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## **New England SIOR Chapter holds landlord afternoon on April 18 - with Faro, developer of Tuscan Village, Salem, NH**

May 10, 2019 - Front Section

Joe Faro, developer of Tuscan Village

Boston, MA The New England Chapter of SIOR held a landlord evening on Thursday, April 18th at Tuscan Kitchen in the Seaport District. The event was hosted by Joe Faro, developer of Tuscan Village, known as “The Rock” office district in Salem, NH and founder of the Tuscan Kitchen. Tuscan Village is a 2.8 million s/f redevelopment of the former Rockingham Park Horse Track. There were 33 SIOR and guests in attendance and the event started at 5:30 p.m. with a welcome announcement from the chapter president, Mike Giuttari.

Then Tom Farrelly of Cushman & Wakefield gave an overview of this project and announced that Tuscan Village was the largest project north of Boston with over 2.8 million s/f of fully approved space. Cushman & Wakefield has been selected by Tuscan Brands as its exclusive leasing agent for the Offices at Tuscan Village. Farrelly then introduced Faro, who gave an overview of the project.

The Offices at Tuscan Village are part of the fully approved, 170-acre mixed-use Tuscan Village development under construction on the site of the former Rockingham Park Race Track. Upon completion Tuscan Village will include retail shops, two major hotels with conference facilities, 800 residential units, an entertainment district, a diversified mix of restaurants and up to 1.3 million s/f of class A office space.

Development sites for Phase I, situated on 50-acres, are sold out! Phase I offers luxury townhouses, apartments, an automotive dealership, retail shops and a Market Basket supermarket.

Leasing for Phase II, situated on 120-acres, is currently underway, with \$45 million in road and infrastructure work in process. The road and utility work are slated for completion this month. Build-to-suit office space can be delivered as early as the fall of 2020.

Tuscan Village is a landmark project that is redefining the gateway to New Hampshire. The Offices at Tuscan Village will provide an amenity rich working environment that will enable companies to successfully compete and retain talent in today’s highly competitive workforce environment.

Faro then gave an overview of how he became a developer. He grew up in Lawrence to first generation Italian parents. His father opened a bakery in Lawrence. He attended UNH and in his course on entrepreneurship leadership, he entered a contest for business plans that would give the winner a grant to start his/her business. He did not win the contest but his professor liked his plan and eventually Faro found SBA was willing to fund his request for \$1 million loan for a pasta factory. He grew the pasta factory over the years to include hundreds of employees and serving large supermarkets. He was eventually bought out by Nestles in 2006-07. Faro then turned to real estate as a profession and found this land site at Exit 2 on Rte. 93 in N.H. The area was pretty run-down and he had a vision to create a higher and better use. He decided to create an Italian artisan retail community and have goods and services direct from Italy to the consumer. He was importing everything directly from Italy and this concept became successful. He then opened Tuscan Restaurant and started to give back to the community serving war veterans. He has served food to over 17,000 veterans over the last 10 years.

The Rockingham Park became available and there were many developers vying to buy this site. A \$1 billion casino was trying to secure the site and obtain its permits. To create some cash flow, the casino sold off 50 acres to Faro. He then placed all his bets on this site to create an office and retail development that might be competing with the casino. He didn't know if the market could really support both the casino's development and his development but he decided to take a risk. He now had 50 acres and decided to create a vision for downtown Salem to bring events that would benefit the Salem community. He has had Italian car shows, wine festivals, benefits for veterans and the homeless.

In the meantime the casino was spending over \$1 billion on infrastructure and widening Rte. 93 and surrounding roads that would also be benefiting his development. Faro sees the casino's investment as a gift to him. To obtain approvals, the town then decided to abolish zoning for Faro's site and he was able to gain almost 3 million s/f in approvals with 6-7 story buildings and other non-compliant uses. Faro found that the town of Salem was being very creative and he had the support of the N.H. governor.

Faro now has North Village completed with 260 apartments, Market Basket, 96 townhouses and a medical facility near completion. He has a Hilton Hotel, famous seafood restaurant and a well-known outdoor sports tenant. By July, he will start to break ground on a famous burger restaurant. He is focused on creating a pedestrian friendly project similar to Legacy Place or Santana Row in San Jose. Tuscan Village will include community programs and symbiotic projects with 55+ housing, retail, entertainment, restaurants, Bar Louis, tequila restaurants, country western, live entertainment, etc. There are over 1,000 residential units and an independent living and wellness facility.

In short the project will include:

- 1 million s/f of office and medical;
- 950 residential units;
- Two regional medical facilities;
- Two hotels;
- 800,000 s/f of retail;

- 6,000 new jobs and \$12 million of annual tax revenue; and
- Over \$35 million of off-site improvements.

There is also a buried stream that Rockingham Park covered in the 1950s. He will be unearthing the stream and letting it flow around the perimeter. The brook is about 1 mile long and the site has over 1 million trees and bushes.

The details are the following:

- The Offices at Tuscan Village - 1.3 million s/f of office and medical service office.
- Fully approved project under construction.
- Market's fastest delivery for high-quality build-to-suit office space.
- Landmark location at Exit 1 off I-93 at the convergence of Rtes. 38 and 28 – 30 miles to Boston,
- No state income, sales or estate taxes!
- Ready work force - 116,000 New Hampshire residents commute to jobs in Massachusetts daily.
- Easy reverse commute for Massachusetts residents.
- New Hampshire is known for its affordable residential housing - well below greater Boston and the Seacoast.
- Landmark project redefining the gateway to New Hampshire.
- Full support of the town of Salem officials and residents! A custom zoning overlay was created specifically for the redevelopment of this site.
- Economic Revitalization Zone (ERZ) tax credits offered.
- Potential to partner with state of New Hampshire education system for specific workforce training.
- Amenity rich urban development design, desirable to today's mainstream workforce enabling Timberland to attract and retain a highly talented employee base.
- Convenient access to downtown Boston, Portsmouth, Manchester and all points in between.

The chapter would like to thank Farrelly for arranging this event.

New England Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540