

**Stadium Authority Study Finds Downtown Frederick Hotel Project Shows Promising Potential  
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The Maryland Stadium Authority has released a [Critique/Assessment of the Market and Economic Assessment for a Full-Service Hotel and Meeting Space in Downtown Frederick](#) (2010 by Pinnacle/OPX).

The study update was prepared by Crossroads Consultants and Hospitality and Gaming Solutions under contract to the Stadium Authority. It concludes that Frederick has sufficient market demand for a full-service, 200 room, branded hotel with 15,000 square feet of meeting space in Downtown Frederick. The study further finds that the hotel when stabilized will generate approximately 52,600 room nights, 280 jobs, and \$25 million in economic impact.

These findings are generally consistent with the earlier study and confirms the need for such a facility in downtown Frederick. The Maryland Stadium Authority and its team of consultants is briefing key elected and business officials this morning at the Chamber of Commerce and other stakeholders and the general public at 1PM today in City Hall.

"I am very pleased with the outcome of the study," stated Earl H. Robbins, Jr. the appointed Project Chairman. "Based on the study findings, I believe that a privately-owned and operated hotel in downtown with sufficient meeting space to induce new meetings and conferences will be a game changer for this community," he added.

The study was conducted at the request of The City of Frederick, using technical assistance grant funds from the Maryland Department of Housing and Community Development (DHCD). The City was acting on behalf of the Downtown Hotel Advisory Team consisting of the following organizations:

- ⊖ **The Frederick County Chamber of Commerce & Major Employers Group (MEG)** — Ric Adams, President & CEO
- ⊖ **Tourism Council of Frederick County** - John Fieseler, Director,
- ⊖ **East Frederick Rising** - Bob McCutcheon, President
- ⊖ **Downtown Frederick Partnership** - Kara Norman, Executive Director
- ⊖ **Frederick County Business Development and Retention Division (BDRD)** - Helen Riddle, Acting Director
- ⊖ **The City of Frederick** - Earl H. Robbins Jr. , Project Chairman

Josh Russin, Executive Assistant to the Mayor

Richard G. Griffin, AICP, CEcD, Director of Economic Development & Project Manager

Mayor Randy McClement offered that "the City of Frederick and my administration has focused its energy and resources on infrastructure projects which improve the quality of life and provide economic return for the community. Development of a privately owned, operated and financed full-service hotel in Downtown Frederick is part of that strategy, along with completion of Carroll Creek Park, Monocacy Boulevard, Frederick Municipal Airport Control Tower and increased sewer capacity."

According to Ric Adams, President and CEO of the Frederick County Chamber of Commerce, “the Chamber and its Major Employers Group (MEG) choose this project as its number one priority to retain and expand the business community in Frederick County. The Chamber and MEG have helped fund the original feasibility study and continue to advocate for this hotel project in downtown Frederick.”

The study confirms the Frederick area has a growing population base, with stable employment in the military and government sectors as well as bioscience and technology centers. Property annexed by the City of Frederick in recent years is nearing development which will also contribute to the tax base and employment opportunities.

Maryland Stadium Authority Chairman John Morton III added his thoughts. “MSA was happy to work with the City of Frederick and their hospitality community to evaluate the market for a downtown hotel/conference center,” he said. “This study provides stakeholders with the information they need to decide how best to proceed with the project.”

Currently, Frederick County has fewer than 1,000 hotel rooms, with an additional 100+ anticipated when the Marriott Towne Place Suites is completed this summer. Focus on Civil War history has increased interest in Frederick as a destination.

According to John Fieseler, Director of the Tourism Council, “Frederick is fortunate to have posted the highest increase in hotel room demand in Maryland during 2011 and over \$300 million in tourism spending.” He added that “presently there is not a full-service hotel in Frederick and this downtown hotel will fill a gap not being met in the market.”

Based on research and analysis of the growing market and popularity of Frederick, Crossroads concurs with the Pinnacle/OPX study’s conclusion that the community would benefit on many levels from a hotel/conference center in the downtown historic district — including the creation of 280 permanent, full-time jobs that would create \$9 million in personal earnings and increased activity in the retail/hospitality outlets.

The study offers recommendations of what amenities and services should be included in the 200-room facility based on the evolving industry standards. In addition to a business center, Wi-Fi connectivity, a pool and fitness center, the hotel complex should also include a restaurant/lounge, room service, and retail outlets.

The meeting space recommendations are consistent with the high-end brand the city should attract. A 5,000 -6,000 ballroom should be included in the 15,000 square feet of conference space, along with a flexible layout to accommodate a variety of uses.

The feasibility study determined this type facility would generate approximately 52,600 room nights with \$16.5 million in direct spending and almost \$30 million in economic impact. In addition the operation would generate significant local property taxes based on the assessed value of the property. In conducting their research, Crossroads also found interest in this concept from several national hotel brands.

Because the study focuses on an unspecified downtown location, Crossroads cautions that parking and access will be major considerations and should be factored into any future decision.

The Downtown Frederick Hotel project originated from a business community need identified by the seventeen largest major employers (MEG) in Frederick County and the Frederick County Chamber of Commerce. In addition to championing this project, the initial feasibility study by Pinnacle / OPX in January 2010 was financed by the partners including the MEG Group and the local Chamber of Commerce.

Crossroads suggests that if the next steps include selecting a development site and a hotel developer. The hotel team is immediately issuing a Request for Information (RFI) from Downtown Frederick property owners who are interested in submitting their property as a potential location of a future Downtown

Frederick hotel. A separate Request for Qualifications (RFQ) to select a hotel developer will be issued this fall.

The feasibility study is posted on the Maryland Stadium Authority website at:  
<http://www.mdstad.com/current-studies/city-of-frederick-conference-center>