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MassDevelopment provides \$16.2 million in direct loans to New Garden Park Inc.

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MassDevelopment has provided a total financing of \$16,246,036 - including a \$12 million New Markets Tax Credits allocation and \$4,246,036 in direct loans - to New Garden Park Inc., an affiliate of the Worcester Business Development Corporation (WBDC). The organization will use these funds to complete the renovations to the former Worcester Telegram & Gazette building on Franklin and Federal Sts. in downtown. The 135,000 s/f facility, in the city's central business district, will house Quinsigamond Community College's (QCC) new urban campus for its Allied Health Services and Workforce Training and Employment Programs.

"The Telegram & Gazette property is a crucial element as we invest in the future of downtown Worcester," said congressman Jim McGovern. "I appreciate the dedication of the financing partners to see this project through, one that will be a catalyst for future downtown development."

"Fidelity Bank is committed to the redevelopment of Worcester and is honored to lead the senior debt financing of this tremendous project," said John Merrill, president and COO of Fidelity Bank. "We greatly appreciate those local banks and MassDevelopment, who share our same commitment, for their participation in the bank financing. This project is a critical component to the redevelopment of downtown Worcester. We applaud the vision and commitment of the Worcester Business Development Corporation for undertaking this challenging and important initiative."

"The renovation of the former T&G building is an excellent example of transformative development: revitalizing urban sites in the downtowns of our Gateway Cities to spur activity and growth," said MassDevelopment president and CEO Marty Jones.

The building's plans also call for a business incubator, a café; a black box theater; and professional office space. MassDevelopment participated in the primary financing for this project with lead lender Fidelity Co-operative Bank and six other local participating institutions: United Bank, Webster Five Cents Savings Bank, Bay State Savings Bank, Commerce Bank, UniBank for Savings, and Middlesex Savings Bank. The city has committed \$2.5 million to the project through its U.S. Department of Housing and Urban Development 108 Loan Program. In addition to these funds, the city, through its Brownfields Cleanup Revolving Loan Fund, has provided a \$250,000 grant and a \$250,000 loan to assist in the remediation of this property.

The city council has also executed a 20-year Tax Increment Financing agreement for the 20 Franklin St. facility. Other funding sources include the U.S. Environmental Protection Agency and the Property and Casualty Initiative. New Markets Tax Credit allocations were provided through the Massachusetts Housing Investment Corporation, MassDevelopment, U.S. Bancorp, and The Community Builders.

"The financing of this project is a key stage in the redevelopment of the former T&G building and the overall revitalization of Downtown Worcester. Programs such as New Markets Tax Credits,

combined with the financial collaboration of local banks, have helped to make a redevelopment project of this magnitude become a reality," said Craig Blais, president & CEO of the WBDC. "The WBDC is fortunate to have such great community partners that share in the vision of creating a Downtown Worcester for all to enjoy."

About 75 faculty and staff from QCC expect to locate in the downtown campus in the fall of 2014, along with about 1,800 students that will attend classes at the new location. The business incubator will also provide a platform for the 30,000 college students in Worcester to develop or research an idea or start a business. Students, entrepreneurs, and the unemployed will also have access to the incubator. Overall, the facility will provide opportunities for collaboration between academic, industry, and government stakeholders in job training and education.

MassDevelopment, the state's finance and development agency, works with businesses, nonprofits, financial institutions, and communities to stimulate economic growth across the Commonwealth. During FY2013, MassDevelopment financed or managed 350 projects generating investment of more than \$2.4 billion in the Massachusetts economy. These projects are projected to create more than 7,000 jobs and build or rehabilitate 800 residential units.

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