



21c Museum Hotel Market & Economic Impact Study

Lexington, Kentucky

HSP completed the feasibility study and rebate application review for the Kentucky Tourism Development Act tax incentive program for a 21c Museum Hotel in Lexington. HSP's work included a market analysis, financial and economic impact modeling. The project is a 92-room boutique hotel and is unique in that it is housed in the Fayette National Bank Building and features rotating contemporary art collections.

The idea behind the project is to stimulate and activate Lexington's downtown area and benefit the local and state economies by renovating a historic structure, drawing more tourism, generating a cutting-edge cultural activity and inducing culinary tourism via a destination restaurant. A full analysis was conducted, including an analysis of how the original 21c Museum Hotel has induced economic and tourism impacts to Kentucky with its unique approach to hospitality.

21c Museum Hotels began with one 90-room property in Louisville, Kentucky in 2006. The first 21c Hotel has been recognized by Conde' Nast Travelers Reader's Choice Awards as the Top Hotel in America and its restaurant, Proof on Main, has been selected as one of the best new restaurants by Esquire Magazine.

After HSP's review, it was determined that the project met the requirements of the KTDA program, and incentives were subsequently approved.

Client: Kentucky Tourism & Heritage Cabinet

Time Period: 2012