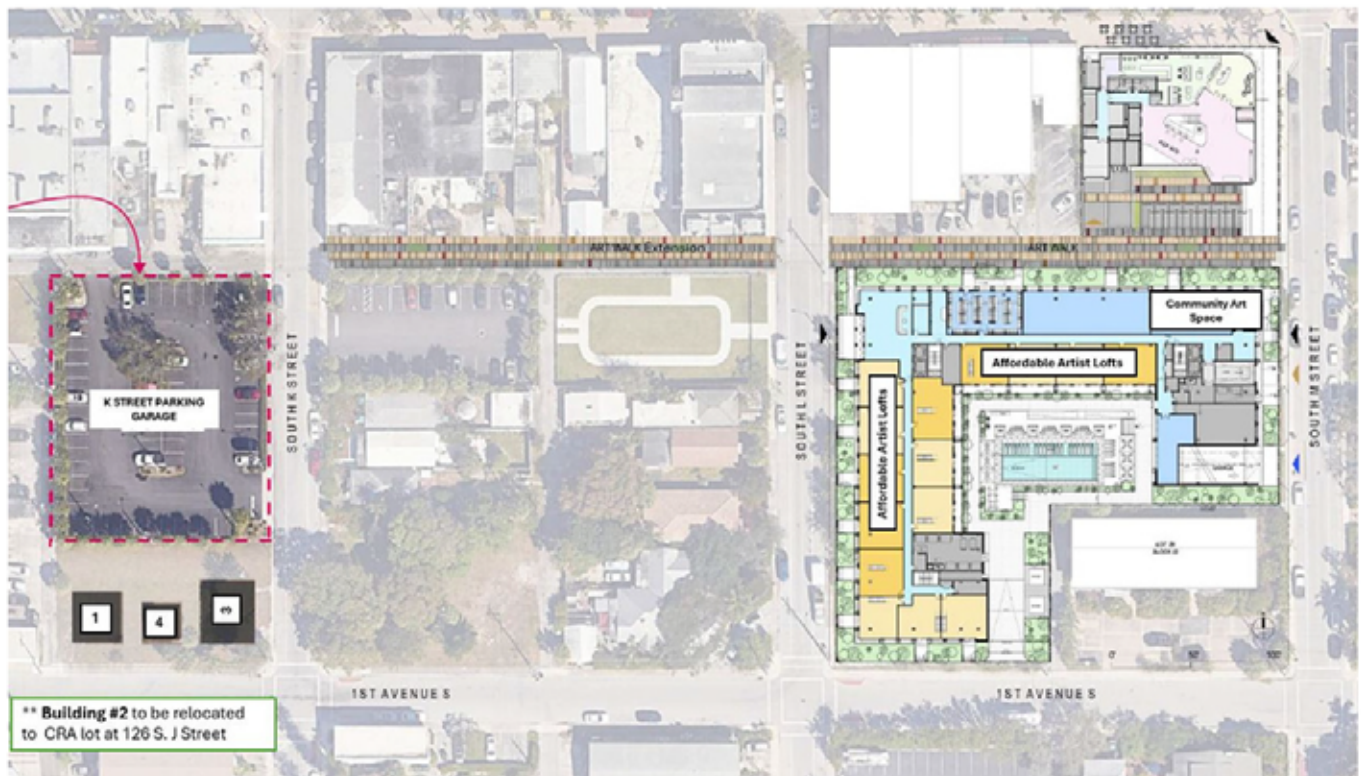
WMODA will relocate four contributing structures to nearby lots with no cost to the City. The WMODA development meets the City's desire to honor the scale and the historic character of the downtown with is streamlined art deco architecture.

PUBLIC SPACES

Museum, Arts Alley and Community Workshop space which directly benefits the Public.

ECONOMIC DEVELOPMENT

WMODA will increase daytime and nighttime activation supporting small downtown businesses and will generate over \$54 Million in increased resident and visitor spending in the downtown over 10 years.



COMMUNITY IMPACTS

PARKING

The WMODA development will improve parking in the downtown with the construction of an underground parking lot to support its residents and a public parking garage on K Street in partnership with the City and the CRA.

TOURISM

As one of the only museums in the country dedicated to the fired arts, WMODA offers immeasurable arts and culture destination opportunities.

Partnerships with the existing arts community and the new Gulfstream Hotel will create opportunities to increase visitor spending that will support local businesses.

PLACEMAKING

WMODA will create a unique sense of place in the downtown, increasing walkability, creating new community gathering spaces, and more.

ART AND CULTURE ACCESS

WMODA will have a dedicated community arts space which will offer classes for children and seniors, as well as events that will bring additional investment and people downtown.



The project directly aligns with goals established by the community in the Lake Worth Beach Comprehensive Plan, Strategic Plan (2020-2025), and Downtown Lake Worth Arts and Cultural Master Plan by:

- Creating a development that honors the City's goal of being a **livable community** where live, work, play and learn become part of the daily life of residents and visitors;
- Providing infill redevelopment that **respects the historic urban character** of the downtown;
- **Improving access to art and culture** by expanding the number of places to display art in the downtown;
- Offering a public/private partnership solution that leverages a **city-built parking garage** to encourage private-sector development;
- Meets the City's goals of bringing **high-quality housing** downtown; and
- Meets the CRA goals of **expanding the tax base**.

**For inquiries,
contact us.**



wmodaloveslwb.com

wmodaloveslwb@gmail.com

