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The \$700m development in Downtown Crossing has been put on hold

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John Hynes, the lead developer of the Filene's project in Boston's Downtown Crossing, has told mayor Thomas Menino that the project is on hold indefinitely until he can reduce costs and nail down financing.

Hynes has cited challenges in arranging enough financing to carry the project, a massive mixed-use development on the former site of Filene's department store.

The Filene's project has been difficult to "sell" to the out-of-town banks he's trying to convince to fund the development. Hynes has not been able to close a \$400 million construction loan for the \$700 million project.

As a result, Hynes said he has to reduce the cost of the office, hotel, residential and retail project. Hynes needs to find a way to make the project work given it is the centerpiece of Menino's plan to remake Downtown Crossing.

Despite the fact that 75% of the retail space and 25% of the office space is pre-leased, Hynes is considering redesigning the project to save money.

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