

HAMPTON VA

NEWS RELEASE

For immediate release

Robin McCormick | rmccormick@hampton.gov | 757-728-3276
22 Lincoln Street | Hampton, VA 23669

New \$12.5 million hotel planned for Peninsula Town Center at former Macy's site

March 21, 2017 - Hampton's Economic Development Authority agreed Tuesday to provide a number of economic incentives to the developer of a proposed \$12.5 million hotel that would be built in Peninsula Town Center on the site of the former Macy's Department store.

The developer, in a statement from Peninsula Town Center Media, said: "We are excited to further develop and enhance Peninsula Town Center. The new hotel will provide both business and leisure travelers market-leading accommodations in a convenient location near I-64. Guests will enjoy dining, shopping and entertainment all within a short walking distance of the hotel."

The "term sheet and cooperation agreement" with T Peninsula Hotel VA, LLC must still be approved by City Council, which meets Wednesday. The new hotel would add to the growing mix of retail, residential and entertainment venues at Peninsula Town Center.

"More quality hotel rooms will be great news to event planners at the Boo Williams Sportsplex, Hampton Roads Convention Center and Hampton Coliseum," said Mary Fugere, director of Hampton's Conventions and Visitors Bureau. "Being close to these active venues makes town center a popular and lively base for visitors to Hampton."

One of City Council's strategic goals has been to increase economic growth in Hampton, in part by boosting the number of convention-quality hotels. Offering economic incentives is not unusual. In recent years Newport News, Norfolk and Virginia Beach have all offered incentives to attract hotel developments.

"We think this will be a tremendous enhancement to Peninsula Town Center as well as a benefit to the convention center" and surrounding venues, said EDA Chairwoman Eleanor Brown. "It will be an asset to all of Hampton." If the developer meets timeline, investment and quality goals for the hotel, the EDA will:

- Provide a \$1.2 million performance grant at opening
- Provide a maximum grant of more than \$800,000 - payable over 10 years - that effectively rebates a portion of the hotel's taxes.
- Help the developer obtain additional financing under the state's Tourism Development Financing Program.

###