



‡ THE ELDRIDGE ‡

EST. 1925



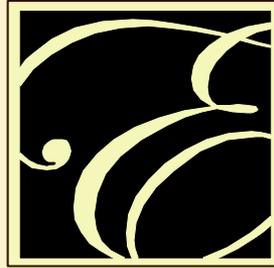
NRA and IRB Request

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PIRC Committee

City of Lawrence





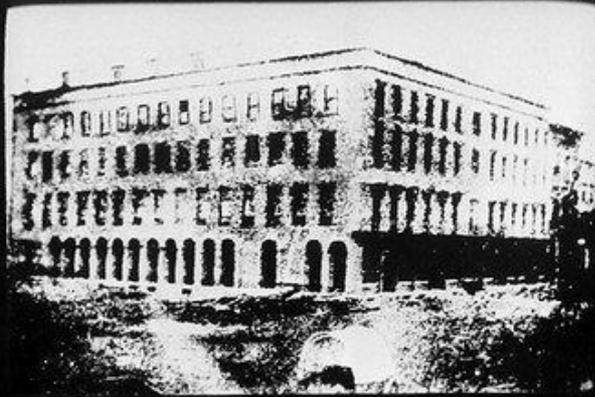
‡ THE ELDRIDGE ‡

EST. 1925



*Our History and
Where we are going.*





THE FIRST ELDRIDGE HOTEL

Built in 1856 by Co. S. W. Eldridge

Destroyed by Quantrill 1863.

Photo

Quincy Kansas State Historical Society.



*1856 – Free State Hotel Built by the
New England Emigrant Aid Society.
Was burned to the ground one month
after opening.*



*The Eldridge brothers bought
the former site and rebuilt
naming it the Eldridge House.*



1863 – Quantrill and his men burned the Eldridge House to the ground during their raid on Lawrence.

1855

1857

HOTEL
ELDRIDGE

1863

1925



*This hotel in 1926 was built by
Billy Hutson and a group of
investors*

The **Eldridge Hotel** continues to uphold the principles of tenacity, pride and hospitality. Standing on the site of the former Free-State Hotel, The Eldridge still welcomes people to Lawrence.

With our expansion, we will welcome even more who can learn, and experience The History of The Eldridge Hotel. The most historic corner in Kansas.

*Memories Created,
Hospitality Defined.*



Proud Designation



Eldridge Renovation

In 2005, we purchased the Eldridge at auction and underwent a major renovation.



Lobby Before Renovations



Lobby After Renovations



Elevator



Elevator



Our Staff

- **Nancy Longhurst, General Manager**
- **David Longhurst, Accounting Manager**
- **Pam Van Roekel, Director of Sales**
- **Lindsay Robinson, GM TEN and Jayhawker**
- **David Ranallo, Sales Manager**
- **Stephanie Garrison, Front Desk Manager**
- **Nick Haxton, Executive Chef**



What is next for The Historic Eldridge Hotel?

—An Expansion to the south!

- **Approximately 54 new hotel rooms**
- **12.5 Million dollar construction project**
- **50,000 square foot building**
- **Expand current Eldridge kitchen**
- **Expansion of current offerings in our restaurant and bar**
- **One meeting room for corporate/wedding events**

Eldridge Expansion



Eldridge Expansion



paulwerner
ARCHITECTS

Our Request

- **A Neighborhood revitalization Act (NRA)**
 - **15 years, 95% rebate of the increase in property taxes**
 - **IRB's during construction only**
 - **No sales tax on construction materials**
- 

NRA Definition and Purpose

- **Authorized by the State, NRA's are intended to encourage the reinvestment and revitalization of properties which in turn have a positive economic effect upon a neighborhood and the City in General. The use of an NRA is particularly applicable for use in areas where rehabilitation, conservation, or redevelopment is necessary to protect the public health, safety or welfare of the residents of the City.**
- **The Eldridge Expansion is a perfect fit.**

Why do we want to expand?

The lot has been unproductive since 1973. We want to provide more hotel rooms and meeting room space to bring more people to our downtown and enjoy the historic Eldridge.

- Our sales staff does a great job bringing NEW business that would NOT stay elsewhere in town.**
- We have a loyal corporate business following outside of Lawrence who enjoy the location and our staff.**



ELDRIDGE HOTEL - LAWRENCE, KANSAS

1-32

Note the building south of the Eldridge which stood till 1973.

Picture of Current Vacant lot 705 Massachusetts (Vacant since 1973)



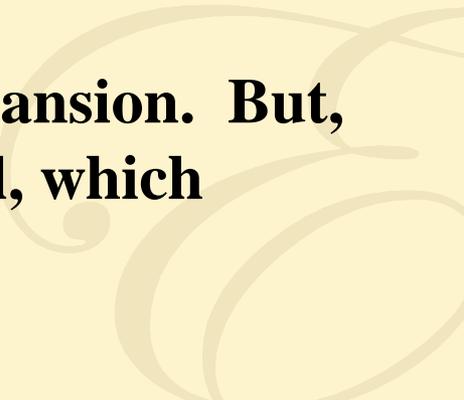
Picture of current vacant lot
705 Massachusetts (Vacant since 1973)



Why do we want to expand?

- **The efficiencies gained by operating with the existing hotel make it possible for us to pursue the expansion at this time.**
 - **Combined with the NRA, which we demonstrate is a good fit, makes it possible for us to move forward.**
 - **We would not have purchased this lot if we did not have the Eldridge Hotel.**
- 
- A decorative flourish consisting of several overlapping, curved lines in a light beige color, located in the bottom right corner of the slide.

Why do we want to expand?

- **Committed to the long term of The Eldridge and to downtown.**
 - **We are not in this for immediate cash return as evident from the pro forma. We recognize it will build over time as Lawrence grows, sporting events grow and we become even a greater venue for corporate business. They love getting away to Lawrence.**
 - **The proforma is based on a stand alone expansion. But, there will be efficiencies with the main hotel, which compliments our business plan.**
- 

Efficiencies we gain:

- **The current Historic Eldridge Hotel is a boutique hotel with only 48 rooms. In today's environment, hotel companies would not build a 48 room boutique hotel. With combining the Current Eldridge with the added operations of the expansion, we gain a lot more efficiencies by operating an approximate 100 room boutique hotel.**
 - **We have discussed expansion for 5 years and feel this is the right time to move forward with our over all investment in our hotel.**
 - **We understand that the NRA isn't looking at this project in this manner, but we as investors, have to view it in this manner or the lot will stay vacant.**
- 

Parking

- **The Eldridge currently valet parks cars north of the hotel in our private surface lot. This lot has 50 spaces. Approximately 40% of our guests valet park. The rest park wherever they want since many of our guests arrive after 6pm and parking is not as congested as during the day.**
 - **After the expansion is open, we will continue to valet park our hotel guests in our private 50 space lot. We do provide parking. It is up to the guest if they want to use it or not.**
- 

Parking at private lot



City Garage

Parking Counts

DATE	TIME	CITY GARAGE	% USED	HOTEL LOT
Tue-Feb 3	5:30PM	137	44%	
	7:30PM	115	37%	
	8:30PM	82	26%	
	9:30PM	25	8%	
	10:30PM	20	6%	14
Wed-Feb 4	9:30AM	115	37%	
	10:00AM	143	46%	
	11:00AM	152	48%	
	NOON	165	53%	
	2:15PM	173	55%	
	4:00PM	164	52%	
	7:10PM	40	13%	
	10:00PM	9	3%	9
Thu-Feb 5	9:00AM	75	24%	
	10:00AM	126	40%	
	11:00AM	152	48%	
	NOON	141	45%	
	1:00PM	166	53%	
	2:15PM	175	56%	
	3:00PM	170	54%	
	4:00PM	145	46%	
	5:00PM	125	40%	
	6:00PM	115	37%	
	7:00PM	110	35%	
	8:00PM	98	31%	
	9:00PM	28	9%	
	10:00PM	16	5%	8
Fri-Feb 6	9:00AM	94	30%	
	10:00AM	132	42%	
	11:00AM	171	54%	
	NOON	166	53%	
	1:00PM	170	54%	
	2:15PM	170	54%	
	3:30PM	152	48%	
	4:30PM	142	45%	
	5:00PM	138	44%	
	6:00PM	113	36%	
	7:00PM	120	38%	
	8:00PM	77	25%	
	9:00PM	48	15%	
	10:00PM	41	13%	13
Sat-Feb 7	9:00AM	57	18%	
	10:00AM	182	58%	
	11:00AM	201	64%	
	NOON	190	61%	
	1:00PM	209	67%	
	2:15PM	188	60%	
	3:00PM	155	49%	
	4:00PM	157	50%	
	5:00PM	138	44%	
	6:00PM	101	32%	
	7:00PM	83	26%	
	8:00PM	70	22%	
	9:00PM	31	10%	
	10:00PM	13	4%	18
Sun-Feb 8	NOON	24	8%	
	1:00PM	107	34%	
	2:00PM	134	43%	
	3:00PM	124	39%	
	4:00PM	110	35%	
	5:00PM	74	24%	
	6:00PM	16	5%	
	7:00PM	10	3%	
	8:00PM	8	3%	
	9:00PM	7	2%	
	10:00PM	7	2%	2

AVAILABLE SPACES IN GARAGE
314

DATE	TIME	CITY GARAGE	% USED	HOTEL LOT
Sat-Feb 7	6:00PM	101	32%	
	7:00PM	83	26%	
	8:00PM	70	22%	
	9:00PM	31	10%	
	10:00PM	13	4%	18
Sun-Feb 8	NOON	24	8%	
	1:00PM	107	34%	
	2:00PM	134	43%	
	3:00PM	124	39%	
	4:00PM	110	35%	
	5:00PM	74	24%	
	6:00PM	16	5%	
	7:00PM	10	3%	
	8:00PM	8	3%	
	9:00PM	7	2%	
	10:00PM	7	2%	2
Mon-Feb 9	9:00AM	51	16%	
	10:00AM	121	39%	
	11:00AM	152	48%	
	NOON	162	52%	
	1:00PM	161	51%	
	2:15PM	170	54%	
	3:00PM	184	59%	
	4:00PM	172	55%	
	5:00PM	151	48%	
	6:00PM	99	32%	
	7:00PM	82	26%	
	8:00PM	67	21%	
	9:00PM	54	17%	
	10:00PM	25	8%	4
Tue-Feb 10	9:00AM	66	21%	
	10:00AM	150	48%	
	11:00AM	168	54%	
	NOON	168	54%	
	1:00PM	176	56%	
	2:15PM	167	53%	
	3:00PM	126	40%	
	4:00PM	159	51%	
	5:00PM	140	45%	
	6:00PM	152	48%	
	7:00PM	94	30%	
	8:00PM	79	25%	
	9:00PM	35	11%	
	10:00PM	22	7%	9
Wed-Feb 11	9:00AM	62	20%	
	11AM	124	39%	
	12:20PM	162	52%	
	1:50PM	187	60%	
	4:00PM	140	45%	

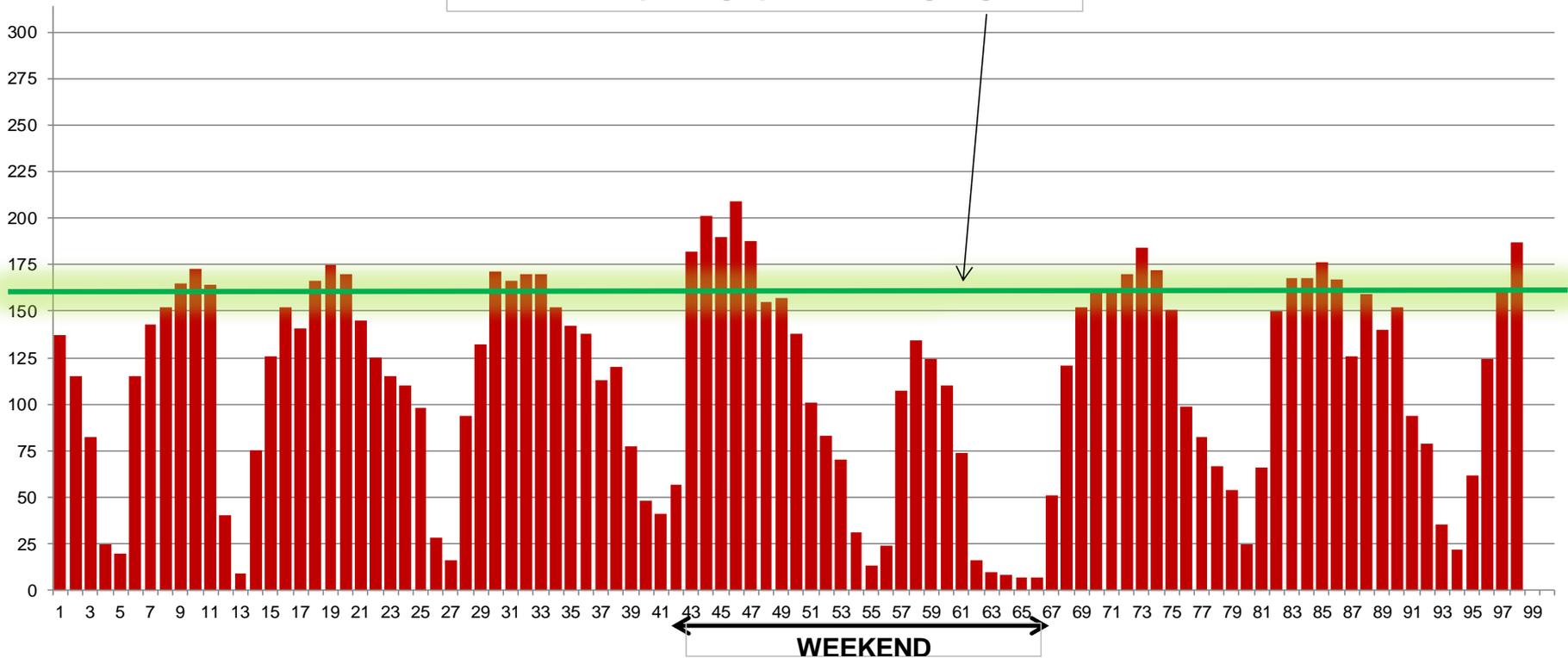


Parking Garage Chart

**There are 314 available spaces in the parking garage.
This chart shows how many are being used.**

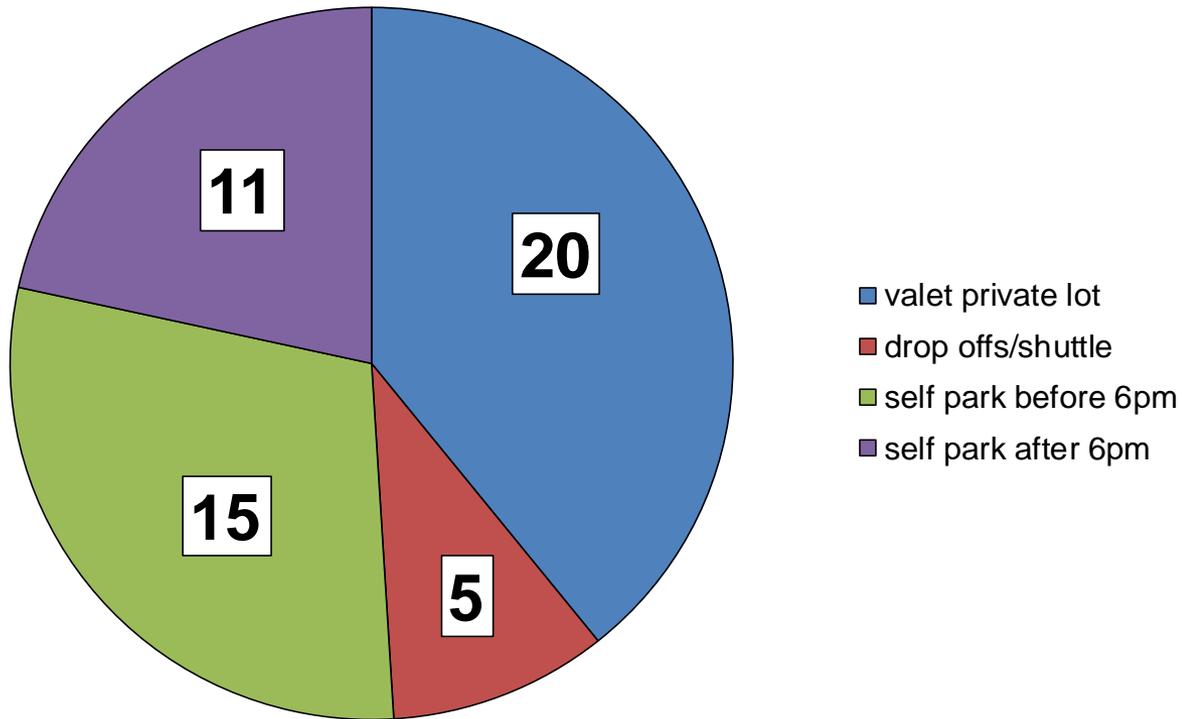
The counts below are from Tuesday, February 3rd to Wednesday, February 11th at 2pm

The green horizontal line below is 50% of the available parking spaces in the garage



Parking Counts at 50% Occupancy (51 rooms)

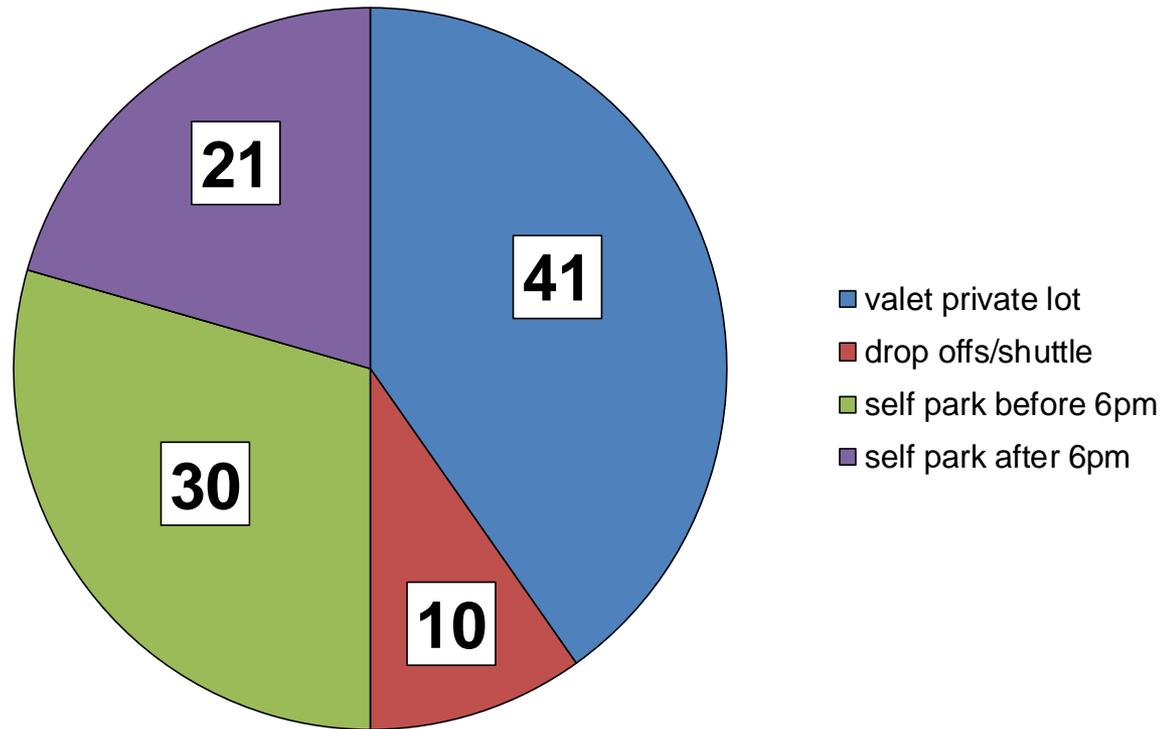
Eldridge and the Expansion



If the Historic Eldridge plus the Eldridge Expansion is 50% occupied (51 guest rooms) our guests would park:

- 20** cars would be parked by us in our private valet lot
- 5** guests would have been dropped off/shuttle service
- 15** guests would self-park before 6pm
- 11** guests would self- park after 6pm

Parking Counts at 100% Occupancy (102 rooms)



If the Historic Eldridge plus the Eldridge Expansion is 100% occupied (102 guest rooms) our guests would park:

- 41** cars would be parked by us in our private valet lot
- 10** guests would have been dropped off/shuttle service
- 30** guests would self-park before 6pm
- 21** guests would self- park after 6pm

		ANNUAL RETURN WITH 15-YEAR NRA	CUMULATIVE RETURN	PERCENT RETURN
YEAR	1	\$(144,778)	\$ (144,778)	-1.16%
YEAR	2	\$(124,569)	\$ (269,347)	-1.08%
YEAR	3	\$ (83,416)	\$ (352,763)	-0.94%
YEAR	4	\$ (39,885)	\$ (392,648)	-0.79%
YEAR	5	\$ 6,087	\$ (386,561)	-0.62%
YEAR	6	\$ 54,569	\$ (331,992)	-0.44%
YEAR	7	\$ 105,629	\$ (226,363)	-0.26%
YEAR	8	\$ 143,691	\$ (82,672)	-0.08%
YEAR	9	\$ 182,513	\$ 99,841	0.09%
YEAR	10	\$ 222,112	\$ 321,953	0.26%
YEAR	11	\$ 262,503	\$ 584,456	0.43%
YEAR	12	\$ 303,702	\$ 888,158	0.59%
YEAR	13	\$ 345,724	\$1,233,882	0.76%
YEAR	14	\$ 388,587	\$1,622,469	0.93%
YEAR	15	\$ 432,306	\$2,054,775	1.10%

Rebate Summary

Average of Best and Worst
Case Scenarios

1.10% The percent return is the total percent return over 15-years based on a \$12,500,000 investment

9.37% Stock Market Return over the past 15-years

5.31% Money Market Return over the past 15-years

	CURRENT PROPERTY TAX AS VACANT LOT	ADDITIONAL PROPERTY TAX WITH NRA	TOTAL PROPERTY TAX PAID WITH NRA
YEAR 1	\$ 4,942	\$ 6,070	\$ 11,012
YEAR 2	\$ 4,952	\$ 6,204	\$ 11,156
YEAR 3	\$ 4,962	\$ 6,341	\$ 11,302
YEAR 4	\$ 4,972	\$ 6,480	\$ 11,452
YEAR 5	\$ 4,981	\$ 6,623	\$ 11,604
YEAR 6	\$ 4,991	\$ 6,769	\$ 11,760
YEAR 7	\$ 5,001	\$ 6,918	\$ 11,919
YEAR 8	\$ 5,011	\$ 7,070	\$ 12,082
YEAR 9	\$ 5,021	\$ 7,226	\$ 12,247
YEAR 10	\$ 5,031	\$ 7,385	\$ 12,416
YEAR 11	\$ 5,041	\$ 7,548	\$ 12,589
YEAR 12	\$ 5,051	\$ 7,714	\$ 12,765
YEAR 13	\$ 5,061	\$ 7,884	\$ 12,945
YEAR 14	\$ 5,071	\$ 8,058	\$ 13,129
YEAR 15	\$ 5,081	\$ 8,235	\$ 13,316
TOTAL:	\$ 75,169	\$ 106,526	\$ 181,696

Property Tax Summary

Property Tax collected over the next 15-Years:

If the Lot remains vacant: **\$ 75,169**

If we do the expansion with a 15-Year NRA rebate: **\$181,696**

Thank You

We look forward to working with the City and the Community to advance the Historic Eldridge Hotel!

