



BALLPARK PROJECT FAST FACTS

The City of Worcester, the Pawtucket Red Sox, the Triple-A affiliate of the Boston Red Sox, Madison Downtown Holdings, LLC, and the Commonwealth of Massachusetts have agreed to partner on a large-scale redevelopment project in Worcester's Canal District that includes the building of an innovative ballpark and the relocation of the Boston Red Sox Triple-A affiliate.

Under a Letter of Intent (LOI) between the City and the Ballclub, the parties will design and construct a new, multi-purpose, publicly owned, state of the art, Triple-A ballpark in Worcester's Canal District. The ballpark will have a capacity of approximately 10,000. Ballpark construction is slated to begin in July 2019 and is anticipated to open for the start of the 2021 MiLB season.

Under a LOI between the City and Madison Downtown Holdings, LLC, the developer has agreed to a two phase development project. Phase 1 of the construction will include \$90M in private development for 225 market rate apartments, a 150-room hotel, a second boutique hotel will consist of approximately 100 to 110 rooms overlooking the ballpark and 65,000 SF of retail/restaurants by January 1, 2021. Phase 2 is projected to include 200,000 SF of residential, office and/or mixed use development.

The Commonwealth of Massachusetts will commit \$35M over the next 2-3 years, which will support new market rate housing through the Housing Development Incentive Program (HDIP) and leverage MassWorks for the construction of a new 350-500 space parking garage that supports all of the investment happening in the Canal District. In addition, MassDOT is working with the City to improve the transportation infrastructure in the area such as redesigning and reconstructing Kelley Square for the benefit of all Worcester residents.

The project is premised on the concept that the development will be self-supporting. **No existing city tax revenue will be used to fund the ballpark project.** The City will create a District Improvement Financing (DIF) District that encompasses the ballpark parcel and surrounding redevelopment. New taxes and other revenues sources generated within the DIF District will be used to pay for the ballpark. The development costs and revenue streams identified are interconnected and codependent.

Location Details

The ballpark parcel will be located on a 6 acre parcel on the northern portion of the former site of the Wyman-Gordon property known as WG North. The triangular parcel is surrounded by Madison St. to the south, the CSX railroad to the west, Washington St. and Summit St. to the east and a northern terminus at the city-owned Pickett Municipal parking lot on Green St.



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The majority of the Madison Downtown Holding, LLC development will be located on the southern portion of the former Wyman-Gordon site known at WG South. The largely vacant parcel is south of Madison St. and abuts Lamartine St. to the south, Washington St. to the east and the CSX railroad to the west.

This redevelopment project of the former Wyman-Gordon industrial site will reactivate a property that has stood empty for years into an active mixed use development. The site has been extensively studied and significant remediation has previously taken place. The conditions at the Wyman Gordon site are manageable utilizing cost effective DEP approved practices. Similar conditions were addressed in other recent development in the Canal District. We are very confident that the conditions will not impede development.

Ballpark Details

- The ballpark has not yet been designed but is expected to accommodate approximately 10,000 patrons and include meeting rooms, restaurants, a pedestrian promenade, retail locations, suites, party rooms, and family-friendly activities.
- The ballpark will be designed to meet the player development needs of the Boston Red Sox.
- The ballpark will be designed with a vision to create a state-of-the art, technologically sophisticated, and entertaining ballpark.
- The ballpark design will be overseen by Larry Lucchino and Janet Marie Smith who are the foremost leaders in ballpark design in the country. They are responsible for the return of ballparks to urban environments after years of suburban relocation in the 60s, 70s, and 80s. Their resumes include overseeing the construction of Oriole Park at Camden Yards in Baltimore, Petco Park in San Diego and the renovations to Fenway Park in Boston.
- The facility will host at least 125 events per year with the goal to activate the space 365-days per year, including baseball games (68), large scale events/concerts, road races, collegiate/high school sporting events, fireworks, and other community events.
- The ballpark will be designed to incorporate the unique characteristics of the Canal District and Worcester as a whole. It will look, feel and be – Worcester.
- Areas of the ballpark will be accessible to the public year round. A full list of amenities will be determined in the design of the ballpark.

Community Benefits

- Overall, the project will create more than 500 full-time and 2,000 part-time jobs both in construction and non-construction positions related to the ballpark, the hotels, apartments, retail locations and infrastructure improvements.
- The Ballclub has agreed to give hiring preference to Worcester residents, in particular women, minority and underrepresented groups.



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- City can host up to 8 city revenue-generating events and 10 community-oriented days at the ballpark per year including concerts, festivals, city-sponsored baseball, sport tournaments, Little League parades and district/commonwealth championships.
- City access to conference and meeting space at ballpark for civic engagement such as the Canal District Alliance and Green Island Neighborhood Association meetings.
- The ballpark will serve as a polling location.
- Worcester K-12 school students will receive one free general admission ticket to a baseball game each season.
- The Ballclub will offer free ballpark tours to all Worcester schools and youth organizations, host "Worcester School Days" at the ballpark and permit public access to areas in the ballpark.
- Subject to design, public access to the ballpark will include the opportunity to jog or walk around the concourse, run the ballpark stairs, eat lunch overlooking the field or use exercise stations in designated fitness areas as well as public park amenities adjacent to the ballpark.
- City high school students will have the opportunity to play games at the ballpark.
- The Ballclub will make two \$25,000 donations to help fund the Recreation Worcester program; one in 2019 and one in 2020, prior to the opening of the ballpark.

Financial Details

- Total Phase 1 includes 450,000 SF of development and more than \$208.5M in development based on construction costs:
 - \$86M ballpark
 - \$32.5M infrastructure (not including additional State infrastructure investments such as Kelley Square)
 - \$40M two hotels
 - \$40M residential
 - \$10M 65,000 SF of retail
- Phase 2 Development includes plans for 200,000 SF of additional residential/office/or mixed use development, totaling 650,000 SF for the entire project. Revenues from Phase 2 are above and beyond those included in the self-supporting revenue funding the project.
- New state tax revenue for the ballpark is approximately \$2M annually, growing at 2% (not including other development):
 - Food, Beverage, Hotel/Motel Net = \$517K
 - Transit Occupancy Tax Net = \$85K
 - Income Tax, non-baseball = \$150K
 - Income Tax, baseball = \$1.2M
- The ballpark is budgeted to cost approximately \$86-\$90M including the design, construction and outfitting of the ballpark.



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- City will own the ballpark with the Ballclub as anchor tenant and operator under a 30-year lease agreement.
- The Commonwealth of Massachusetts will provide \$35M in new funding including \$32.5M for infrastructure improvements including a new 350-500 space parking garage and \$2.5M through the Housing Development Incentive Program (HDIP) in support of new market rate housing.
- Additional MassDOT transportation projects in the area of the ballpark district will support the project to the benefit of all city residents, including redesigning and reconstructing Kelley Square and other street and traffic signal improvements.
- The Ballclub will be responsible for all operating costs including security, utilities as well as routine maintenance and repairs.
- The Ballclub will retain all revenues from the operation of the ballpark including but not limited to tickets (with exception of a facility fee which city will collect and accrue in a Capital Fund), concessions, liquor and pouring revenues, branding rights, premium seating, broadcast rights, and merchandise.
- Advertising revenues in the Ballpark District, with the exception of the ballpark parcel, will be shared between the City and the Ballclub, net of a 15% commission.
- No existing city tax revenue will be used to fund the ballpark project. The City will create a District Improvement Financing (DIF) District that encompasses the ballpark parcel and the WG South. New taxes and other revenue sources generated within the DIF District will be used to pay for the ballpark.

Infrastructure Details

- Separate and apart from the ballpark project, the Massachusetts Department of Transportation will fund the redesign and reconstruction of Kelley Square to improve traffic flow and safety for all users. Kelley Square is currently rated as the most dangerous intersection in the state.
- The improved infrastructure will be designed for all modes of transportation and will follow the City's Complete Streets policy. Special attention will be given to pedestrian and bike use safety.
- Both the Green Street and Madison Street underpasses will be improved to create more vibrant entry points into the Canal District.
- Streetscape improvements will include new landscaping, ornamental lighting, tunnel lighting, signage and public art.
- Multiple parking options will be available including: surface parking, parking garages, and metered parking. In addition to on-site parking, there are more than 6,000 parking spaces available within a ½ mile radius of the ballpark.



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About the Worcester Red Sox

- The official business name of the organization will be “The Worcester Red Sox”. The Ballclub will also solicit input from the community on potential nicknames and other means of identity in the coming weeks and months.
- The team will play in the International League, at the Triple-A level of Minor League Baseball (MiLB). Triple-A is the closest MiLB level to Major League Baseball, with 30 Triple-A teams split between the International League and the Pacific Coast League, and each team having an affiliation with a Major League team.
- The average attendance in the Triple-A International League is 6,590. With a new ballpark and a strong fan base, Worcester is expected to be one of the top performing ballparks in per game attendance in the country.
- Professional baseball remains the most attended professional sport in the United States. In 2017, Minor League baseball topped 41 million fans, the thirteenth consecutive year above the 41 million mark.
- Ticket prices have not yet been determined, but ticket affordability has long been the bedrock of Minor League Baseball and the franchise, and they will continue that commitment in their new home.
- Fans can stay up-to-date with all announcements, promotions, and opportunities related to the new ballpark by visiting the Club’s website and signing up on their mailing list.



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Pro Forma Overview

The construction of the ballpark is designed to be self-supporting. The City will request authorization to borrow \$100,840,000: \$70,620,000 in Series A general obligations bonds for the cost of the ballpark, land acquisition, culvert work, capitalized interest and borrowing costs; and \$30,220,000 in Series B general obligation bonds, which will be covered by the Club's annual rent payment. Additionally, the Club will make a \$6,000,000 equity contribution toward the construction/equipping of the ballpark. The City will create a District Improvement Financing (DIF) area around the ballpark to capture new revenue created by the project. New revenue within the boundaries of the DIF will be used to pay back the bond. The bonds will be paid back over 30 years.

For example, the City's Pro Forma calculates the following new revenue for year 2022, the first year of full debt service payments:

<i>Sources</i>	<i>Amount</i>
Ballpark Taxes	\$ 147,167.00
Parking Revenue	\$ 845,650.00
LF Boutique Hotel & Retail Taxes	\$ 313,060.00
WG South Hotel, Apartments & Retail Taxes	\$ 1,628,067.00
Personal Property Tax	\$ 11,526.00
Use and Occupancy Tax	\$ 571,388.00
Advertising	\$ 156,000.00
8 City Revenue Events	\$ 40,000.00
<i>Source Total</i>	<i>\$ 3,712,858.00</i>
<i>Uses</i>	<i>Amount</i>
Debt Service	\$ 2,733,000.00
Operating Costs	\$ 96,920.00
5% contingency	\$ 141,496.00
<i>Use Total</i>	<i>\$ 2,971,416.00</i>
Surplus	\$ 741,442.00

In 2022, the City will owe \$2,971,416 towards the bond payment and operating costs for the ballpark. Therefore, in 2022, the City is estimating a surplus of \$741,442 which includes a 5% contingency. (The sources and uses will fluctuate from year to year.)