

CITY OVERVIEW

Profile of the City

The City of Salem, which was incorporated as a town in 1630 and became a city on March 23, 1836, is situated on the Massachusetts coast, 16 miles northeast of Boston. The City has a population of approximately 40,407 and occupies a land area of approximately 8 square miles. The second city in the Commonwealth to be incorporated, it is the Shire City of Essex County. Salem has operated under the Plan B form of government, with a mayor and an eleven-person City Council, seven elected from wards, and four at-large, since 1915.



Historic Information

Salem was originally founded in 1626 by Roger Conant and a group of settlers from the Cape Ann area. In 1630, the area was incorporated into a town; and the name of Salem from "Sholem," meaning "peace" in the Hebrew language, was adopted. Salem is perhaps best remembered as the site of the infamous witchcraft hysteria that swept the colonies in the late 17th century. Early in the 18th century, Salem was a thriving commercial port. The protected harbor encouraged trade, but industrial development occurred slowly. During this time, shipbuilding and allied industries were well established and trading with the West Indies and European ports was extensive. This commercial expansion brought about a cultural expansion in the life of the town. The depression following the War of 1812 seriously affected the economy of Salem. Thereafter, the opening of the Erie Canal brought serious new trade competition; and with the building of larger vessels, trading was limited because the harbor was not deep enough to accommodate the larger vessels. As the level of commerce decreased, the growth of industry increased. In 1848, a large cotton mill was established; and after the Civil War several tanneries, shoe and paint factories were founded in Salem. A fire destroyed a large part of the industrial district in 1914, but the area was again built up as a thriving industrial center.

Among the many sites of historical interest are the Crowninshield-Bentley House, House of Seven Gables, Pierce-Nichols House, Pickering House, Pingree House, The Peabody-Essex Museum, Pioneer Village, Ropes Mansion House, the Witch House, and the Salem Maritime National Historical site which was the first national historic site in the United States.

Governmental Structure

The Mayor is elected for four years in November of unevenly-numbered years. The Mayor is the administrative head of the city and chairman ex-officio of the School Committee, the Board of Library Trustees, and the Board of Trust Fund Commissioners. The Mayor acts with the City Council and School Committee to carry out city business. The Mayor appoints his or her office staff, the City Solicitor,

and the Assistant City Solicitor without City Council confirmation. The appointments of most city department heads, and members of the various boards and commissions, however, require City Council confirmation. The Mayor has the right to veto any order, resolution, or ordinance passed by the Council. However, a veto may be overturned by a two-thirds vote of all councilors. After reviewing and revising estimates prepared by department heads, the Mayor submits the budget to the City Council for final action. The Mayor approves all municipal payrolls, vouchers, contracts and instruments; and recommends bond issues, legislations and orders to the City Council; and represents the city with other levels of government. As the general administrator of all city departments, the Mayor is consulted by department heads pertaining to the city's welfare.

The City Council is primarily the legislative branch of the city government. As the legislative body, the Council confirms appointments made by the Mayor and appropriates all monies necessary to city operation. It can approve, disapprove, or reduce the amount of appropriations, but not add to the appropriation. The Council receives orders of recommendation by the Mayor and petitions from the public, and acts on them after committee study. The City Council also has the power to enact the Ordinances and other regulations. A majority of the City Council constitutes a quorum, and the affirmative vote of a majority of all the members of the Council is necessary for the adoption of any motion resolution, or ordinance. In some instance, adoption by a two-thirds vote of the members is required by statute.

The City provides general governmental services for the territory within its boundaries, including police and fire protection, disposal of garbage and rubbish (for residential properties); public education, including vocational-technical education at the high school level; street maintenance; certain water services, through the Salem and Beverly Water Supply Board; certain sewerage disposal services, through the South Essex Sewerage District; and parks and recreational facilities. Approximately 95 percent of the City is connected to the sewerage system; the entire area of the City is served by the municipal water system. The Salem Housing Authority is responsible for managing 1,462 units of low income housing for the City. Buildings are either owned by the Authority, or are part of the rental subsidy program or the voucher program. Of the 1,462 units, 715 are included in twelve elderly developments, nine family developments, and one handicapped accessible family developments. These units are owned and operated by the Authority. The principal highways serving the City are state Routes 1A, 107, and 114, all of which provide immediate access to Routes 1 and 128 and other major highways serving the greater Boston area. The City is a member municipality of the Massachusetts Bay Commuter Railroad, which provides passenger and freight service.

Within 170 days after the annual organization of the city government (which is ordinarily in early January), the Mayor is required to submit a budget of proposed expenditures for the fiscal year beginning on the next July 1. The City Council may make appropriations for the recommended purposes and may reduce or reject any item. Without recommendation of the Mayor, the City Council may not increase any item or make an appropriation for a purpose not included in the proposed budget (except by a two-thirds vote in case of the failure of the Mayor to recommend an appropriation for such a purpose within 7 days after a request from the City Council, pursuant to state statute). If the Council fails to act on any item of the proposed budget within 45 days, that item takes effect. The City's operating budget for fiscal year 2006 totaled approximately \$102 million.

Cultural and Historical Facilities

The City of Salem is a historic waterfront community that has a rich cultural heritage, known worldwide for its architecture, maritime history, literary prominence, and witchcraft hysteria. For this reason, tourism is one of the City's major industries, accommodating almost one million visitors each year.

In 1692, infamous witch hysteria created fear and superstition as the fantasies and allegations of a group of young girls led to accusations of witchcraft against ordinary citizens. Nineteen people were convicted for the crime of witchcraft and were put to their deaths. 1992 marked the 300th Anniversary of the now famous Salem Witch Trials. The City of Salem commemorated this event with many special exhibits and events planned by the City's Salem Witch Trials Tercentenary Committee. The major event of the year long commemoration was the design and construction of the Salem Witch Trials Memorial located adjacent to the Charter Street Cemetery. The Memorial design was chosen through a nation-wide design competition. As part of a living memorial, the City also annually awards the Salem Award for Human Rights and Social Justice.

The City has numerous facilities of continuing cultural and/or historical significance:

Peabody-Essex Museum - The Peabody Essex Museum (PEM) has undertaken the largest museum addition in America. The \$100 million expansion allows them to showcase their extensive collection of Oceanic and Asiatic art for the first time. The PEM houses a broad spectrum of artifacts representing centuries of Essex County life and industry, as well as treasures from across the world brought to the region by early navigators. The PEM consists of a downtown campus, four National Historic landmarks and several properties on the National Register of Historic Places. The PEM enjoys an attendance of approximately 135,000 to 150,000 visitors per year.



restored the wharves and buildings. The Friendship, a full size replica of one of Salem's historic trading ships was recently completed and is berthed at the site. This \$6 million project was 75 percent federally-funded and is expected to become a major cultural attraction and educational tool. The National Park Service will be relocating the historic Pedrick's Warehouse from Marblehead to Derby Wharf and

installing a pile supported dock adjacent to the building, in order to facilitate interpretive display of historic maritime functions.

The House of the Seven Gables - The House of the Seven Gables was made famous by Nathaniel Hawthorne's novel of the same name. The site is a complex of the actual house occupied by Hawthorne and several adjacent historic structures. The House of Seven Gables received the prestigious designation of "Museum" status in 2008 and has been designated a National Historic Landmark District.

Salem Witch Museum - The Salem Witch Museum commemorates the famous witch trials that occurred in 1692 through an audio visual presentation. Life-size stage settings, lighting and historically accurate narration recreate the afflicted girls, the trials and the executions of the Salem Witch Trials.

The Witch House - The Witch House was the home of one of the famous Witch Trial judges, Jonathan Corwin. The Witch House is operated by the City of Salem and is an excellent example of 17th century architecture. The site recently received interior and exterior improvements for handicapped accessibility and historic preservation.

Witch Dungeon Museum - The Witch Dungeon Museum provides a live re-enactment of the Witch Trials for visitors to the City. The presentation is adapted from the 1692 transcripts and re-enacted by professional actors.

The First Church - The First Church, located on Essex Street, was founded in 1629 and is the oldest continuing Protestant congregation in the country.

Chestnut Street - Chestnut Street is a National Historic Landmark consisting of a group of homes of notable architectural significance. The homes are primarily old mansions built by Salem's successful sea captains during the early 19th century.

Pickering House - The Pickering House is the oldest house in America to be continuously occupied by the same family.

Pioneer Village - Pioneer Village, situated in Forest River Park, is a living-history Museum that depicts life in Salem in 1630. Guides in historical costumes show visitors how early Puritans lived. The site contains a thatched cottage, historic gardens, wigwams, and animals. In 2008, Gordon College began a five-year lease of Pioneer Village. Gordon is restoring the buildings to their former condition and creating an interactive history museum. Curatorial and museum administration internships, special lectures and workshops will also be available through Gordon's use of Pioneer Village.

The Old Burying Point - Located on Charter Street, this is the oldest burying ground in Salem. The site contains the graves of a Mayflower passenger and witchcraft trial judge John Hawthorne, and is the location of the Witch Memorial.

Winter Island Park - Operated by the City of Salem, Winter Island is a former U. S. Coast Guard Air and Sea Rescue Station located on Salem Harbor. The site is a seasonal recreation site with RV and tent spaces. The site also has a beach, boat launch, wind surfing, scuba diving, picnic areas and a snack bar. Historic Fort Pickering and Fort Pickering Light are located within the site. Winter Island is now home of "sail Salem", a community sailing program that provides free sailing lessons to Salem Children. A committee has also been formed to review was to better use the island and its facilities.



Salem Wax Museum of Witches and Seafarers - The Wax Museum, opened in July of 1993, features a multi-media presentation and realistic wax figures depicting pirate and witch stories of Salem's past. The Wax Museum also offers hands-on children's activities.

Salem Witch Trials Memorial - The Salem Witch Trials Memorial was dedicated on August 5, 1992 to commemorate the 300th anniversary of the now famous Salem Witch Trials of 1692. The memorial is located adjacent to the Charter Street Burial Ground.

Heritage Trail - The many cultural and historic facilities in Salem are connected by the Heritage Trail, a 6 inch red line painted on sidewalks and streets. The Heritage Trail leads to world-renowned museums and historic homes, as well as to restaurants offering simple fare to gourmet meals, full service hotels, inns and bed and breakfasts.

Salem Common - Salem Common has been public land since Salem's early days. Its eight acres was originally swampy area, with several ponds and small hills. Salem's military heritage begins in 1636, when the first muster occurred on Salem Common. Today, the National Guard traces its roots to that first muster. Needing a place for regular military drills, it was voted in 1714 by the commoners to be "forever kept as a training field for the use of Salem".



Bakers Island Lighthouse - The tower is located on the north end of the island. The lighthouse was automated in 1972 and was recently turned over to the National Park Service. The National Park Services is looking into providing guided tours of the lighthouse in the future.

Fort Lee - This American Revolution fort was built in 1776 and was added to the National Register of Historic Places in 1994

The Phillips House - The Phillips House is the only home on historic Chestnut Street open to the public, and it provides a glimpse into the private world of the Phillips family during the early decades of the twentieth century.

Ye Olde Pepper Candy Company – This is America’s oldest candy company, dating back to 1806, when an English woman, Mrs. Spencer, was shipwrecked and landed in Salem. Mrs. Spencer was assisted financially by residents, and what resulted was the first candy made and sold commercially in America and carried around the world by sea captains and their crew.

The tourist attractions described above are included to illustrate the continuously growing tourist economy. These attractions provide jobs, tax revenue and buying power to the City of Salem.

Public Projects and Economic Development Activities

Salem experienced new growth of more than \$250 million—a quarter of a billion dollars in new development over the past ten years. This development is marked by a series of catalytic development projects, including the recent \$125 million expansion of the Peabody Essex Museum, the Waterfront Hotel, the on-going construction of the J. Michael Ruane Court Complex and the current redevelopment of the Historic Old Salem Jail. A demand for Salem real estate and the growth of Salem’s economy has contributed to the City’s community development in terms of reuse of existing buildings and building of new developments, including high-end housing and commercial development.

Downtown development has been strong in recent years. A number of vacant and under utilized properties have been redeveloped into mixed-use residential/commercial buildings. The downtown alone has seen over \$40 million in private investment from projects such as the Laundry Building, Old Police Station Redevelopment, Bluestone Alley, 10 Federal Street and the recent redevelopment of the Salem News Building into 31 residential units and 7,500 square feet of new commercial space.

The waterfront area is also experiencing a great deal of development. The Waterfront Hotel was completed in 2005 at the entrance to Pickering Wharf. The construction of the South River Harborwalk will be completed in FY10, which will enhance pedestrian connections along the harbor from Pickering Wharf to downtown. In conjunction with this project, the City is creating a new neighborhood park on Peabody Street. The Salem Ferry began service in June 2006, allowing direct service from downtown Salem to Boston in 45 minutes. Along the North River Canal Corridor, two mixed-use development projects have been permitted at 28 Goodhue Street and Riverview Place at 72 Flint Street (the former Salem Suede property).

Large commercial and industrial development, prominent in the Highland Avenue, Swampscott Road and Vinnin Square areas, is also strong. A number of significant national retailers such as Staples, Walmart, Home Depot, Target, Pep Boys and Petsmart are located in these areas. Salem’s industrial park on Technology Way houses large or expanding companies such as Salem Glass and Thermal Circuits. In the same area, a 170,000 square foot vacant building was recently converted to commercial condominiums and is now home to 9 businesses relocating or expanding in Salem. The City also is home to Shetland Park, a sprawling business park abutting downtown, that houses more than 70 businesses.

Salem enjoys a mix of businesses and markets. Salem State College runs a business incubator complex at the former GTE Sylvania site off Loring Avenue called the Enterprise Center. The Salem Hospital recently invested \$12 million for their cardiac surgical suite and also built an Emergency Department, which is one of the most sophisticated and modern emergency facilities in the state. Markets for Salem businesses include the local population, the large tourist trade of over 1 million visitors, Salem State College and the County Court Complex.

The following highlights the major public projects and community development activities that are recently completed, currently underway or in the planning stages.

Transportation

Salem Ferry: The Salem to Boston Ferry is a new transportation option connecting two great cities. Named the Nathaniel Bowditch after the founder of modern maritime navigation and Salem's native son, the ferry is a high-speed catamaran that carries 149 passengers, is entirely ADA accessible and makes the trip from Salem to Boston – where it docks next to the Aquarium – in less than 45 minutes. The City of Salem is one of only a few municipalities to own a ferry vessel, which it purchased with a \$2.3M grant from the Massachusetts Executive Office of Transportation. In its fourth season, the Ferry service served nearly 100,000 passengers.



Salem/Beverly Transportation Project/Bridge Street Bypass Road: The Salem-Beverly Transportation Project is a multi-phase roadway project that provides improved vehicular access between Salem and Beverly. The Bridge Street Bypass Road, a component of this project, was completed in 2008, reducing congestion and providing a multi-use pathway for pedestrians and bicyclists.

MBTA Garage: The Massachusetts Bay Transportation Authority (MBTA) is expected to build a new parking garage at the Salem Train Station creating 700-1,000 parking spaces for commuters. The MBTA will also enhance the commuter rail station through an indoor waiting area and full high platform for accessibility.

North Street Improvement Project: Reconstruction of North Street, including roadway, sidewalk, signalization and period lighting was completed.

Bridge Street Improvement Project: As a result of recent completion of the Bypass Road, traffic along heavily congested Bridge Street has been reduced, as planned. Bridge Street is now undergoing a major upgrade, including new sidewalks, roadway reconstruction, landscaping, period lighting and other amenities.

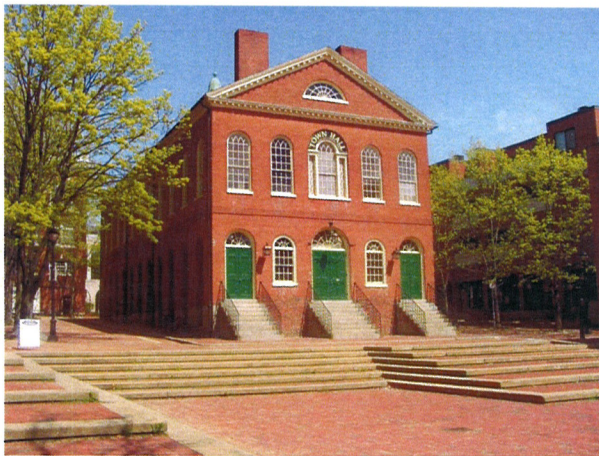
Derby/Congress Traffic Lights: This intersection was redesigned in recent years to increase pedestrian safety. Installation of traffic lights for pedestrian and vehicle safety and traffic circulation is currently underway.

Congress/Peabody/Ward Street Intersection: Reconstruction of the intersection was completed in November 2009. The work included the reconfiguration of the entire intersection to provide a more organized roadway for both vehicular and pedestrian safety. The reconfiguration of the intersection was facilitated by the demolition and remediation of the former 61 Ward Street property. These changes have minimized the crossing distance for pedestrians and greatly improved the traffic movement for vehicles entering and exiting the intersection. Pedestrian improvements include striped crosswalks, handicap ramps, and a pocket park that was created as a result of the reconfiguration. The pocket park consists of concrete and stone paver walkways, landscaping beds, trees, and seating areas.

Community Development

Salem News Building: This major redevelopment project in Salem's downtown includes the renovation of two buildings and construction of a new building at 155 Washington Street, 26 New Derby and 31 Front Street. The project retains approximately 6,000 square feet of existing retail use and adds an additional 7,500 square feet of new retail, and includes the construction of 31 new residential units. Construction is complete, and a new restaurant, Tavern in the Square, opened in June 2009.

Old Salem Jail Complex Redevelopment: In November 2005, the SRA designated New Boston Ventures to redevelop the Old Salem Jail Complex. The developer plans to redevelop the parcel into include 36 residential units, with one affordable unit, a restaurant, and a jail exhibit. The estimated project cost is over \$11 million. This public/private partnership has responded to changing market conditions by incorporating a rental component and using historic preservation tax credits. The first phase comprised of 23 housing units was completed in June 2010, and the restaurant opened in September 2010.



Old Town Hall: In August 2008, Gordon College entered into a lease with the City of Salem to manage and program Old Town Hall. The College and City have collaborated on securing \$249,000 in grant funding to make improvements to the building's accessibility, structure, heating system, and interior finishes. Construction was completed in October 2011. As part of the lease agreement, the College will open a museum on Salem's history on the first floor in April 2011.

Salem Suede Redevelopment (Riverview Place): A new development planned for the Salem Suede site, a brownfield, consists of the demolition of the old tannery and construction of 131 residential condominiums in three new buildings, one of which will contain first-floor retail space. Variances for the project were granted by the Zoning Board of Appeals in 2008, and the Planning Board completed site plan review in 2010.

J. Michael Ruane Judicial Center: Construction is underway on the new J. Michael Ruane Judicial Center. The City has been working with DCAM on the design of this new \$106 million Court Complex on Federal Street. The Courthouse expansion will allow the courts to remain in downtown Salem, which will have a significant economic impact on the City. The new Court is expected to open in the summer, 2011.

City Hall Handicapped Access: Utilizing American Recovery and Reinvestment Act funding, the City was able to move forward with significant handicap accessibility improvements at City Hall. These improvements include a new elevator addition with entrance lobby and restroom upgrades. The elevator was open for use in 2010.

Walmart/Lowes: City Council approved a zoning text amendment in January 2009 and a TIF in December 2009, and is facilitating a land swap with Kennedy Development Group. The project includes a new Lowe's store, expanded Wal-Mart and Meineke stores, a new city water tower, improvements to the Camp Lion site, and roadway improvements and was approved by the planning board in 2011.

Redevelopment of 5 Broad Street: In March 2010, a reuse feasibility study was completed for a city-owned building located at 5 Broad Street. The building, which currently houses the City's Council on Aging, was declared as surplus property by the City Council. The City hired consultants to examine the redevelopment potential for this property in preparation for its future sale. Proceeds from the sale of this building will be used to off-set the cost of a new senior center.

Eaton Place/Former Elks Lodge (17 North Street): With Planning Board Site Plan Approval in December 2009 to add a third and fourth floor, the former assembly hall's conversion into six residential condominiums was completed with special care to restore the structure's historic appearance.

Old Police Station Redevelopment: In March 2004, the SRA transferred ownership of the Old Police Station to Heritage Plaza Enterprises and the project began construction. Construction was completed in the fall of 2006. All of the units were under agreement months before the project was due to be completed. The \$3 million project includes 14 residential condominium units with parking on-site.

Derby Lofts (former Laundry Building): The Derby Lofts project includes the renovation of the 100 year old, four-story industrial building, known as the Laundry Building, into a mixed-use residential and retail development. The project consists of 14,000 square feet of first floor retail and 54 luxury residential units on the upper floors. The current retail mix includes a cosmetic store, a clothing store and bakery. The estimated project cost was \$14 million and the project was completed in 2006.



10 Federal Street: The owners of 10 Federal Street constructed three-stories of additional office space on top of their existing two-story downtown office building. The additional space allowed the District Attorney's Office to relocate to the space and remain in downtown Salem. The construction began in 2005 and is complete. The project cost is estimated at \$10 million.

Bluestone Alley: The Blue Stone Alley project at 7 Crombie Street redeveloped the former Salem Mission into 17 artist live/work condominium spaces. The redevelopment was a "gentle renovation" of the building that integrated many of the historic characteristics of the building. Construction was completed in 2006. The estimated project cost is \$3.3 million.

96 Swampscott Road (Salem Commerce Park): A local property owner purchased a large, vacant industrial building on Swampscott Road and renovated the space into industrial condominiums. The 170,000 square foot building is located on 13 acres. The property owner was able to attract several new businesses to the space representing a number of new jobs for Salem and a boost to the City's tax revenue.

St. Joseph's Church Redevelopment: In 2004, the Archdiocese closed the St. Joseph's Church and ultimately sold the property to the Planning Office of Urban Affairs. In June 2008 the City Council changed the site's zoning to B5. In September of this year, the Planning Board approved a Planned Unit Development special permit including 76 units of housing in a new mixed-use building and the renovated rectory and school. The State recently awarded funding for development of the new building with 51 affordable rental units.

Osborne Hills Subdivision: The Osborne Hills Subdivision is a cluster development project that includes the construction of 131 single-family homes on approximately 162 acres of land. Approximately 93 acres of the project will be permanently protected open space. The Planning Board approved the project in 2006; it is currently under construction. The project represents one of the largest subdivisions built in Salem in recent history.

Flynn Tan Site (70-92 ½ Boston Street): The Flynn Tan property is a 1.98-acre site containing vacant industrial buildings and land along Boston Street, a major entrance corridor into Salem and within the new North River Canal Corridor (NRCC) Neighborhood Mixed Use District. The property was sold at an auction in 2006; that year, the developer removed the existing Underground Storage Tank.

Fort Avenue/Szetela Lane Parcels (5 parcels): The vacant parcels at the intersection of Fort Avenue and Szetela Lane consists of five parcels containing approximately 2.13 acres. The parcel was put out for RFP, a developer was selected by the City, and the project is fully permitted for single family homes.

Endicott School (110 Boston Street): The former Endicott School sits on a .53-acre lot along Boston Street, a major entrance-corridor into Salem with direct access to Route 128. After a competitive RFP process, the property was sold for \$350,000 to a nonprofit organization, Children's Friend who relocated their office from another location in Salem. The City also negotiated a PILOT Agreement with the agency.

50 Palmer Street: This project by the Salem Harbor Community Development Corporation (CDC) included the demolition of the existing structure and the construction of a new three-story residential structure with a footprint of 7,300 square feet. The new structure is complete and consists of 15 units of affordable rental housing for low and moderate income households. This project is funded using a partnership of private and public sources, including funds from the City.

Leggs Hill Road YMCA: The project was approved by the Planning Board in 2007; construction of the 88,000 square foot YMCA facility is complete.

28 Goodhue Street: The project, located within the North River Canal Corridor area, includes the new construction of a mixed-use residential/commercial building at the site of a former factory. The development will include 44 residential condominiums, 6,000 square feet of commercial retail space and on-site parking. The project was approved by the Planning Board and Zoning Board of Appeals.

Pickering Wharf Hotel: The construction of one hotel was completed. The hotel consists of 88 rooms and the top two floors contain 16 residential condominiums.

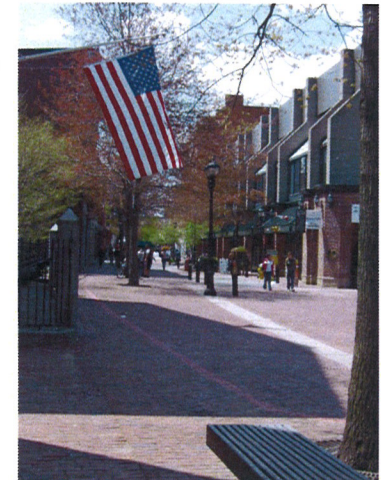
Witch Hill: The construction of 23 single family homes along the extension of an existing roadway is underway.

United States Biological: With the support of a TIF approved by City Council in July 2010 and pending state approval, United States Biological plans an approximately 86,000 square foot biotech facility on Technology Way, relocating from its smaller Marblehead location. Site plan review was approved by the Planning Board in 2010.

15 Peabody Street: In July 2010, construction was completed on a new City park along Peabody Street. Previously an abandoned lot, the City of Salem was awarded a \$200,000 EPA Brownfields Cleanup Grant in May 2007 and an Urban Self Help grant in the amount of \$469,110 to fund its cleanup and revitalization. The City provided a 20% match.

Salem Main Streets Program: In July 2007, the City, in collaboration with the Salem Chamber of Commerce and the Salem Partnership, revived the Salem Main Streets program. The program works to support the revitalization of downtown Salem as a vibrant year-round retail, dining and cultural destination through business recruitment, retention, and the promotion of downtown Salem. In 2010, the program continued to support business recruitment and retention while adding an annual downtown arts festival and a weekly farmers' market.

Salem Affordable Housing Trust Fund: The City adopted an ordinance to create a municipal housing trust fund in October, 2006. Through negotiations with a developer, the Trust Fund received \$50,000 and additional funds are expected from negotiated contributions from other large development projects. The Trust held its first meeting in March, 2007 and has developed a set of goals and strategies to increase



affordable housing opportunities in Salem. In 2009, the Trust provided \$25,000 to HAWC toward construction of a shelter for abused parents and children. The remainder of the funds was provided to the St. Joseph's redevelopment project for assistance with designated units of affordable housing.

Destination Salem: With assistance from a John and Abigail Adams Grant, the City established a new Destination Marketing Organization, which is being led by a qualified Executive Director and a Board of Directors. A well-respected consultant firm presented recommendations for a new targeted marketing effort that will re-position Salem as a premier, year-round travel destination. The City has restored its funding commitment to Destination Salem through its annual allocation of hotel/motel tax revenue.



Conservation District Study: Utilizing a grant from the Massachusetts Historical Commission, the City has completed a Neighborhood Architectural Conservation District Study as an update to the *Salem Preservation Master Plan*. The study discusses the City's ability to preserve historically significant neighborhoods not designated as Local Historic Districts. The project includes delineation of potential Neighborhood Architectural Conservation Districts (NACD's) and the creation of a draft Neighborhood Architectural Conservation District bylaw.

319 Highland Avenue: Highland Avenue is a major commercial corridor in Salem with a mix of shopping and dining options, however, this area has long lacked a gas service station. 319 Highland Avenue is the site of the former Moose Lodge. Construction of an Irving Gas Station with a Blue Canoe Convenience Store, North Shore Bank, and a Subway Restaurant was completed in 2007. In coordination with this project, Mass Highway undertook improvements to the Highland Avenue and Swampscott Road Intersection, which included a right turn lane and cueing of the lights.

275-281 Essex Street: The development includes the conversion of the four-story 30,000 square foot former C.F. Tompkins Furniture Building into a mixed-use retail/residential development with 3 retail units on the ground floor and 20 housing units on the upper floors. A new retail store opened in 2008 and all 20 residential condominiums were quickly sold.

Gateway Center: High Rock Bridge Street, LLC, received Site Plan Approval and Special Permits under the North River Canal Corridor Neighborhood Mixed Use District and Wetlands and Flood Hazard Overlay District in May 2010 for the development of a 3.48-acre parcel located at the corner of Bridge Street and Boston Street to include a mixed-use building with a dedicated ground level facility to function as a Senior Center. The City of Salem has entered into an agreement with the developer to purchase the 20,000 square foot Senior Center as a condominium. In addition, the building will have office space on the second and third floors, anticipated to be leased to medical, legal and other professional service providers, as well as a fitness center on the first floor, intended to be compatible with the senior center use. The building and site are designed to create a landmark building.

Open Space

Bike Path: The Boston & Maine Railroad deeded an abandoned railroad right-of-way to the City of Salem on November 1, 1996 for \$220,000. On September 11, 1997 the City Council voted to accept the deeded right-of-way for the conversion into a multi-use trail/bike path, and it was approved by the Mayor on September 22, 1997. Design, engineering, and permitting of the Salem Bike Path started in 1998 and construction began in late 1999. The Salem Bike Path was formally opened to the public in the fall of 2001. The acquisition, design, engineering, permitting, and construction costs totaled \$451,574 and were paid entirely with a Transportation Enhancement Grant from the Massachusetts Highway Department.

The Salem Bike Path is an extension of the Town of Marblehead Recreational Trail. In fact, the City of Salem referred to the bike path as the Marblehead Branch Bike Path until 2006 when the City officially renamed it the Salem Bike Path. The existing bike path is constructed on an abandoned railroad right-of-way (formerly Boston & Maine Railroad ROW). The bike path begins at the Lafayette Street entrance near the City of Salem and Town of Marblehead line, and continues north approximately 2,500 linear feet alongside the Salem State College Central Campus toward Loring Avenue. Opposite Loring Avenue the bike path continues north approximately 450 linear feet to Canal Street. In its entirety, the existing Salem Bike Path (Phase I) is roughly 3,000 linear feet in length, or a half-mile long.

The City is establishing a Priority Bike Route (both on and off road) through a combination of signage and pavement markings to create a safe means of bike circulation from the Marblehead line to Winter Island. The City and the Salem Bike Path Committee are committed to extending the Salem Bike Path to downtown Salem via an extension of the former Boston & Maine Railroad ROW at Canal Street, behind Gardner Mattress and all the businesses on Broadway Street, and a portion of the MBTA's active and abandoned railroad ROW. This extension, referred to as Phase II, is currently in the design and engineering phase and once completed will connect downtown Salem to downtown Marblehead with an entirely off-road trail.

Open Space Plan Update: Working with a consultant and the Open Space and Recreation Plan Committee, the City completed the Open Space and Recreation Plan Update in June 2007. The Plan establishes long-term goals for the preservation, continued protection and maintenance of open space and recreational areas in the City. Completion of the Plan made the City eligible to apply for grants through the State PARC program. The City was successful and has received grants for Peabody Street Park and Furlong Park.

High Street Playground: In Spring, 2010, the City installed a new play structure and fence in this neighborhood playground, utilizing Community Development Block Grant funds.

Furlong Park: The City received a \$500,000 Parkland Acquisition and Renovation for Communities (PARC) Grant from the State Division of Conservation Services for the restoration of Furlong Park. The 5.5 acre park is located along the North River and contains a baseball field, tennis court, playground, and basketball court. As part of the project these features will be renovated and additions to the park will include construction of a car top boat launch and stabilization of the eroded embankment that borders the North River.

Environmental assessment has been completed and the remediation work is out for public bid. Remediation should be completed by April, 2011 and park renovations will resume.

Waterfront Planning and Development

Salem Harbor Plan Update: The Update of the City's Municipal Harbor Plan, created in 2000, was approved by the EOEEA in 2008. The City worked with a consultant and the Salem Harbor Plan Implementation Committee to update the plan. The Plan outlines a 10 year strategy for port development which guides the future use and character of the Port of Salem.

South River Harborwalk: The City secured \$1,336,000 from the Governor's Seaport Advisory Council for construction and the construction oversight of the South River Harborwalk. The City has contributed \$267,200 of Community Development Block Grant (CDBG) for its required 20% match, totaling \$1.6 million. On July 15, 2010 the South River Harborwalk was completed and unveiled to the public. The Harborwalk is a fully accessible public walkway with pedestrian amenities such as benches, lighting and landscaping along the southern and western banks of the South River Basin.

Port of Salem Expansion (Salem Wharf): This \$18 million to \$20 million project calls for construction of a multi-purpose commercial wharf facility with supporting utilities and amenities for cruise ships, commercial fishing, transient, and charter vessels. A terminal building, harborwalk, dredging, and landside improvements are also proposed. The City has finished the design, engineering, and has obtained all the Federal, State, and local regulatory permits for construction. Construction of Phase 1, which consists of installation of utilities, seawall construction, final grading and base paving, has begun and will be completed by June, 2011. A second phase, which consists of partial construction of the wharf facility and associated dredging, is scheduled to begin in the fall of 2011 and will take approximately one year to complete. Once completed, the Salem Wharf will implement the most important recommendation and goal of the City's Municipal Harbor Plan by creating a multi-use commercial wharf facility with deepwater access for ocean-going vessels. This facility will fill a void in Salem Harbor and help move the Port of Salem one step closer to becoming a full service port.



Salem Ferry: The Salem to Boston Ferry is a new transportation option connecting two great cities. Named the Nathaniel Bowditch after the founder of modern maritime navigation and Salem's native son, the ferry is a high-speed catamaran that carries 149 passengers, is entirely ADA accessible and makes the trip from Salem to Boston – where it docks next to the Aquarium – in less than 45 minutes. On the three commuter runs, a second stop is added, located at the World Trade Center dock in Boston Harbor. The City of Salem and the Massachusetts Bay Transportation Association (MBTA) have an agreement which allows commuters to purchase a pass that can be used both on the Ferry commuter runs and on the commuter train, strengthening the Ferry's viability as a transportation choice for daily

commuters. The City of Salem is one of only a few municipalities to own a ferry vessel, which it purchased with a grant from the Massachusetts Executive Office of Transportation.

Salem Ferry Pier: In spring of 2006, the City completed construction of a \$600,000 ferry pier consisting of a wooden pier, ADA accessible gangways, steel float, and aluminum dock at the end of 10 Blaney Street for the Salem Ferry. The City has since made numerous improvements to the Salem Ferry Pier including the installation of shore power, dry fire line, potable water lines, and a fuel line utilizing and additional grant from the Seaport Council. This temporary facility will be integrated into the permanent Salem Wharf structure.

Acquisition of 10 Blaney Street: The City obtained \$1.7 million from the Governor's Seaport Advisory Council toward the acquisition of the Blaney Street parcel, the site of the future Salem Wharf, currently owned by Dominion Energy. In June 2010, the City of Salem agreed to terms with Dominion Energy for the sale of the property and the City Council authorized the Mayor to purchase the property for the use as a commercial wharf facility and cruise terminal. The City has purchased the site.

South River Dredge: The City obtained \$155,000 from the Governor's Seaport Advisory Council for sediment testing, bathometric survey work, cost analysis for dredge disposal options, and preliminary design and engineering of the dredge footprint for the South River Channel and the South River Basin (area west of the Congress Street Bridge). The City has received an additional \$275,000 from the Seaport Council to finish the engineering and permitting stage of the dredge project. Once completed, the dredging will provided deeper drafting vessels, transient boats, and dingy boats direct access to downtown Salem.

Port Security Grants (Installation of Wireless Surveillance Cameras/Infrastructure): The Governor's Seaport Advisory Council submitted and obtained a Port Security Grant from the US Homeland Security Department on behalf of the Port's of Salem and Gloucester for \$518,320 to begin implementing security features within each Port to address federal mandates. With the help of the Salem Police Department, the City installed fourteen wireless surveillance cameras around critical waterfront infrastructure in August 2010. The City will continue to work to comply with federal Homeland Security mandates as the Port of Salem continues to grow.

Winter Island Master Plan: The City is utilizing grant funds to undertake a Master Plan for the renovation and redevelopment of Winter Island Park. The City advertised a Request for Proposals (RFP) for a consultant team and hired the Cecil Group. The first public meeting was held in February, 2011.

McCabe Marina: The City received a \$500,000 grant from the State Public Access Board to reconstruct the public boat launch at McCabe Marine. Construction was completed in July 2010.

Urban Renewal, Housing and Community Development

Despite the current economic climate, Salem is still experiencing significant private investment throughout the City, including the downtown. While in the mid-1980's a significant increase in residential development occurred, the City is now seeing a surge in retail and commercial development, helping to boost the tax base.

In addition, Salem is continuing to pursue several public facilities improvement projects, as well as numerous transportation improvement projects designed to facilitate traffic flow to and through the City for residents and visitors alike.

Various other projects are being funded by the City, as well as by State and Federal grant monies. The City has a successful track record of administering both State and Federal grants.

Education

The City's public school facilities include seven elementary schools with a combined capacity of 2,782, one middle school with a capacity of 1,162, and one comprehensive senior high school that include an automotive technology center with a capacity of 2,625. Public school enrollments have increased at the elementary level for the past several years and are expected to continue to increase during the next five years.

The City is receiving state school construction grants equal to 90 percent of eligible project costs for the Bowditch, Carlton, and Bates Elementary School projects, including debt service. The City permanently financed its share of the project costs associated with renovating and making additions to the Salem High School and has received \$60,325,748 in grant proceeds from the Massachusetts School Building Authority to date against a total estimated project cost of \$67,506,254.

Public School Enrollments

The following table presents actual enrollments in the City's public schools from 2006 through 2012:

City of Salem, Massachusetts School Enrollments as of October 1							
	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	Est FY 2012
Pre K & K	422	439	542	520	511	525	540
Elementary 1-5	2,032	1,662	1,667	1,817	1,749	1,953	1,965
Middle 6-8	802	935	904	916	1,044	982	850
High School 9-12	1,384	1,365	1,347	1,255	1,275	1,233	1,250
Sped-Out of District	124	138	126	104	100	0	80
Total	4,764	4,539	4,586	4,612	4,679	4,693	4,685

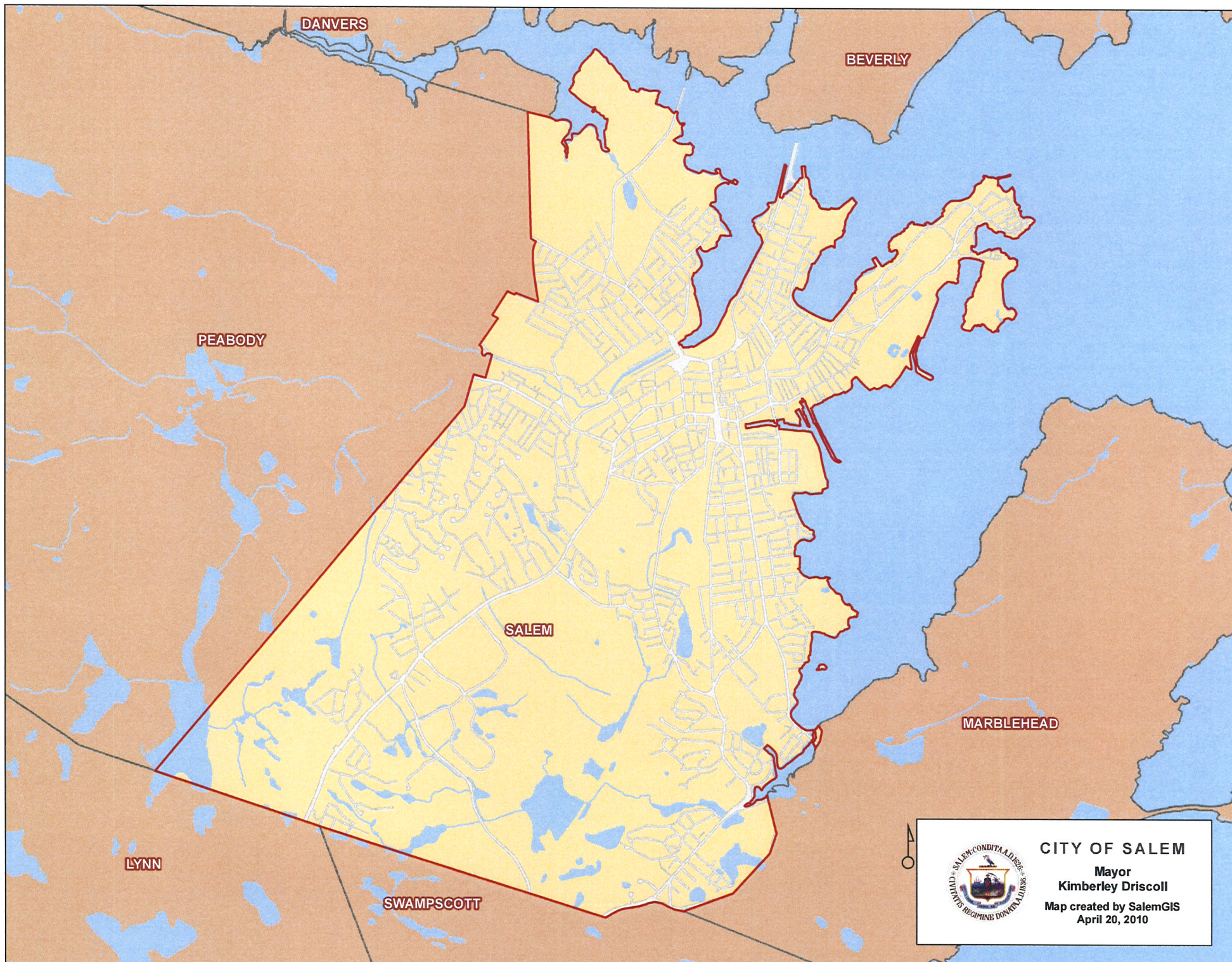
In addition, the City of Salem is a member of the North Shore Regional Vocational-Technical School District which serves 16 communities.

Population Trends

1980	1990	2000	2010
38,220.00	38,091.00	40,407.00	41,340.00

Source: Federal Bureau of the Census.

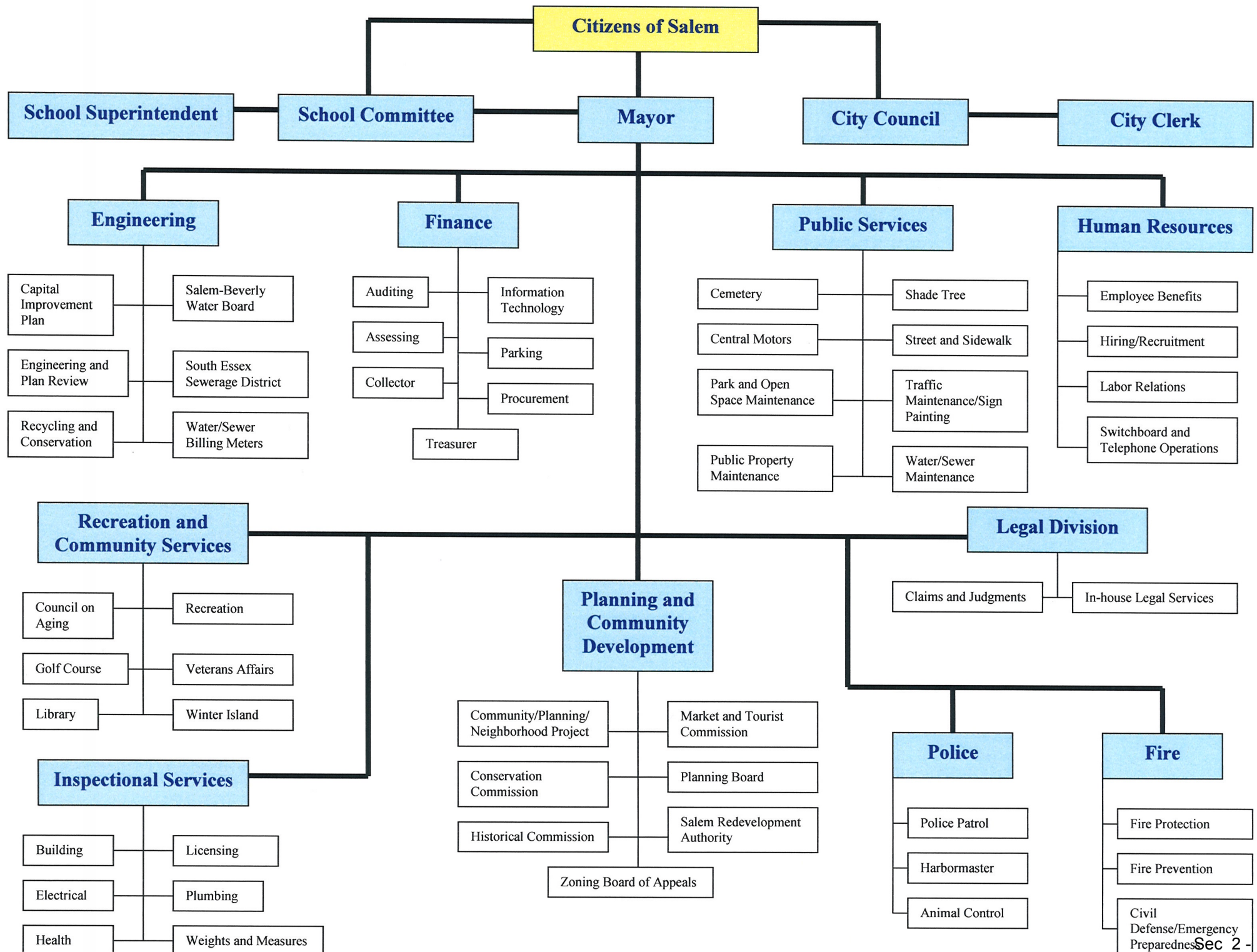
On the basis of the 2000 Federal census, the City has a population density of approximately 4,986 persons per square mile.



CITY OF SALEM

**Mayor
Kimberley Driscoll**

**Map created by SalemGIS
April 20, 2010**



Organizational Summary-Department Heads

EXECUTIVE DIVISION

Mayor	Mayor Kimberley Driscoll	978-619-5600	mayor@salem.com
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LEGISLATIVE DIVISION

City Clerk	Cheryl LaPointe	978-619-5610	clapointe@salem.com
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FINANCE DIVISION

Assessors	Debora Jackson	978-619-5607	djackson@salem.com
Collector	Bonnie Celi	978-619-5620	bceli@salem.com
Data Processing	Joanne Rust	978-619-5645	jrust@salem.com
Finance	Richard Viscay	978-619-5625	rviscay@salem.com
Parking Department	James Hacker	978-745-8120	jhacker@salem.com
Purchasing	Thomas Watkins	978-619-5695	twatkins@salem.com
Treasurer	Kathleen McMahon	978-619-5635	kmcmahon@salem.com

LEGAL DIVISION

Solicitor	Elizabeth Rennard	978-619-5633	brennard@salem.com
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HUMAN RESOURCE DIVISION

Human Resources	Lisa Cammarata	978-619-5678	lcammarata@salem.com
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FIRE DIVISION

Fire	Chief David Cody	978-744-6990	dcody@salem.com
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POLICE DIVISION

Police	Chief Paul Tucker	978-744-0171	ptucker@salempd.net
Harbormaster	Sgt. Peter Gifford	978-741-0098	pgifford@salem.com

INSPECTIONAL SERVICES DIVISION

Public Property	Thomas St. Pierre	978-619-5640	tstpierre@salem.com
Licensing	Robert M St. Pierre, Board Chairman	978-619-5648	
Electrical	John Giardi	978-745-6300	jgiardi@salem.com
Health	Larry Ramdin	978-619-5656	ltsmfin@salem.com

Organizational Summary-Department Heads

PLANNING & COMMUNITY DEVELOPMENT DIVISION

Planning	Lynn Duncan	978-619-5686	lduncan@saalem.com
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PUBLIC SERVICES DIVISION

Public Services	Richard Rennard	978-744-3302	rrenard@saalem.com
Water & Sewer Enterprise			

ENGINEERING DIVISION

Engineering	David Knowlton	978-619-5670	dknowlton@saalem.com
Water, Sewer & Trash Enterprise			

RECREATION & COMMUNITY SERVICES DIVISION

Recreation	Doug Bollen	978-744-0180	dbollen@saalem.com
Council On Aging	Doug Bollen	978-744-0924	dbollen@saalem.com
Library	Nancy Tracy	978-744-0860	ljackson@saalem.com
Veterans	Jean-Guy Martineau	978-745-0883	jmartineau@saalem.com

EDUCATION DIVISION

School	William Cameron, Superintendent	978-740-1212	williamcameron@saalemk12.org
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At A Glance Report for Salem

Socioeconomic

County	Essex
School Structure	K-12
Form of Government	Mayor Council B)
2009 Population	41,361
2010 Labor Force	24,003
2010 Unemployment Rate	8.2
1999 Per Capita Income	23,857
2009 Population Per Square Mile	5,106.30
2009 Housing Units Per Square Mile	2,243.83
2009 Road Miles	98.62
EQV Per Capita (2010 EQV/2009 Population)	110,451
Number of Registered Vehicles (January 2010)	36,341
Average Age of Vehicles (January 2010)	10.85
2010 Number of Registered Voters	25,515

Certification

Most Recent	2010
Next Scheduled	2013

Bond Ratings

Moody's Bond Rating as of December 2010*	Aa3
S & P Bond Rating as of December 2010*	A

*Blank indicates the community has not been rated by the bond agency.

At A Glance Report for Salem

Fiscal Year 2011 Estimated Cherry Sheet Aid

Education Aid	17,760,585
General Government	6,206,253
Total Receipts	23,966,838
Total Assessments	6,618,904
Net State Aid	17,347,934

Fiscal Year 2011 Tax Classification

Tax Classification	Assessed Values	Tax Levy	Tax Rate
Residential	3,361,382,273	50,588,803	15.05
Open Space	0	0	0.00
Commercial	417,668,102	12,145,788	29.08
Industrial	123,342,500	3,586,800	29.08
Personal Property	213,577,900	6,210,845	29.08
Total	4,115,970,775	72,532,236	

Fiscal Year 2011 Revenues by Source

Revenue Source		Percent of Total
Tax Levy	72,532,237	56.59
State Aid	28,277,675	22.06
Local Receipts	25,888,906	20.20
Other Available	1,467,866	1.15
Total	128,166,684	

At A Glance Report for Salem

Fiscal Year 2011 Proposition 2½ Levy Capacity

New Growth	1,104,777
Override	0
Debt Exclusion	0
Levy Limit	72,993,129
Excess Capacity	460,893
Ceiling	102,899,269
Override Capacity	29,906,140

Other Available Funds

7/1/2010 Free Cash	FY2010 Stabilization Fund	FY2011 Overlay Reserve
750,607	1,913,913	978,987

Fiscal Year 2011 Average Single Family Tax Bill**

Number of Single Family Parcels	4,813
Assessed Value of Single Family	296,827
Average Single Family Tax Bill	4,467

State Average Single Family Tax Bill

Fiscal Year 2008	4,110
Fiscal Year 2009	4,250
Fiscal Year 2010	4,390

Salem issues property tax bills Quarterly.

**For the communities granting residential exemptions, DLS does not collect enough information to calculate an average single-family tax bill. In FY11 those communities are Barnstable, Boston, Brookline, Cambridge, Chelsea, Everett, Malden, Nantucket, Somerville, Somerset, Tisbury, Waltham and Watertown. Therefore, the average single-family tax bill information in this report will be blank.

At A Glance Report for Salem

Fiscal Year 2010 Schedule A – Actual Revenues and Expenditures

	General Fund	Special Revenue	Capital Projects	Enterprise Funds	Trust Revenue	Total All Funds
Revenues	107,978,397	23,646,045	2,725,906	12,155,292	119,246	146,624,886
Expenditures	114,771,818	23,393,525	4,858,582	13,424,697	740,996	157,189,618
Police	7,322,942	0	0	0	0	7,322,942
Fire	6,721,396	0	0	0	0	6,721,396
Education	47,258,374	10,137,859	1,032,590	0	0	58,428,823
Public Works	3,262,093	557,263	1,411,799	10,859,726	0	16,090,881
General Fund						14,886,466
Debt Service	14,886,466					
Health Ins	9,422,506					9,422,506
Pension	8,168,620					8,168,620
All Other	17,729,421	12,698,403	2,414,193	2,564,971	740,996	36,147,984

This data only represents the revenues and expenditures occurring in these funds and does **not** reflect any transfers to or from other funds. Therefore, this data should not be used to calculate an ending fund balance.

Total Revenues and Expenditures Per Capita

	General Fund	Special Revenue	Capital Projects	Enterprise Funds	Trust Revenue	Total All Funds
Revenues	2,610.6	571.7	65.9	293.9	2.9	3,545.0
Expenditures	2,774.9	565.6	117.5	324.6	17.9	3,800.4

If you have questions regarding the data contained in this report, please contact the Municipal Databank/Local Aid Section at (617) 626-2384 or databank@dor.state.ma.us.

Last Page Update 03/03/2011

Demographics

Profile of General Demographic Characteristics: 2000

Geographic Area: Salem, Massachusetts

Subject	Number	Percent
Total Population	40,407	100.0%
Sex and Age		
Male	18,745	46.4%
Female	21,662	53.6%
Median Age (years)	36.4	
18 years and over	32,250	79.8%
Male	14,672	36.3%
Female	17,578	43.5%
21 years and over	30,429	75.3%
62 years and over	6,552	16.2%
65 years and over	5,716	14.1%
Male	2,206	5.5%
Female	3,510	8.7%
Race alone or in combination with one or more other races.		
White	35,303	87.4%
Black or African American	1,562	3.9%
American Indian and Alaska native	236	0.6%
Asian	955	2.4%
Native Hawaiia and other Pacific Islander	73	0.2%
Some other race	3,319	8.2%
Hispanic or Latino (of any race)	9,042	22.4%
Not Hispanic or Latino	35,866	88.8%
White alone	33,277	82.4%

Source: US Census Bureau, Census 2000. - *Note - 2010 figures not yet available.*

Note - 2010 Census figures for Massachusetts are not yet available.

City of Salem, Massachusetts

Top Employers

COMPANY NAME	NATURE OF BUSINESS	TOTAL EMPLOYEES	COMMENT
NORTH SHORE MEDICAL CENTER	HEALTH CARE	2875	Includes Salem Hospital, NS Children's Hospital, Salem Birthplace, Charter Professional Services, Shaughnessy Rehabilitation Center and Outpatient Mental Health
CITY OF SALEM	MUNICIPAL GOVERNMENT	1650	Includes school, fire, police and city offices. Includes all full time as well as all part time, permanent positions
SALEM STATE COLLEGE	HIGHER EDUCATION	1500	860 full time and 640 part time/seasonal
COMMONWEALTH OF MASSACHUSETTS OFFICES	STATE GOVERNMENT	520	Includes Committee for Public Council Services, Department of Social Services, Essex County Registry of Deeds, MA Rehabilitation Commission, North Shore Career Center, Probate & Family Court, Salem District Court, Superior Court, Children & Family Law
MARKET BASKET	FOOD MARKET	325	
PEABODY ESSEX MUSEUM	CULTURAL/TOURISM	290	
SALEM FIVE SAVINGS BANK	BANKING	236	
HAWTHORNE HOTEL	LODGING	210	
GROVENOR PARK NURSING CTR	HEALTH CARE	202	
HOME DEPOT	RETAIL	187	
SALEM YMCA	SOCIAL SERVICE AGENCY	185	
WAL-MART	RETAIL	175	
PERKIN ELMER OPTOELECTRONICS	MANUFACTURER	165	
DONINION/NEGT SALEM HARBOR STATION	PUBLIC UTILITY	160	
TARGET	RETAIL	142	
SHAW'S SUPERMARKET	FOOD MARKET	136	
THERMAL CIRCUITS, INC.	MANUFACTURER	127	
SALEM GLASS	RETAIL	125	
MORGAN MEMORIAL GOODWILL INDUSTRIES	SOCIAL SERVICE AGENCY	115	
GROOM CONSTRUCTION	SERVICE	98	80 FULL TIME, 18 SEASONAL

Last Revised 3/5/11