

COMMONWEALTH OF MASSACHUSETTS

CITY OF LOWELL

In City Council

VOTE

Approving to Amend the Original Tax Increment Financing Agreement with Lowell Legacy Hotel, LLC.

Lowell Legacy Hotel, LLC entered into a certain Tax Increment Financing Agreement dated as of March 24, 2020, with the City whereby the City authorized a certified project application and authorized a tax increment financing agreement project for buildings known and numbered as Athenian Corner Real Estate Holdings, LLC and Lowell Legacy Hotel, LLC 205 Market Street and 38 Shattuck Street, Lowell, Massachusetts; in accordance with the provisions of clause Fifty-first of Section 5 of Chapter 59 of the Massachusetts General Laws (the “Original TIF Agreement”); and

Athenian Corner Real Estate Holdings, LLC., has applied for designation as a Certified Project under the Massachusetts Economic Development Incentive Program created by Chapter 23A of Massachusetts General Laws; and

Athenian Corner Real Estate Holdings, LLC, meets the minimum standards of the Economic Development Incentive Program and the local economic development goals and criteria established as part of the documents creating the Lowell & Chelmsford Economic Target Area (ETA); and

The proposed project is located at 205 Market Street and 38 Shattuck Street, Lowell, Massachusetts; and

The project expects to create a minimum of Forty-three (43) new full-time jobs for residents of the Lowell & Chelmsford Economic Target Area; and

Due to the COVID-19 pandemic, the project has been delayed and requests an amendment to the previously approved TIF.

The City of Lowell has agreed to offer Athenian Corner Real Estate Holdings, LLC and Lowell Legacy Hotel LLC, an Amended Tax Increment Financing Agreement, upon approval of the City Council. Said Amended Agreement is incorporated by reference herein.

NOW, THEREFORE, BE IT VOTED BY THE CITY COUNCIL OF THE CITY OF LOWELL:

That the City Council of the City of Lowell approves to amend the Original TIF Agreement and forwards said request to the Massachusetts Economic Assistance Coordinating Council for its approval and endorsement.

V:amendedTIFagreements/205marketst/38shattuckst

AMENDMENT TO THE TAX INCREMENT FINANCING AGREEMENT

Dated March, 25th, 2020

(Alternatively, the “Amendment”)

by and between

**THE CITY OF LOWELL
(Alternatively, the “City”)**

AND

**Athenian Corner Real Estate Holdings. LLC.
(Alternatively, the “Property Owner”)**

AND

**Lowell Legacy Hotel. LLC.
(Alternatively, the “Company”)**

This **AMENDMENT** is made as of this _____ day of _____, 2021 by and between the City, the Property Owner and the Company.

WHEREAS the City is a Massachusetts municipal corporation duly organized under the laws of the Commonwealth of Massachusetts, having a principal place of business at 375 Merrimack Street, Lowell, MA 01852; and

WHEREAS the Property Owner is a limited liability corporation having its principal address at 205 Market Street, Lowell, MA 01852 and currently owns the property at 205 Market Street and 38 Shattuck Street which is shown on Lowell’s City Assessors Map 159, Parcel 3905-0205 and Parcel 5295-0038 respectively (hereinafter the “Property”); and

WHEREAS the Company is a limited liability company having its principal address at 206 Market Street, Lowell, MA 01852, and is authorized to do business in Massachusetts; and

WHEREAS the project (the “Project”) will result in the construction of the Lowell Legacy Hotel, a “boutique” style hotel to be located in Downtown Lowell, and the renovation and expansion of the existing “Athenian Corner” restaurant.

NOW THEREFORE, in consideration of the mutual promises of the parties contained herein and other good and valuable consideration, each to the other paid, the receipt of which is hereby acknowledged, the parties hereby agree to amend the Original TIF Agreement as follows:

1. On Page 1, of the Original TIF Agreement in the Fifth WHEREAS clause delete the number “57” and replace with “64”

2. On Page 2, of the Original TIF Agreement “The Company’s obligations” Section 1- delete the date “by March of 2022” and replace with the date “by March, 2023”
3. On Page 3, of the Original TIF Agreement “The Company’s obligations” Section 3- delete words and numbers “forty-five (45) and replace with “forty-three (43) ”
4. On Page 3, of the Original TIF Agreement “The Company’s obligations” Section 4- delete the number “45” and replace with “43”
5. On Page 4, of the Original TIF Agreement “The Property Owner’s Obligations” Section 1- delete the date “June, 30th, 2020” and replace with “by July 30th, 2021”
6. On Page 4, of the Original TIF Agreement “The Property Owner’s Obligations” Section 2- delete the date “by December, 1st 2020” and replace with “by October, 1st, 2021”
7. On Page 4, of the Original TIF Agreement “The Property Owner’s Obligations” Section 3 - delete the date “by December, 30th, 2021 and replace with” by January, 31st, 2023.”
8. On Page 4, of the Original TIF Agreement “The Property Owner’s Obligations” Section 4 - delete “by the end of 2021” and replace with “by June, 30th, 2023”
9. This AMENDMENT shall be binding upon all parties to it and, in addition, shall be binding upon and inure to the benefit of subsequent owners of the Project Area and to the successors and assigns of the Company.
10. If any provision of this contract shall be found invalid for any reason, such invalidity shall be construed as narrowly as possible and the balance of the contract shall be deemed to be amended to the minimum extent necessary to provide to the parties substantially the benefits set forth in this contract.

WITNESSETH the execution and delivery of this Amendment by the City, the Property Owner and the Company as an instrument under seal as of the date first above written.

AGREED TO:

Athenian Corner Real Estate Holdings. LLC.

By: _____

Title: _____

Date: _____

Lowell Legacy Hotel. LLC.

By: _____

City of Lowell

By: _____
Eileen M. Donoghue, City Manager

Approved as to Form:

By: _____
Christine O’Connor, City Solicitor

Date: _____



Eileen M. Donoghue
City Manager

Kara Keefe Mullin
Assistant City Manager

May 11, 2021

Mayor John J. Leahy
and
Members of the City Council

SUBJECT: Lowell Legacy Hotel, LLC – Amendment to Tax Increment Financing Agreement

Dear Mayor Leahy and Members of the City Council,

In March 2020, the City Council approved a Tax Increment Financing Agreement (TIF) with Athenian Corner Real Estate Holdings LLC (Property owner), and Lowell Legacy Hotel, LLC (Certified Project) to support the construction of a “boutique” style hotel at 205 Market Street and 38 Shattuck Street. Due to the COVID-19 pandemic, the project has been delayed and requests an amendment to the previously approved TIF to increase the number of rooms from 57 to 64, reduce new jobs created from 45 to 43, and extend the construction schedule by one year.

This \$14 M project will result in the full rehabilitation and expansion of the existing historic Putnam building at 205 Market Street (home of Athenian Corner Restaurant) and a new building at 38 Shattuck St, currently a vacant lot. As a result, the project will more than double the size of the existing building and will also expand and modernize the Athenian Corner Restaurant by adding a large function room and meeting space. The proposed TIF changes will not change the vision of a new downtown hotel and updated restaurant as a regional attraction.

The Lowell Legacy Hotel, LLC will retain all existing permanent full-time jobs currently at the restaurant and will make every effort to hire locally by working with the Economic Development Office, MassHire, University of Massachusetts, Lowell, Middlesex Community College, CTI’s YouthBuild Culinary Program and other local agencies, as appropriate, to hire qualified Lowell residents for the new jobs proposed under this project.

Therefore, I respectfully request that the City Council approved the TIF Amendment. In addition to a proposed vote to amend the agreement, please find the proposed amendment to the TIF attached.

Sincerely,

Eileen M. Donoghue
City Manager

CMM/crt
Attachment

cc: Christine M. McCall, Director of Economic Development
Maria Dickinson, Economic Development Specialist