

ZIOCK BUILDING

Developer to start downtown hotel work in 2015

By Brian Leaf

Rockford Register Star

ROCKFORD — The company planning to renovate the Ziock Building, an abandoned 13-story downtown factory, into a \$53 million hotel and conference center won't begin work until February 2015.

"We forecast being able to open in early spring of 2017," said Laura Narduzzi, regional manager for developer Gorman & Co. of Oregon, Wisconsin.

City crews, meanwhile, will be active this fall in the neighborhood as part of a development agreement with Gorman. Eminent domain proceedings on three properties owned by S&L Warshasky Inc. at 501 and 431 S. Main St. and 319 Cedar St. are working

their way through the Rockford City Council. The city purchased a warehouse at 514 S. Church St., City Engineer Matthew Vitner said, and has another storage building at 330 Cedar St. under contract.

Buildings on all five parcels are to be razed for parking for the hotel and a train station at a yet-to-be-determined site along Union Pacific tracks running parallel to Cedar Street.

The hotel complex is expected to feed off visitor traffic from a \$21 million indoor sports center being developed across the Rock River in the former Ingersoll building.

Narduzzi said Gorman has internal architectural and design, construction and operations teams working on the project.

"The history of the building

will play the driving role in the overall design," Narduzzi said.

Construction costs will be partially offset by state and federal historic tax credits because the building is designated a landmark. Gorman can sell tax credits to investors to help the investors lower their tax liabilities while helping the company raise money to pay for construction.

Gorman also plans to pursue project funding through EB-5, an immigration program that grants foreign nationals a visa if they invest \$500,000 in a project in high-unemployment areas that create or preserve 10 full-time jobs.

"We have been working on the marketing materials so our partner can begin marketing to potential investors," Narduzzi said.



The Ziock Building in downtown Rockford. MAX GERSH/RRSTAR.COM

August 15, 2014 Powered by TECNAVIA

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