



CitySquare DIF Amendment #6 & Gateway Park Hotel Proposal

City of Worcester, Massachusetts



Executive Office of Economic Development
City of Worcester
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Worcester, MA 01608
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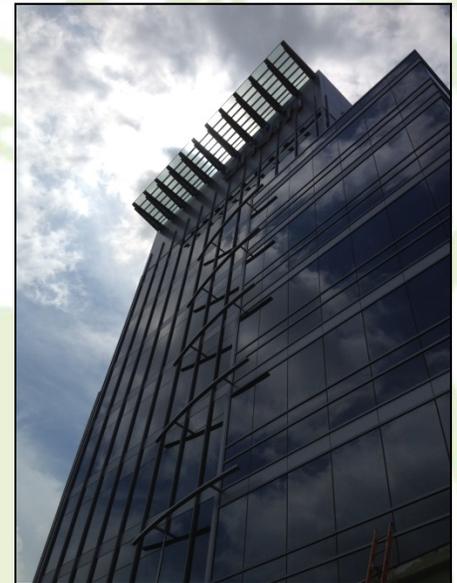
CitySquare

Public-Private Partnership to Redevelop Worcester Common Outlets and Downtown Worcester

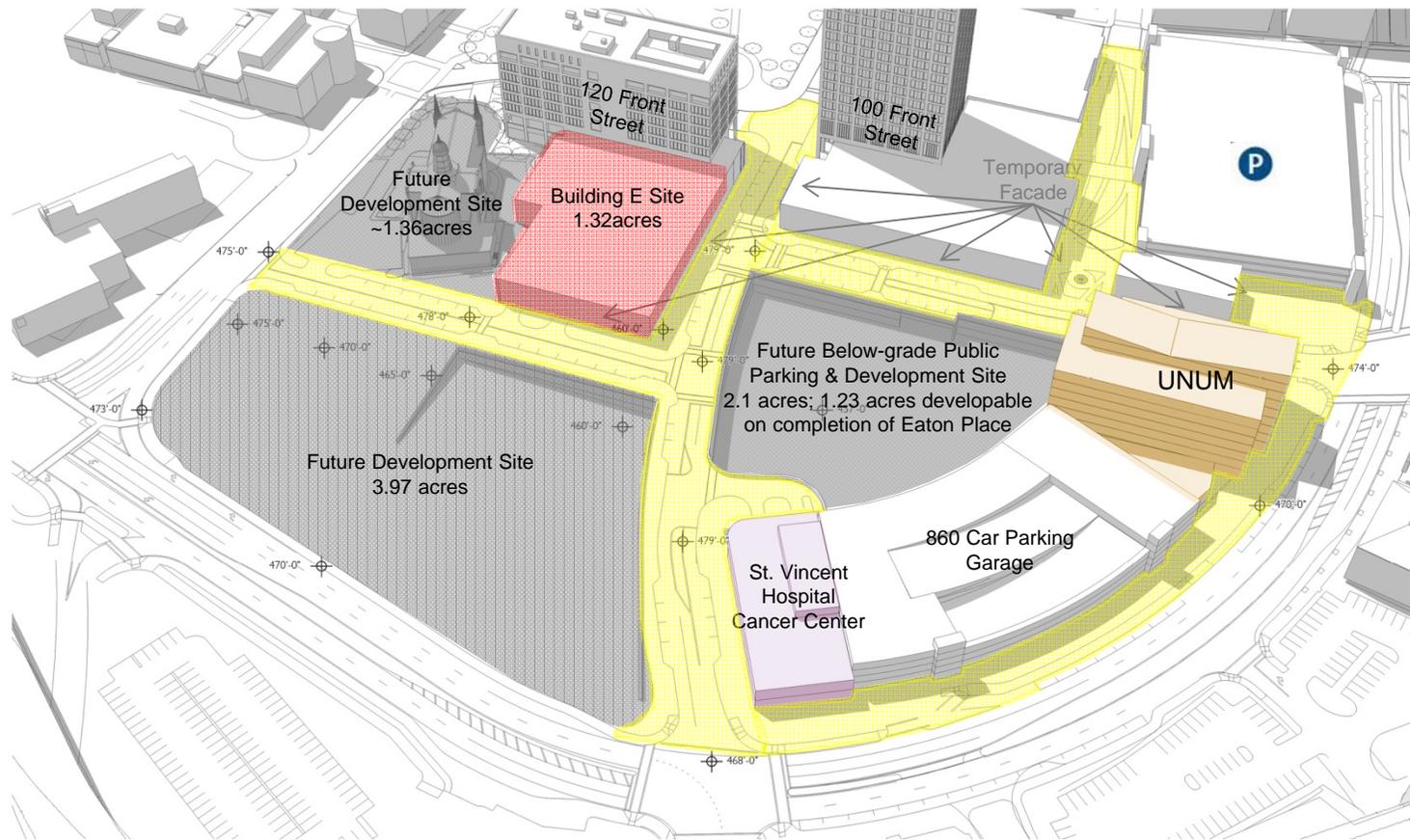
- *Public* – Site Preparation, Demolition, Construction of Street Network and Public Garage Components
- *Private* – Commercial, Residential, Hotel, and Retail Opportunities

Project Realities: Phased Development Plan

- 2009 – Unum Announces Intent to Occupy Building H (~214,000 sf) at CitySquare
- 2010 – CitySquare II Development Co. LLC Purchases Portion of CitySquare Project Site from Berkeley Investments
- 2010 – CitySquare II Purchases Former Notre Dame Des Canadiens (Church)
- 2011 – Vanguard/Saint Vincent Hospital Announces Intent to Construct Building L (~66,000 sf) at CitySquare
- 2012 – Site Preparation and Demolition Work Significantly Complete
- 2013 – Front Street & Mercantile Street Open, Unum and Vanguard/Saint Vincent Cancer & Wellness Center Open, CitySquare II Purchases Building E, Demolition & Enabling Work at Building E Commences.

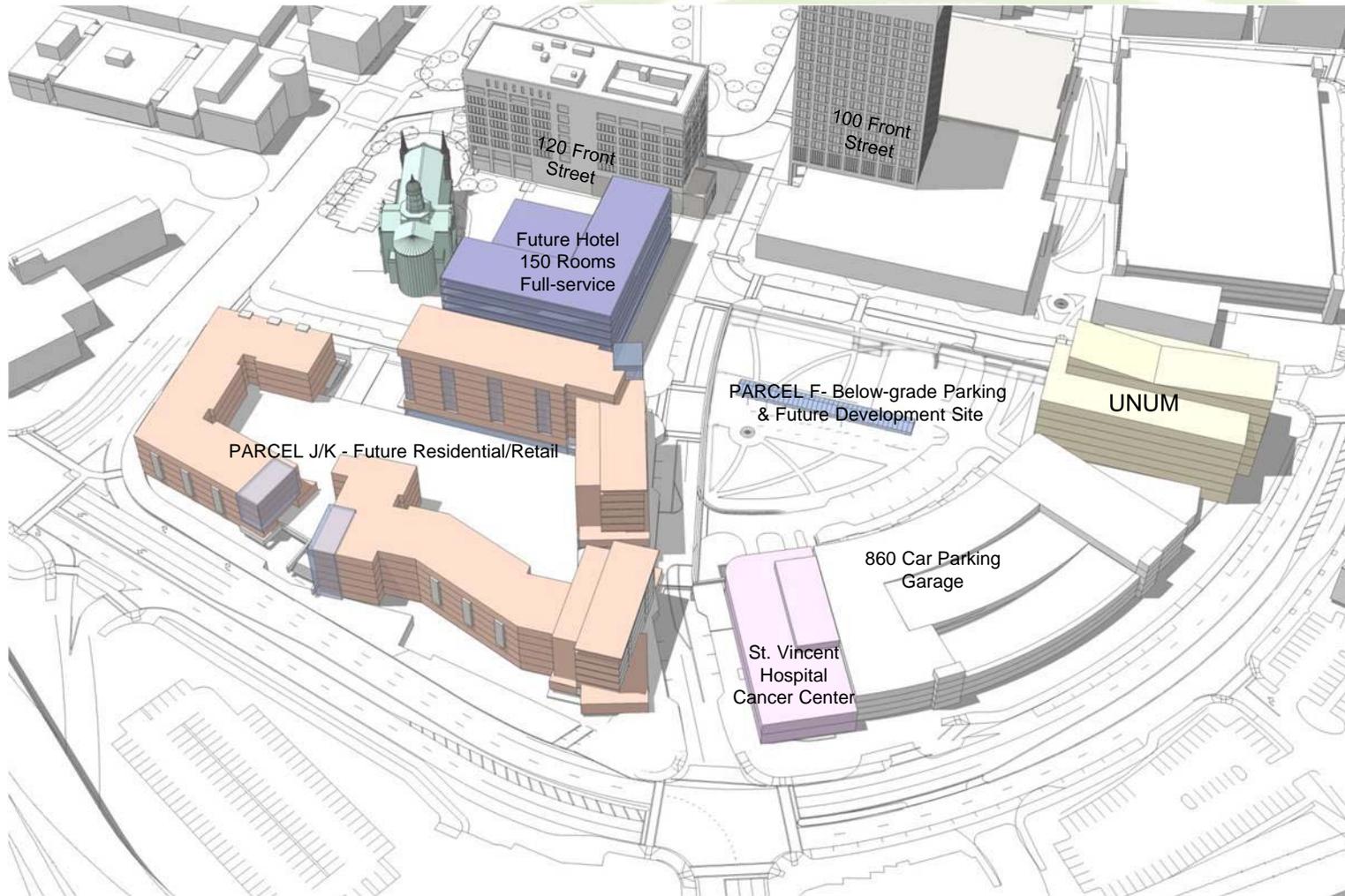


CitySquare *Phase 1 Delivery*



CitySquare

Proposed New Projects



Gateway Park

Proposed New Hotel

Ongoing Public/Private Reclamation of Former Brownfield Site

- Worcester Polytechnic Institute
- Worcester Business Development Corporation
- City of Worcester

Recent Timeline

- 2007 – WPI Life Sciences & Bioengineering Building and Gateway Park Garage Open
- 2012 – O’Connell Development Completes 92,000sf Commercial/ Laboratory Building at 50 Prescott Street
- 2012 – Winn Development Begins Permitting/ Construction of 84-unit Voke Lofts
- 2013 – WPI’s Faraday Hall Opens at 75 Grove Street





New Activity in Downtown Worcester

- CitySquare Marriott Renaissance – 150 Rooms
- CitySquare Residential – 350 Units
- CitySquare Retail/Restaurant – 21,000 sf
- CitySquare Public Parking Garage – 550 Spaces
- Gateway Park Hampton Inn – 100 Rooms



New Investment in Downtown Worcester

- CitySquare Marriott Renaissance - \$28M+
- CitySquare Residential - \$60M
- CitySquare Public Parking Garage - \$28M
- Gateway Park Hampton Inn - \$10M



Tax Increment Financing Proposals

- **CitySquare**
 - Renaissance by Marriott (10 Years, 42%)
 - \$290K per year in tax savings to developer
 - \$400K per year in tax revenues to City
 - \$4,500 annual tax savings per job created
 - Projected \$770K in annual taxes upon completion of TIF
- **Gateway Park**
 - Hampton Inn (7 Years, 35%)
 - \$115K per year in tax savings to developer
 - \$235K per year in tax revenues to City
 - \$3,800 annual tax savings per job created
 - Projected \$377K in annual taxes upon completion of TIF



City Council Approvals Required/Timeline

- *Amendment of the CitySquare District Improvement Financing (DIF) District and Program and the General Development Agreement (GDA).*
 - Expand the scope of work to include hotel, residential, retail, and public parking garage projects.
 - Provide for the addition of new public and private dollars.
- *Vote to approve the new EOA and TIF designations.*
 - Building E Site for proposed Marriott Renaissance.
 - 65 Prescott Street for proposed Hampton Inn.
- *Timeline:*
 - November 26, 2013: Submission to City Council
 - December 16, 2013: City Council Economic Development Committee Public Hearing and Recommendation
 - December 17, 2013: City Council Approval