

Salem Bridge Street Neck Neighborhood Revitalization Plan

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City of Salem, MA

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1. INTRODUCTION

This plan document compiles the key findings, planning concepts and recommendations developed for the Bridge Street Neck neighborhood of Salem during a five-month planning process, carried out from March to August 2009. It is envisioned that the recommendations and strategies herein proposed will help to shape the future of the community during the next five to ten years.

This study has been funded through a grant from the Massachusetts Department of Housing and Community Development (DHCD) as part of its Gateway Plus Action Grant program, aimed at improving housing conditions, quality of life, and community engagement with the assistance of local municipalities. It has been prepared for the City of Salem's Department of Planning and Community Development with support provided by a team of professional planners and specialists in economics and housing.

Goals and Objectives

The overall purpose of this plan is to generate strategies for the revitalization of the Bridge Street Neck neighborhood, one of the oldest settlements in the City of Salem.

Key complementary goals of this study are the following:

- Improve the business climate along Bridge Street.
- Identify measures to reduce foreclosures and stabilize the local housing market.
- Recommend physical improvements that will enhance the overall quality of living in the neighborhood.

The original Gateway Cities Grant outline of tasks and services associated with this plan set three specific objectives for the study:

- Act to support neighborhood development and village style housing.
- Support and enhance commercial retention and development opportunities.
- Maintain and improve the area's pedestrian environment.

Planning Process

The planning process incorporated extensive community participation. A Civic Engagement Program was prepared early in the process to orchestrate a series of meetings, stakeholder interviews and information outreach. The planning team worked in conjunction with the Bridge Street Neck Working Group through several meetings and working sessions, including a neighborhood walk. The Working Group is made of community members representing local businesses and residents, who were selected by the City to steer the direction of the planning process.

Three public meetings were held with the community, including a planning charrette to generate ideas and share concepts for a variety of housing, commercial and neighborhood improvements. Some of these meetings attracted more than 100 participants, and served to provide direct community input into the plan recommendations.

Planning Area

The planning area comprises the entire Bridge Street Neck north of Webb Street. South of Webb Street, the study area includes the properties with direct frontage on Bridge Street and all the properties that are located between Bridge Street, the water and the Salem MBTA station to the west (shown in *Figure 1*).

The existing commercial properties along Bridge Street represent a special area of focus for the economic analysis and revitalization strategies. *Figure 1* shows the location and boundaries of this Focus Area with a separate outline.

Planning Background

Historically, the Bridge Street Neck grew as a gateway district organized along the main road and bridge that connects Salem to the cities of Beverly and Danvers (Bridge Street/Route 1A). Land use along the road has been focused on retail and commercial services that cater to residents of Salem and the surrounding communities, and depend on automobile access. Single- and two-family homes are clustered behind the commercial properties on both sides of Bridge Street, extending throughout the neck and all the way to the water (see *Figure 1*).

A new bridge and bypass road were built in recent years to increase roadway capacity and divert through-traffic from the neighborhood. The resulting decrease in traffic on Bridge Street, which used to include trucks and large vehicles, has contributed to substantially reduce congestion, noise and pollution in the neighborhood. However, lesser traffic has also affected the local businesses by decreasing their visibility and marketing share within the region. This has been reflected in a reduced volume of sales for some businesses, although it should be noted that the opening of the bypass road also coincided with the downturn in the economy.

The residential areas in the neighborhood, traditionally an enclave of workforce and moderate income households, have been impacted by the recent economic downturn and foreclosures that affect Salem and the rest of the region.

Existing Conditions Summary

In order to maintain consistency with the three specific objectives initially set for the plan, the assessment of existing conditions and the plan recommendations have been organized in three main areas of focus corresponding to each objective: housing, commercial revitalization and physical planning.

Housing Assessment

The City of Salem has approximately 19,000 total residences, of which 6% or about 1,200 units are located in the Bridge Street Neck neighborhood. The homes in the Bridge Street Neck are characterized by small single-family and two-family detached homes. Key findings on housing conditions are the following:

- The Bridge Street Neck neighborhood stands out because, within a well priced city, it represents a lower price option.

PLANNING AREA



- The luxury apartments at Jefferson Station, which were built as a redevelopment of an old manufacturing facility, and the Old Salem Jail redevelopment, which is currently underway, act as strong residential anchors in the southern end of the neighborhood.
- The neighborhood is well positioned to pick up new residents who like Salem, but would prefer a well priced home instead of a rental unit.
- From January 1, 2007 to March 15, 2009 in the Bridge Street Neck neighborhood, there were 21 properties in various stages of foreclosure, as reported by the Warren Group.
- Salem has been proactive in dealing with foreclosures. The Mayor has appointed a property team that makes sure buildings are boarded up, neighbors are notified, and other actions are taken to provide neighborhood stability.
- The City provides counseling services through the North Shore Community Action Program and other organizations.
- Salem has a very useful website listing numerous sources for foreclosure prevention and legal resources.

Commercial Assessment

Interviews with business owners indicate that businesses dependent on through traffic have lost significant sales over the last year. On the other hand, businesses with a loyal customer base appear to have remained stable because their customers no longer need to wait in heavy traffic to get to Bridge Street. These businesses have expressed concern, however, that new customers are no longer being drawn to the area.

A review of the properties along Bridge Street was conducted by going building to building, identifying uses with retail frontage and using the City's GIS data to complete floor area take-offs of the different buildings. Using this approach, an estimate of approximately 174,000 gross sf of space dedicated to ground floor commercial uses was established. The median space was approximately 3,250 gross sf in area. Key findings on commercial areas include the following:

- Reduction of traffic has alleviated delays, but has also removed a portion of the customer base and reduced exposure to through traffic.
- There is a mix of retail and residential uses on Bridge Street.
- The neighborhood's residential population is too small to support existing retail by itself.
- Very few businesses serve as a draw or anchor at present.
- The character of Bridge Street is influenced by its immediate surroundings (the positive presence of water views, the negative visual impact of gas storage tanks and electric lines, and the proximity of residential areas).
- The quality of the appearance of retail buildings has deteriorated in recent years.
- The streetscape appearance and infrastructure need improvements, and are awaiting planned reconstruction.

Physical Planning Assessment

The Bridge Street Neck neighborhood is comprised of relatively small parcels, with Bridge Street serving as a centralized circulation “spine” that has connecting roads and blocks extending to the east and west.

Land Use

The dominant land use in the neighborhood is residential, with a substantial proportion of residential land zoned for two-family houses. There are commercial uses located along Bridge Street and industrial uses located at the northeast section of the planning area. The commercial uses include a bakery, restaurants, lodging, automotive services, and boat sales. The industrial uses include facilities of the regional gas and electric utility companies. The neighborhood also has a church and an elementary school.

There are three public open space areas: Gonyea Park, Collins Cove Playground, and Curtis Park/March Street Playground. There are also two unconnected sections of a bicycle network located within the planning area. Additionally there is a park planned for the north end of Bridge Street, on the remaining portion of the former bridge connection to Beverly.

Historic Resources

The neighborhood is rich with historic resources. There are two National Register Districts and a building on the National Register of Historic Places located within the planning area, and a Local Historic District is located nearby.

Pedestrian Routes

Although the neighborhood has a comprehensive network of street sidewalks, the historical nature of the sidewalks (narrow and close to street level in many locations) reduces their effectiveness in establishing a safe and friendly pedestrian environment. The reconstruction of the sidewalks along Bridge Street is planned as part of the Bridge Street reconstruction project. This project includes landscaping and period lighting that will enhance the pedestrian environment in the commercial areas.

Parking

The neighborhood has limited parking for residences and businesses due to its dense street network and built environment. Additionally, there are no curbside areas monitored for short term parking in the commercial area.

Zoning

The Bridge Street Neck neighborhood has nine different zoning districts and one overlay district. This is a significant number of different zoning districts for the size of the planning area. While the existing zoning appears to be reflective of historical uses associated with the Bridge Street Neck, its specific mix and allotment may not be appropriate for the future.

More extensive and detailed discussion of the Bridge Street Neck existing conditions is provided in *Appendix A* of this document.

2. REVITALIZATION VISION

The Bridge Street Neck neighborhood should be an active mixed-use neighborhood, incorporating lively commercial and residential areas. The neighborhood should have a safe and enjoyable pedestrian environment that connects its different amenities and serves its residents and businesses. This district should be a stable residential community with engaging open spaces and a variety of housing options and homeowner resources. Commercial businesses and development opportunities that are compatible and complementary with the area's residential fabric should be encouraged and supported.

A neighborhood vision has emerged throughout the planning process that is aimed at maintaining the residential character and scale of the neighborhood, while attracting more business and visitors to its commercial areas. Group discussions during public meetings and interviews with residents and business owners clearly conveyed that the community is proud of the historical character of the neighborhood, which should be protected and maintained. Homeownership is also an important quality that local residents would like to promote as part of their vision for the future.

Wishes were expressed to have a more walkable neighborhood, with better sidewalks and safer pedestrian crossings. People would like to safely walk all the way to the restaurants located at the northern end of Bridge Street, and to Salem Common a few blocks to the south. The proposed Bridge Street traffic improvements, currently in the planning stage will greatly improve the pedestrian and streetscape conditions along Bridge Street. In addition, and looking toward the future, wishes have also been expressed by the community to have sidewalk and streetscape improvements that extend beyond Bridge Street into the residential areas and the open space resources located along the waterfront.

A more vibrant commercial environment would also contribute to making the neighborhood more walkable and attractive. More neighborhood-scale businesses and restaurants would be desirable, especially at the end of Bridge Street where a restaurant “cluster” could be developed. Public access and amenities, such as a waterfront walk with access to the existing small beach and the new park that is being designed for the site of the old bridge, would contribute to creating a local destination for families and visitors alike.

The physical appearance of the commercial areas should be enhanced through building façade and signage improvements, especially in some of the zones that appear more deteriorated. Cleaning and good maintenance of buildings and site areas visible from public vantage points should be paramount. The few vacant and underutilized properties that exist should be rehabilitated in ways that contribute to improving the overall image and quality perception of the neighborhood.

The assessment of commercial properties and the proposed commercial revitalization strategies recognize that there are zones or sub-areas along Bridge Street with different commercial characters and customer bases. To the extent possible, businesses located in the northern end of Bridge Street should capitalize on their advantageous location, views and accessibility to become a local “destination”, while businesses more centrally located within the neighborhood should tend to be more compatible with residential uses and more neighborhood-oriented.

Some of the existing wholesale/automotive and industrial properties may not be fully compatible with the vision of a residential and neighborhood-scale commercial district as the one herein described, and this plan outlines a possible strategy to facilitate the relocation of businesses willing to move to a more advantageous location, where they could enjoy better access, visibility or site conditions.

The revitalization vision for the Bridge Street Neck neighborhood also considers the possibility that some of the large commercial properties currently used for automotive repair businesses and boat storage could in the long term be redeveloped for residential uses. This could result in the creation of new townhomes and moderate-scale residential development that would increase home buying and rental opportunities for young families and smaller households. The importance of encouraging homeownership and the creation of owner-occupied housing to promote good neighborhood maintenance and appeal was repeatedly emphasized at meetings and conversations throughout the planning process.

Future residential development should be complemented with the creation of new open space, and bicycle and pedestrian connections through the neighborhood. These could be designed and constructed in conjunction with the redevelopment of large sites, linking Bridge Street to the surrounding residential areas and waterfront. An ultimate goal for physical improvements would be the creation of an interconnected network of pedestrian and bicycle paths leading to the water and extending along the entire length of the waterfront perimeter.

These ideas are further developed and supported by the plan strategies and recommendations. The proposed revitalization vision is illustrated in *Figure 2*.



3. PLANNING STRATEGIES

The recommended planning strategies have been organized in a manner similar to the arrangement of the assessment of existing conditions; they are organized to reflect the three main areas of focus that correspond to the basic plan objectives: housing revitalization, commercial revitalization and physical planning. Specific recommendations are provided under each strategy.

These strategies and recommendations are further discussed in the document sections that follow, including more detailed information and descriptions, implementation measures and an action plan.

Housing Revitalization

The recommended housing revitalization strategies consist of the following:

- Stabilize the local housing market through a coordinated homeowner assistance and marketing effort.
 - Assist homeowners at risk of foreclosure.
 - Assist new owners in rehabilitating foreclosed properties.
- Support a healthy real-estate market that has a diverse mix of housing prices, housing types and low vacancies.
 - Attract new residents to available housing.
- Support the development of neighborhood-scale new housing.
 - Support the development of low-rise multi-family/infill housing (2 to 3 stories).
 - Allow the conversion from commercial to residential use in appropriate locations.
- Mitigate unsightly housing conditions that impact the overall appearance of the neighborhood.
 - Improve deteriorated properties.

The Bridge Street Neck neighborhood offers opportunities and great value to buyers who are making the commitment to buy a new home. The housing market is functioning, although at a slower pace than in the recent past: sales are taking place, home prices are down, interest rates are low and financing is available.

The most cost effective way to spur neighborhood revitalization is to spur the housing market. Most critically this needs to be done in a multifaceted way as part of coordinated homeowner assistance and marketing efforts. The fundamentals that are already in place for housing revitalization include amenity values, market values and available financing.

Commercial Revitalization

The recommended commercial revitalization strategies are the following:

- Promote the improvement and commercial redevelopment of sites with location advantages such as visibility, size and proximity to the water.

- Support enhanced business and restaurant clusters along the waterfront.
 - Promote additional hospitality uses (hotel/motel/bed & breakfast)
 - Enhance waterfront access and amenities.
- Enhance the attractiveness and success of the waterfront area through new investment and reinvestment in a cluster of restaurants and destination uses.
 - Create a focused redevelopment strategy suited to this tightly constrained area.
 - Coordinate public access and use of the new park and waterfront edge.
- Improve the appearance of existing business properties.
 - Undertake façade improvement.
 - Improve signage.
 - Improve landscaping of parking lots.
- Attract new small businesses and reinvestment in existing businesses.
 - Promote new small businesses and reinvestment for neighborhood-compatible businesses.
- Provide adequate and convenient parking for commercial uses.
 - Protect and enhance the parking supply on- and off-street.
 - Support the creation of shared and convenient parking.
- Enhance amenities to attract visitors to the Bridge Street Neck area.
 - Enhance waterfront access and activities, including provisions for transient boat access.
 - Promote the organization of summer festivals, program activities at the new park.
- Enhance commercial identity and wayfinding signage.
 - Complement the existing wayfinding signage along the Bypass road (Route 1A).
 - Provide identification and informational signage.
- Promote and facilitate neighborhood business stewardship.
 - Promote the continued existence of a neighborhood business association or working committee that incorporates local businesses and property owners.
- Work with businesses that could benefit from moving from less compatible to more compatible sites, either within the neighborhood or to other areas of Salem.
 - Promote and enable business relocation and site reorganization.

For the Bridge Street commercial district to thrive again, it needs to give potential customers a better reason to come to Bridge Street, create a more visible and identifiable character capitalizing on its proximity to the water and downtown Salem, and tie together the retail and residential uses in a way that will help younger people see this neighborhood as an attractive residential option.

The City and local stakeholders are limited in their ability to bring about desirable changes in the retail mix and offerings that characterize the neighborhood commercial areas. But they can restrict to some extent undesirable uses, remove restrictions that currently impede desirable development, improve the environment through improvements to infrastructure, and support desired development.

One opportunity for improvement in the shorter-term is better signage. In addition to the existing highway signage, a controlled Bridge Street signage program would help to improve the image of the commercial area while drawing visitors and new customers.

Neighborhood Improvements

The recommended neighborhood improvement strategies consist of the following:

- Expand streetscape improvements along side streets, once the Bridge Street improvements are completed.
 - Provide for sidewalk improvements and landscaping where possible.
 - Connect improved sidewalks to waterfront, shared path and open space network.
- Expand and improve open space connections and amenities.
 - Expand and improve open space along the water.
 - Promote the creation of open space connections through new development.
- Extend pedestrian and bicycle access.
 - Extend pedestrian and bicycle access along the waterfront.
 - Extend pedestrian and bicycle access through potential new development.
 - Seek opportunities to generate a network of interconnected bike paths/shared paths, building upon the planned extension of the bike path along Route 1A.
- Promote neighborhood stewardship.
 - Establish a stewardship and leadership group through the participation of area residents, and create programs and activities at a neighborhood scale.
- Support new development and renovations at key locations that are apt to change because of their size, location, potential value and relationship to the surrounding neighborhood.

Future infrastructure projects could include extending the Bridge Street renovation and reconstruction to key side streets, in order to extend vehicular and pedestrian improvements throughout the neighborhood. Increasing the Bridge Street Neck connection to the waterfront through public access, open space connections, bike paths and preservation of views can significantly enhance real estate values, civic life and commercial activities in the neighborhood.

Potential Redevelopment Sites

There are a couple of large properties on Bridge Street which could be reused in ways that would benefit both the owner and the neighborhood. There are also some smaller properties that contain vacant, run-down buildings which detract from the overall image and quality of living in the neighborhood. Conceptual development feasibility tests were conducted for these parcels and indicate that the redevelopment of these properties would not make economic sense in today's economic climate but conceivably could be feasible in the future. Potential reuse concepts could include an enhanced motel, a neighborhood-scale destination business, and a moderate-scale residential development. Potential redevelopment sites include the following:

- Waterfront restaurant cluster
- Brake & Clutch site
- Clipper Ship Inn
- Former plumbing facilities

4. HOUSING REVITALIZATION

The recommended housing revitalization strategies consist of the following:

- Stabilize the local housing market through a coordinated homeowner assistance and marketing effort.
- Support a healthy real estate market that has a diverse mix of housing prices, housing types and low vacancies.
- Support the development of neighborhood-scale new housing.
- Mitigate unsightly housing conditions that impact the overall appearance of the neighborhood.

A more detailed list of recommended steps and tools for implementation is provided in the *Implementation* section of this document.

Long-Term Goal

The long-term goal for housing revitalization is to keep a balance of various housing choices in terms of cost, unit type, and ownership relative to rental units. The current mix seems to provide what might be described as a “healthy” balance, with an owner occupied/rental housing ratio of 53/48 (refer to *Appendix A* for more information on existing housing conditions).

A desire has been expressed by residents to encourage and support homeownership. At any given time, the relevant ratios of various unit types, prices and ownership may vary, following market conditions. Although it may be desirable to encourage homeownership, it would be both impractical and detrimental to the health of the neighborhood real estate market to attempt to “freeze” the mix. We should also note that zoning cannot be practically employed to determine rental or ownership of units. For example, condominium units or even single family homes may have an owner, but the owners can, in turn, rent them to other people.

The following observations should be considered regarding balance:

- Because the neighborhood includes a substantial proportion of single family, two-family and three-family homes, and has many desirable characteristics (proximity to the elementary school, parks, downtown, commercial uses, the waterfront and commuter rail), it will tend to shift towards home ownership during times of economic growth. It is likely to be perceived as an area where values will increase over time for these reasons, and is likely to attract purchasers of ownership units and conversions of higher quality multi-family units to condominiums.
- The area will also continue to be desirable as a rental location. The two-family and three-family units suggest that a significant portion of the neighborhood will remain rental, even if a higher percentage of units in these buildings become owner-occupied over time. In addition, high quality rental units can be an asset to the neighborhood if they are well designed and maintained.
- During the current real estate market, economic cycle and recovery, various factors are likely to favor rental development rather than multi-family ownership units. Additional rental units within the land that is reasonably available would be insufficient to dramatically shift the overall housing balance

within the neighborhood, based on the land use and development analyses contained in this study. The possible redevelopment sites are not large enough in size or number to create the scale of development that would unbalance the neighborhood.

However there are some long-term municipal strategies that can be employed to avoid a dramatic imbalance of the neighborhood:

- Shifts towards rental units tend to occur when the perceived value of the neighborhood declines for resident owners, and when owners cannot continue to support the mortgage costs. The City can help homeowners to physically improve their property through the various homeowner assistance programs available for the area, while also coordinating public amenities and planning for positive change. The decision to apply the State's Gateway Cities grant to this neighborhood and the recommendations in this report are direct examples of the type of municipal initiative that serves to benefit the value and desirability of the area for resident owners.
- Shifts towards ownership can de-stabilize an area by making rental units less affordable and lead to conversion of existing rental units to ownership units, limiting housing choices and requiring some renters to move. In the very long term, the Bridge Street Neck neighborhood may be susceptible to such pressures, although we have noted that the number of small multi-family buildings will tend to cushion such a change. The City could undertake a number of actions to promote rental assisted projects and program in the neighborhood, for example, if a larger home-ownership balance is perceived to become a problem.

Opportunities for Revitalization

The Bridge Street Neck neighborhood offers opportunities and great value to buyers who are making the commitment to buy a new home. The housing market is functioning, although at a slower pace than in the past; sales are taking place. Home prices are down, interest rates are low and financing is available.

In maximizing the effort by working with the market, the most cost effective way to spur revitalization of the area would be to spur the housing market. Most critically this needs to be done in a multifaceted way as part of coordinated homeowner assistance and marketing efforts. The fundamentals that are already in place for revitalization include amenity values, market values and available financing,

Amenity Values

- Walking distance to train and Pickering Wharf
- Water views all around
- Historic character, village settings
- Bike paths, walkability for shopping and recreation

Market Values

Based on a sample of single family properties that were sold in the Bridge Street Neck neighborhood from June 2008 to March 2009 home values have dropped notably, making it a good time to buy (source: *Multiple Listing Service - MLS*). These single family homes sold at an average price of \$189,950, lower than the corresponding asking prices. Homes took an average of 194 days to sell versus an average of 90 days in a normal market. As of August 2009, sales activity has picked up and homes (single family and condominiums) are taking an average of 112 days to sell in Salem.

It should be noted that the average sale price might have been lower at \$189,950 than the average sale price at other locations because the homes sold were on the smaller side—1,416 square feet versus a more probable average of over 2,000 square feet, and some of them were foreclosures.

Data on single family sales is compiled in *Table 1* and *Table 2* below.

Table 1. Single Family Sales

Property Address	Bedrooms/bath	Square footage	Sale Date	Value
25 Cross St *	2 bedroom/ 1 bath	1,104	3/12/2009	110,500
5 Cross Street Ct *	4 br/2.5 baths	1,600	11/12/2008	242,200
22 Lathrop St*	3br/1.5 baths	1,140	11/20/2008	199,000
31 Osgood St	2br/1 bath	2,348	3/9/2009	243,000
3 Skerry St	2br/1.5 bath	1,032	12/8/2008	155,000
17 Skerry St*	4br/2.5	1,272	2/27/2009	190,000
Average		1,416		\$ 189,950

Source: Multiple Listing Service

* Foreclosure sale

Table 2. Single Family Sales Characteristics

Property Address	Price/SF	Original Price	Asking minus final	Days on Market
25 Cross St	100.09	154,900	44,400	264
5 Cross St Ct	151.38	259,888	17,688	54
22 Lathrop St	174.56	239,900	40,900	104
31 Osgood St	103.49	259,900	16,900	132
3 Smith St	114.63	N.A.	N.A.	N.A.
17 Skerry St	149.37	325,000	135,000	416
Average	\$ 132	\$247,918*	\$ 50,978*	194*

Source: Multiple Listing Service

* Average based on the five properties for which data is available

(N.A. = not available)

Available Financing

Although underwriting has tightened, credit for home purchases and renovations is readily available. Conventional lenders, particularly local banks, have mortgages to lend at unusually low rates. There are also a number of first time homebuyer mortgages available. MassHousing offers loans up to 100% of the property market value to low- and moderate-income buyers. MassHousing loans are targeted to single family homes, condominiums and small multifamily properties (less than 4 units) at prices from \$125,000 to more than \$400,000, very much the strike zone for property for sale in the Bridge Street Neck neighborhood.

In summary, Salem offers particularly good value now relative to other communities and the Bridge Street Neck neighborhood offers a best value opportunity for new homeowners.

Special Marketing

Salem and more particularly the Bridge Street Neck neighborhood have the opportunity to achieve a very successful marketing program. What follows is an outline of key potential program components.

The basic model could follow what MassHousing now calls its Buy Cities Program, which is modeled after the very successful Worcester program called *“Buy Worcester NOW—Take a Closer Look—There Has Never Been a Better Time to Purchase a Home in Worcester”*.

A similar program could have even greater results in Salem, where property values have been more stable and there have been fewer foreclosures (125 in Salem and 1,219 in Worcester using the same Neighborhood Stabilization Programs measurement parameters).

On the program management side there are key lessons to learn from Worcester. Salem would need to set up its own website providing neighborhood by neighborhood listings and presumably starting with the Bridge Street Neck neighborhood, and the strong engagement of the real estate brokerage community is a threshold requirement.

What makes Worcester’s program successful is the inclusion of new partners, new forms of assistance, and a strong marketing effort. Key elements of the program include the following:

- Down payment assistance: Colleges, businesses and other institutions offer down payment assistance programs for buyers. The Massachusetts Housing Partnership (MHP) matches down payment assistance grants made by others, through its MassWorks program, and markets the program at no cost to Worcester.
- More lenders: Lending institutions are prequalified and induced to join the program with slightly reduced rates and closing costs. A constant mantra is responsible mortgage products versus what had been offered in years past.
- Special lending programs: MassHousing and MHP working with local banks can offer special mortgage products.

- Purchase and rehabilitation loans: Loans for first time homebuyers with incomes up to 120% of area median, and offering mortgage payment protection for up to 6 months if job loss or layoff occurs (MassHousing MI Plus Program).
- Homebuyer Fairs: Events that match potential buyers with brokers and lenders.
- Historic Preservation Tax Credits: 20% historic tax credit on applicable improvements (the program offers counseling on how to apply). These tax credits can be available for single- and two-family homes as long as they are not owner-occupied. However, the process for getting approval from the Massachusetts Historic Commission, making sure that the rehabilitation process is compliant, and getting a certification for completed work can be difficult. A consultant would be needed to guide owners through the process of obtaining either federal or state historic tax credits. A rough estimation is that projects of 4 units or more of substantial rehabilitation might support the expense and effort of obtaining historic tax credits.

Recommendations and Next Steps

The recommended next steps for housing revitalization are the following:

- Help current residents facing foreclosure to seek loan modifications and refinancing opportunities if possible through MassHousing or the new federal Making Home Affordable Program (Information on these and other available homeowner assistance programs is detailed in *Appendix A*).
- Expand the effort of the Salem Problem Properties Team for coordinated effort to regulate properties in trouble. If not currently available, create common data base for property specific reporting that includes building and sanitary code, foreclosure ID, police and fire reports so full view of property situation can be determined quickly. If appropriate and eligible, extend resources for improvement.
- If workouts on all the foreclosed homes are not possible, then it is important to move the properties to new buyers through short sales auctions and other sales means. To help prepare for these sales to new owners, Salem can facilitate the process through a special marketing program, qualifying and training first time homebuyers, working with the CHAPA clearinghouse to make sure properties can be sold efficiently to qualified nonprofit buyers.
- Support first time home buyers. The Bridge Street Neck neighborhood represents a special opportunity for first time homebuyers to buy reasonably priced homes. The federal government offers an \$8,000 tax break to first time homebuyers. MassHousing now has a new lending program so that first time homebuyers can receive a loan for up to \$8,000 in advance of the credit.
- Set up programs to help renovate foreclosed properties. Although funding from the Neighborhood Stabilization Program may not be available, Salem can still participate in MassHousing Partnership's Enhanced Soft Second program and MassHousing's Purchase and Rehabilitation Loan Program. Ideally, Salem rehabilitation program funds could be used with these programs.

- One of the neighborhood's unique selling points is the opportunity to find reasonably priced historic homes in need of renovation, thus contributing to preserve and enhance the neighborhood's historic character. This is particularly noticeable in the southern portion of the neighborhood, which is closer to the MBTA station and Downtown Salem.
- Coordinated marketing efforts as described above, under *Special Marketing*, will bring new buyers, new lenders, new partners, all of which can have a larger and timelier impact on improving the neighborhood.
- If a multipronged effort is not directed soon and the market further declines, then investors may arrive in greater numbers and take over on acquisition of homes. It is important to work with prospective homeowners before this could happen.
- As a cautionary note, these and any other applicable public programs need to be in place and ready for quick action as soon as possible, while key target parcels for neighborhood revitalization are available.

5. COMMERCIAL REVITALIZATION

The recommended commercial revitalization strategies are the following:

- Promote the improvement and commercial redevelopment of sites with location advantages such as visibility, size and proximity to the water.
- Enhance the attractiveness and success of the waterfront area through new investment and reinvestment in a cluster of restaurants and destination uses.
- Improve the appearance of existing business properties.
- Attract new small businesses and reinvestment in existing businesses.
- Provide adequate and convenient parking for commercial uses.
- Enhance amenities to attract visitors to the Bridge Street Neck area.
- Enhance commercial identity and wayfinding signage.
- Promote and facilitate neighborhood business stewardship.
- Work with businesses that could benefit from moving from less compatible to more compatible sites, either within the neighborhood or to other areas of Salem.

For the Bridge Street commercial district to thrive, it will need to create a more visible and identifiable character capitalizing on its proximity to the water and downtown Salem, and tie together the retail and residential uses in a way that will help younger people see this neighborhood as an attractive residential option.

It makes sense to promote the existing characteristics that now loosely define the northern and southern sections of Bridge Street:

- The southern end has building stock and density that is well suited to smaller mixed use buildings with pedestrian friendly retail. This character could be maintained and improved through better sidewalks and streetscape, and the collaborative work of the existing business owners in some type of local business organization.
- The northern end will also be improved by the new park that can host events drawing visitors to the Bridge Street Neck neighborhood. The motel site could potentially be more intensively redeveloped, for a larger and enhanced motel or a significant retailer and office use. The reintroduction of night time use for entertainment could be considered, if it can be done with limited impact on the residential neighborhood.
- The middle zone of Bridge Street may be repositioned to knit together the two ends smoothly, while establishing a clear buffer for the residential and more automotive, boat and night life oriented retail. This zone is a good target location for clustered retail that could share parking. It could also be potentially redeveloped as a location for new moderate density residential and mixed use development projects (conceptual analyses of development feasibility are presented in *Appendix B*).

Commercial Revitalization Strategies

Table 3, on page 20 provides specific recommendations for commercial revitalization that the City can apply to working with the existing businesses on an individual basis. The table includes a complete listing of all the businesses that exist today in the planning area, including an assessment of physical conditions (based on assessor's records and complemented with on-site observations from public vantage points). The table also provides an assessment of the land use compatibility of the businesses with the surrounding properties, and with the goals and vision identified for this study.

Figure 3 illustrates the available commercial property categories and *Figure 4* illustrates the overall physical conditions of business properties.

Character and Signage

One opportunity for improvement in the shorter-term is better signage. In addition to the existing highway signage, a controlled Bridge Street signage program would help to improve the image of the commercial area while drawing visitors and new customers.

Desires for better signage were expressed by local businesses and residents in meetings and interviews. Businesses would like to better advertise their location to vehicles traveling along the Bypass road and visitors to the downtown. They also would like to have informational signs within the neighborhood itself.

There are signs on the Veteran's Memorial Bridge (Rte. 1A) providing directions to the Bridge Street businesses for vehicles entering Salem from Beverly. However, it is important to note that the signs are small and do not mention Downtown Salem. There are no signs providing directions to the Bridge Street Neck for vehicles traveling north as they approach the Bypass Road/Bridge Street split from Downtown Salem.

- *Figure 5* shows proposed signage improvements to increase awareness of the Bridge Street Neck businesses to regional through traffic, and identify gateways into the neighborhood. New signs are recommended at the specific locations shown in the map, consisting of the following types of signs:
 - Wayfinding Signs – These are signs that indicate a direction and location, to help motorists, pedestrians or bicyclists reach an intended destination, and are placed in strategic locations or sequences. There are wayfinding signs that say “1A South – Swampscott NEXT LEFT” and “Bridge St Businesses/ Waterfront USE 1A SOUTH” on Veteran's Memorial Bridge for vehicles entering Salem from Beverly. There is also a sign that says “1A South – Swampscott” for vehicles leaving Salem on Route 1A/107 before Routes 1A and 107 split at the Bridge Street/Bypass Road intersection. However, there is no mention of the Bridge Street businesses at this location. *Figure 5* shows a proposed wayfinding sign that would indicate the direction of the *Bridge Street Neck Business District* at this intersection. Funding for this sign should be included as part of the Bridge Street reconstruction process.
 - Informational Signs – These signs provide specific information about a destination or area. This type of signs in the Bridge Street Neck

neighborhood could eventually include maps showing locations of public parks, connecting bicycle and pedestrian trails, the MBTA station and other amenities. Three informational signs are proposed: one at the entrance to the new park overlooking the river, and one at each of the junctions of the proposed bike path link that will connect the existing bike paths along the Bypass Road and Collins Cove.

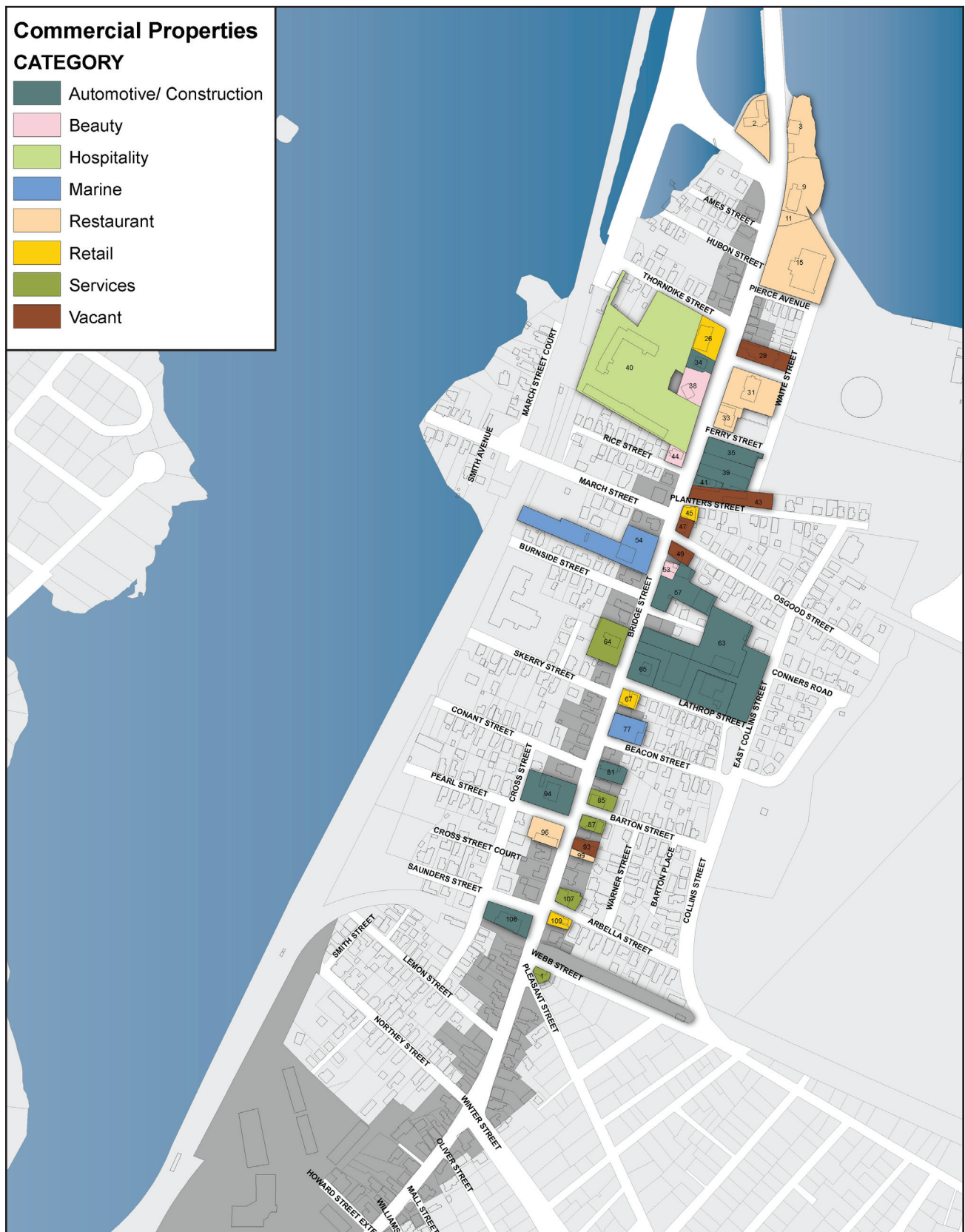
- Identification Signs – These mark the identity of a district or destination. There are two kinds of identification signs that may be employed in the Bridge Street Neck: ground signs and a series of pole-mounted banners (about 4 to 8). These signs would simply say *Bridge Street Neck Neighborhood and Business District*. Pole-mounted banners could be clustered at the middle of the district. Ground signs could be located at each of the entrance points into the district (e.g. the triangular island that marks the split between Bridge Street and the approach to the old bridge site on the northern end of Bridge Street, the park located in front of the Old Salem Jail building in the southern end of Bridge Street).

Additional opportunities for commercial revitalization and signage improvements may be available through the ongoing Essex Heritage Scenic Byway Corridor Management Plan project. The southern portion of the scenic byway corridor, which includes the Bridge Street neck portion of Route 1A, was designated in 2006. Funding from the Federal Highway Administration and the Massachusetts Executive Office of Transportation and Public Works was approved in April 2009 to initiate a corridor management plan (CMP) for the byway. The CMP planning process is expected to last through March 2011, and will develop strategies to enhance the byway qualities while promoting local businesses and amenities. The process will incorporate substantial community involvement, and will result in specific strategies to develop a unified signage system, create wayside exhibits, and design self-guided tours.

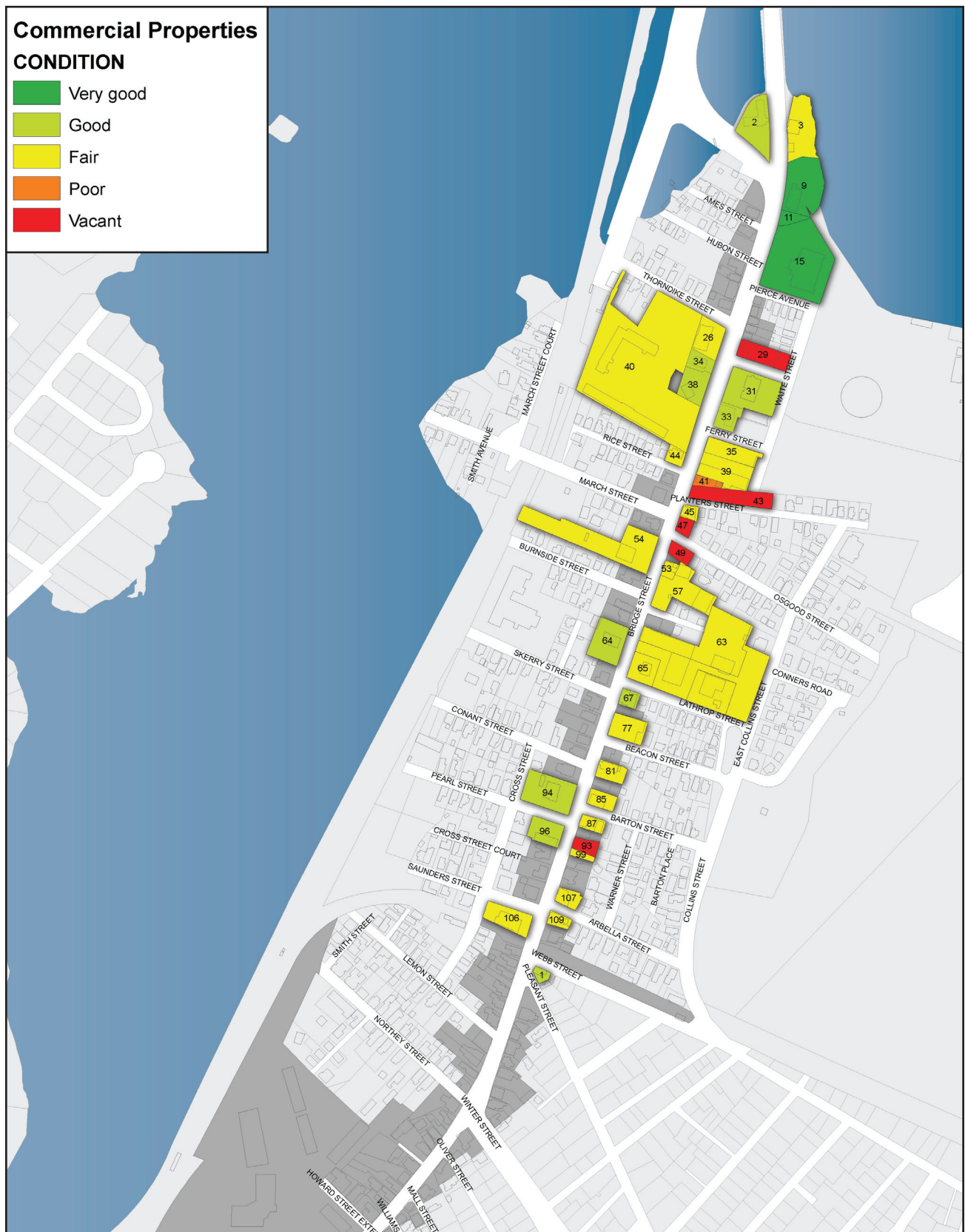
Table 3. Commercial Revitalization Strategy

							Work with business owners to market the area, organize events and outreach	Provide assistance, incentives for business expansion, public amenities	Work with building owners to improve facades, storefronts, signage	Consider incentives, assistance to move some businesses to better location	Support the redevelopment potential of certain parcels through zoning, promotion
Address	Store Name	Story	Total Gross Sq. Ft.	Useable Sq. Ft. 85%	Physical Condition	Compatibility with Land Use, Vision					
2 Bridge Street	Black Lobster	1	4,222	3,589	Good	High	✓	✓	✓		
3-5 Bridge Street	Bridge Street Market	1	2,095	1,781	Fair	High	✓	✓	✓		
9 Bridge Street	Bill & Bobs	1	3,564	3,029	Very Good	High	✓	✓			
15 Bridge Street	99 Restaurant	1	13,536	11,506	Very Good	High	✓	✓			
26-30 Bridge Street	Cosgroves Liquors	1	4,261	3,622	Fair	Moderate	✓		✓		
29 Bridge Street	Yoga studio	1	6,351	5,398	Renovation	High	✓				
31-31A Bridge Street	Dunkin Donuts & Realtor	1	4,394	3,735	Good	High	✓				
33 Bridge Street	Clucky's Wings/ Damatas Pizza	1	2,662	2,263	Good	Moderate	✓		✓		
34 Bridge Street	Spinale Auto	1	1,452	1,234	Good	Low	✓		✓		
35 Bridge Street	Pegasus Auto	1	10,931	9,291	Fair	Low	✓		✓	✓	✓
36 Bridge Street	Auto Body Restorations	1.5	1,341	1,140	Good	Low	✓		✓		
38 1/2 Bridge Street	Tanning 2nd Floor		1,527	1,298	Good	Moderate	✓				
39 Bridge Street	Auto- Nestor Financing	1	8,155	6,932	Fair	Low	✓		✓	✓	✓
40 Bridge Street	Clippership Inn	2	11,670	9,920	Good	Moderate	✓	✓	✓		✓
	Clippership Inn (2nd Building)	1	11,578	9,841	Poor	Moderate					
41 Bridge Street	Vacant	1	1,556	1,323	Poor	Low	✓		✓	✓	✓
43 Bridge Street	Vacant	1	6,636	5,641	Vacant	Low					✓
44 Bridge Street	Tanning 1st Floor		1,202	1,022	Fair	Moderate	✓		✓		
45 Bridge Street	Once and Again Antiques	1	2,078	1,766	Fair	High	✓		✓		
47 Bridge Street	Vacant- yellow building	2	2,834	2,409	Vacant	Low					✓
49 1/2 - 49 Bridge Street	Office for Bill Johnson Plumbing	1	2,721	2,313	Vacant	Low					✓
51 Bridge Street	Joe's Hair	1	592	503	Fair	Moderate	✓		✓		
53 Bridge Street	Aqua Hair	1	3,350	2,848	Fair	Moderate	✓		✓		
56-54 Bridge Street	J&W Marine Boat Sales	1	3,154	2,681	Fair	Moderate	✓		✓	✓	
57-59 Bridge Street	Sign Painting, Construction	1	1,403	1,193	Fair	Moderate	✓		✓		✓
63 Bridge Street	Salem Brake & Clutch	1	16,978	14,431	Fair	Low	✓		✓	✓	✓
64 Bridge Street	Multiple Office	2.5	5,085	4,322	Good	High	✓				
65A Bridge Street	Salem Brake & Clutch	1	1,425	1,211	Fair	Low	✓		✓	✓	✓
69-67 Bridge Street	Saws	2.5	6,883	5,850	Good	Moderate	✓				
77 Bridge Street	Boats and Nautical Gifts	2	18,806	15,985	Fair	Moderate	✓		✓		
81 Bridge Street	Cycle Parts	2.5	4,825	4,101	Fair	Moderate	✓		✓		
85 Bridge Street	Pulmonary Services	2	4,304	3,658	Fair	Moderate	✓		✓		
87 Bridge Street	Computer Repair		1,906	1,620	Fair	Moderate	✓		✓		
94 Bridge Street	Mobile Gas Station	1	2,921	2,483	Good	Moderate	✓				
95-93 Bridge Street	Countertops 1st Floor		1,476	1,255	Vacant	Low			✓		✓
96 Bridge Street	Coffee Time	1	2,391	2,032	Good	High	✓	✓			
99-97 Bridge Street	Stacia's Restaurant		1,164	989	Fair	High	✓	✓	✓		
106 Bridge Street	Magic Muffler	1	4,363	3,709	Fair	Low	✓		✓		✓
107 Bridge Street	Salem Used Furn. & Repair		2,225	1,891	Fair	Moderate	✓		✓		
109 Bridge Street	Liquor & Minimart	1.5	4,193	3,564	Fair	Moderate	✓		✓		
1 East Collins Street	Ward II Social Club of Salem	1	5,382	4,575	Good	High	✓				
52 Howard Street	Pelletier & Sons	2.5	8,732	7,422	Fair	Moderate	✓		✓		
1 Pleasant Street	Commercial	2	1,970	1,675	Good	High	✓				
8 Waite Street	Auto Repair Warehouse	1	3,320	2,822	Fair	Low			✓		
TOTAL			173,477	147,455							
Median			3,252								

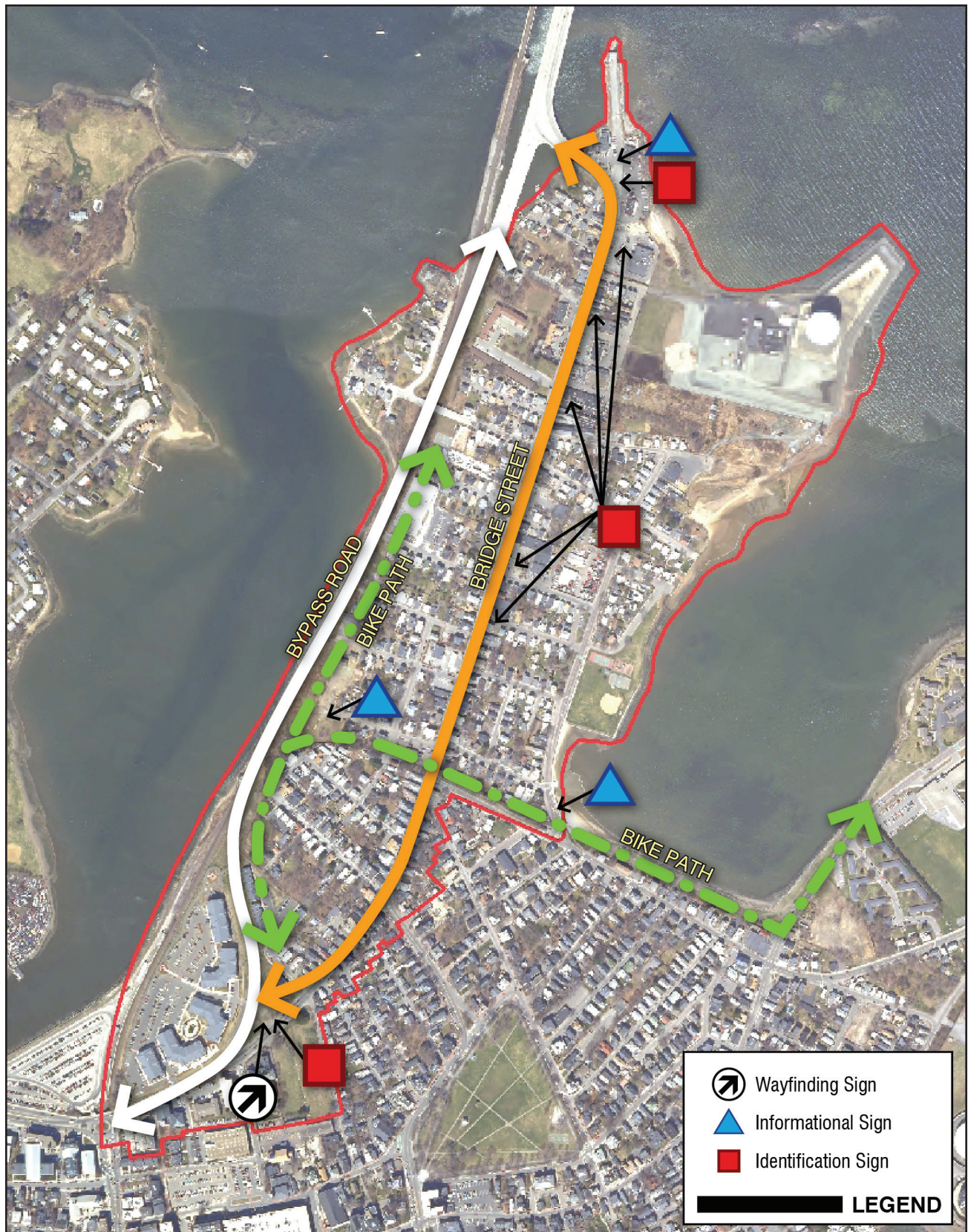
COMMERCIAL PROPERTY CATEGORIES



COMMERCIAL PROPERTY CONDITIONS



PROPOSED SIGNAGE IMPROVEMENTS



6. NEIGHBORHOOD IMPROVEMENTS

Physical improvements aimed at enhancing the quality of the pedestrian environment and neighborhood public spaces in the Bridge Street Neck are recommended, summarized by the following neighborhood improvement strategies:

- Expand streetscape improvements along side streets, once the Bridge Street improvements are completed.
- Expand and improve open space connections and amenities.
- Extend pedestrian and bicycle access.
- Promote neighborhood stewardship.
- Support new development and renovations at key locations that are apt to change because of their size, location, potential value and relationship to the surrounding neighborhood.

The assessment of existing conditions indicates that many sidewalks are old and narrow, interrupted by utility poles and difficult to travel. The proposed Bridge Street traffic improvements will serve to regularize sidewalks and introduce streetscape amenities; however, these improvements will not extend to adjacent residential streets. Views of the water are available from many areas; however, the neighborhood is largely bisected from the waterfront by the bypass road and gas storage facilities. The existing bike path, recently built as part of the Bridge Street Bypass construction, provides a great opportunity to easily connect along the western edge of the neighborhood by foot and bicycle; however, more opportunities need to be found to extend pathways and connections to other locations within the planning area.

The proposed neighborhood improvement strategies recommend the extension of streetscape improvements to the residential areas, and the creation of additional pedestrian and bike connections along the waterfront.

Streetscape Improvements

Many of the existing sidewalks are very low in relation to the street areas dedicated to vehicle travel and parking, and sidewalks are often built of bituminous materials similar to the street pavement. This makes them difficult to recognize, and cars often park on them, especially in narrow roads. Utility poles often occupy the space dedicated to pedestrians and, in some cases, new utility poles are attached to the old ones in effect duplicating the extent to which poles take over the available sidewalk space.

Wherever possible, new concrete sidewalks with raised curbs should be provided in residential areas. These should be ADA compliant and enhanced with trees (similar to the existing sidewalks in March Street).

A strategic, step-by-step improvement program should be developed to target local improvements and seek additional public funding. No sources of grant funds have been identified at this time.

Open Space Connections

The planned construction of a new waterfront park at the northern end of Bridge Street, on the abutment of the former bridge to Beverly, will provide a new recreational

amenity for local residents and visitors. The new park will include a landscaped outlook and seating area, and a fishing pier.

The new waterfront park could become the initial step in a strategy to extend public waterfront access along Beverly Harbor and Collins Cove. Although it would be desirable to enjoy public waterfront access along the entire length of the Bridge Street Neck perimeter, access along the North River is highly constrained by the MBTA rail line and the Bridge Street Bypass.

The gas and electric facilities located on the northeastern portion of the peninsula command the best views of Beverly Harbor along a significant extension of shoreline, and the initiation of conversations between the City and the utility companies is recommended to investigate the possibility of creating a walking path along the shoreline. A walking path in this area would serve to connect the proposed new Bridge Street park to the Ward II Social Club on East Collins Street, and to Collins Cove Playground and Collins Beach further south.

Additional opportunities for open space connections could become available in the future through the potential redevelopment of any of the existing large vacant or underutilized properties.

Pedestrian and Bicycle Connections

New open space connections would also allow for the creation of more pedestrian and bicycle connections that would help to better interconnect both sides of Bridge Street, in the spirit of the bike path extension that is being planned to connect the Bypass bike path to Webb Street using MBTA owned property near Lemon Street.

The northern end of the Bypass bike path will connect to Bridge Street and the planned new waterfront park as part of the Bridge Street reconstruction project. The southern end should connect to a specific destination, such as the MBTA rail station, Downtown Salem, or the section of the bike path that runs along the North River Canal and stops at the North Street Bridge.

Waterfront Walk and Shared Path

A very important connection for business purposes would be a waterfront walk along the back of the existing restaurant properties at the end of Bridge Street, which borders the water. Properly landscaped, and equipped with benches and pedestrian lighting, this walk could attract visitors and potential customers to the restaurants, contributing to enhance the image and amenities available at the “restaurant cluster” proposed as part of the commercial revitalization strategy. Restaurant dining rooms and outdoor dining terraces could front on the walkway, enjoying the views and contributing to animate the pedestrian environment.

A waterfront walk at this location could also serve to connect restaurant customers to shared parking areas that could possibly be located in the vicinity. The walkway could be designed to allow access to the small beach located right below. Water access could be enhanced through the construction of a small pier for transient boats, should the water depth be sufficient to allow boat access at high-tide.

Shared access for bicycles could also be allowed parallel to the walkway. Continuous bicycle access from Bridge Street to Waite Street and Planters Street could be achieved, if an agreement could be established with the owner of the former plumbing business or the utility companies to allow for a narrow bike path easement south of Waite.

Neighborhood Stewardship

Continued stewardship of the neighborhood should be established through the collaboration of a group of active and committed neighborhood representatives. The implementation of a complex vision, such as the one advanced by this plan, which combines physical improvements, clean up and maintenance programs, and the programming of recreational activities, will require active participation of the local residents working together with the City and the local business community.

The opportunity exists to continue working with the Working Group selected by the Mayor to steer this planning process, once the official planning process is over. The Working Group could sow the seeds for a future neighborhood association or, at least, help communicate the idea of forming a neighborhood stewardship group to the local residents that may desire to continue participating.

Potential Redevelopment Sites

The assessment of existing conditions identified a few Bridge Street Neck properties that could be apt for redevelopment should the market conditions be favorable. Some of these properties are among the largest parcels of land in the neighborhood and are strategically located along the central and northern portions of Bridge Street. Thus, any changes that might take place in these parcels would have a definite impact on the land use and urban design character of the surrounding residential areas.

It is important to consider the potential for redevelopment of these parcels in order to plan accordingly and define the mechanisms that will bring about mutually beneficial changes for the businesses, the neighborhood and the City.

The parcels identified as having redevelopment potential are the following:

- The Brake & Clutch site at 63-65 Bridge Street and 9-11 Lathrop Street.
- The Clipper Ship Inn at 40 Bridge Street.
- The Salem Plumbing building site at 43 Bridge Street.

Development feasibility tests were conducted for these parcels as part of this study, assuming site-appropriate and possible development scenarios. These scenarios are not meant to indicate support of the specific development concepts presented, but rather to show examples of potential development and the conditions that would be needed to encourage future redevelopment. The results of these analyses are described in detail in *Appendix B* of this document.

The development feasibility tests indicate the following:

- The Brake & Clutch site could possibly be redeveloped as a multi-family residential complex of approximately 60 residential units, made up of one- and two-bedroom apartments in a small building facing Bridge Street plus

townhouses along Lathrop and East Collins Streets. In order for this type of development to be feasible, it would need to include a certain number of affordable units. In today's market, all the units would need to be affordable.

- The Clipper Ship Inn could become an enhanced hotel by replacing the older, outdated building with a new two-story building that could hold twice as many rooms. The total hotel capacity would be expanded from 60 to 90 rooms. The required revenue increase is likely to be possible when the market improves.
- The Clipper Ship Inn could alternatively become a cluster of retail stores large enough to become a shopping destination, including approximately 40,000 sf of retail space and associated parking. An important condition for success would be signage that could be seen from the Bypass road and the bridge from Beverly.
- The Salem Plumbing building site is too small to hold a retail or office use, and infill multi-family residential development could be feasible and a good alternative to the blighting influence of a vacant building (understanding infill as housing built in areas that were previously used but that are currently underutilized or vacant).
- A similar, moderate-scale infill residential development approach could be applied to other small vacant and foreclosed properties throughout the neighborhood, which would likely be viable in the current economy as long as it consists of affordable housing. This initiative could be advanced with the assistance and participation of the Salem Harbor Community Development Corporation (CDC).

The City could work with the community and individual property owners to create site-specific strategies that would be conducive to the redevelopment of the particular parcel in a manner that is financially sustainable while, at the same time consistent with the revitalization vision for the neighborhood.

An important point should be emphasized: the redevelopment of vacant or underutilized property will not happen unless adequate densities can be achieved to attract positive reinvestment. The densities suggested through the redevelopment feasibility tests are appropriate and eventually achievable while keeping within the range of densities that already exist in this well-developed neighborhood and commercial setting. A likely alternative to no redevelopment could be the continued deterioration of former commercial and industrial land to the detriment of the nearby properties and the neighborhood as a whole.

Once a shared vision and development strategy are established for each parcel, the corresponding implementation tools and mechanisms can be applied to guide the redevelopment process. These could include zoning changes that would support the revitalization vision for each parcel, or innovative zoning mechanisms that could be tailored to the specific needs of each site and redevelopment concept. These and other implementation mechanisms are further discussed in the *Implementation* section that follows.

7. IMPLEMENTATION

The implementation of the proposed revitalization vision and planning strategies will require a multipronged effort including substantial efforts, participation and support from all interested parties.

A detailed action plan is included at the end of this section (*Table 4*), which lists available programs, tools and mechanisms that could be applied to the implementation of the recommended planning strategies. The action plan also lists initial steps, priority actions, and a proposed timeframe.

Implementation Tools

The following is a list of the key programs and mechanisms that are applicable to the implementation of the proposed revitalization strategies:

- Assistance programs to homeowners facing risk of foreclosure.
- Business loans, façade and storefront improvement programs.
- Local neighborhood business and resident associations.
- Shared marketing and promotion initiatives.
- Technical and feasibility studies to initiate improvement projects.
- Zoning changes to support multi-family residential and mixed use development, and neighborhood businesses.
- Zoning mechanisms to allow for the redevelopment of large properties.
- Design guidelines aimed at maintaining the historical character, and improving the overall design and image quality of the district.
- Relocation tools to assist businesses interested in moving to a more advantageous location.
- Affordable housing initiatives
- Code and ordinance enforcement

Descriptions of these tools and specific recommendations about their application to the revitalization of the Bridge Street Neck neighborhood are provided below.

Homeowner Assistance Programs

The City of Salem offers access to a series of homeowner and homebuyer assistance programs through its Department of Planning and Community Development. Information on these programs is posted on the City's website, which also provides links to additional state and federal resources. The list of available programs includes the following:

- First Time Homebuyer Down Payment Assistance Loan Programs
- Housing Rehabilitation Loan Programs (Owner-Occupied and Landlord programs)
- Get the Lead Out Program
- Foreclosure Prevention, Predatory Lending and Legal Resources

Additional information on available resources for housing revitalization and stabilization is provided in *Section 4*, *Appendix A* and *Appendix C* of this document.

Business Assistance Programs

The City of Salem offers access to a series of small business assistance programs through its Department of Planning and Community Development. Information on these programs is posted on the City's website, which also provides links to additional state and federal resources. Available programs include the following:

- Small Business Loan Program
- Storefront Improvement Program

Additional business development technical assistance is available through the following resources:

- The Enterprise Center at Salem State College
- Salem State College Small Business Development Center
- Salem Chamber of Commerce
- MassDevelopment
- Massachusetts Alliance for Economic Development
- North Shore Workforce Investment Board
- Small Business Administration

Another interesting resource that may be available to businesses in the Bridge Street Neck neighborhood is the Creative Economy Association of the North Shore (CEANS). Possibilities for how the Bridge Street Neck businesses could participate and benefit from CEANS initiatives should be assessed.

Neighborhood Associations

It has become apparent through this planning process that the achievement of some of the recommended strategies will depend to a great extent on the shared effort and initiative of local residents and businesses.

A local business association, or a business committee of a neighborhood association, building upon the work and outreach already initiated by the Working Group designated to oversee this planning process, could join the efforts of several individuals into a more powerful outreach to accomplish the neighborhood vision (e.g. a business association could “adopt” certain public spaces in need of beautification and maintenance, or it could organize a jointly sponsored street festival in the summer to attract visitors and potential new customers).

In a similar manner, residents could continue working together through a neighborhood association to advance and achieve neighborhood improvement goals, such as the recommended streetscape improvements and desired beautification of residential areas (e.g. neighbors could get together to plant flower beds along East Collins Street, Collins Cove Playground and other neighborhood locations).

Shared Marketing and Promotion

Marketing the inherent qualities of the Bridge Street Neck as a residential neighborhood and local business district, and its potential to become an even better and more livable neighborhood is one of the plan recommendations that has been repeated often during the planning process.

The City could market residential opportunities in the Bridge Street Neck and other parts of the city through its website, possibly with the assistance of MassHousing, as part of the recommended housing revitalization strategies discussed in *Section 4* of this document.

Working with the Salem Chamber of Commerce, the neighborhood business association could continue being proactive in marketing the local businesses through shared advertising, funding and maintenance initiatives, the organization of festivals or events to attract visitors, and other promotional activities.

Zoning Mechanisms

Zoning is the regulatory tool that allows municipalities to control and manage land use. The following zoning recommendations are proposed for the implementation of this plan.

Changes to Current Zoning

A detailed description of the current zoning in the Bridge Street Neck neighborhood is provided in *Appendix A* of this document. A total of nine zoning districts and one overlay district are located within the planning area, and are shown in *Figure A9*.

Changes to the current zoning as it applies to the Bridge Street Neck are recommended in order to provide for a more consistent distribution of neighborhood compatible uses throughout the planning area. In particular, the application and geographical distribution of business districts should be reconsidered, and modified in order to enhance business compatibility with the neighboring residential areas.

The following changes to the current Zoning Map and district allocation are proposed:

- Change zoning in the areas currently designated as Wholesale and Automotive (B4) district to Business Neighborhood (B1) district designation. As the name indicates, the B4 district is intended for businesses that require large lots and open space storage areas such as wholesale and automotive service, repairs and trade. The B4 district does not allow for residential uses unless part of a PUD.

The proposed revitalization vision for the neighborhood is one of a mixed use, walkable neighborhood with a stable residential community and compatible commercial businesses. The assessment of market trends and conceptual development feasibility studies indicate that infill residential and moderate-scale multi-family residential development could be an appropriate and desirable use at these locations. Changing the zoning designation from B4 to B1 district would allow for a mix of residential and

neighborhood-scale commercial uses that would be more appropriate and compatible with the adjacent residential areas.

Although the existing businesses that could be affected by this zoning change would be able to remain on location as nonconforming uses, the new zoning designation would allow for the future use of those parcels to be more compatible with the surrounding neighborhood.

- Include all the land areas occupied by the Brake & Clutch automotive repair services into the recommended Business Neighborhood (B1) district designation. Some of these areas are currently zoned as Residential Two Family (R2), which renders them as a non-conforming use and precludes their potential redevelopment for multi-family residential purposes.
- Expand the current Business Neighborhood (B1) district to include the properties currently occupied by the Coffee Time bakery and the Mobile gas station at the intersection of Bridge Street and Pearl Street. These properties are currently zoned as Residential Two Family (R2), which renders them as non-conforming uses and consequently hinders their possibilities to alter, expand or reconstruct their facilities at their current location.

Figure 6 represents the modified Zoning Map that would result from these proposed changes should they be reviewed and found appropriate for adoption through a public rezoning process.

Planned Unit Development

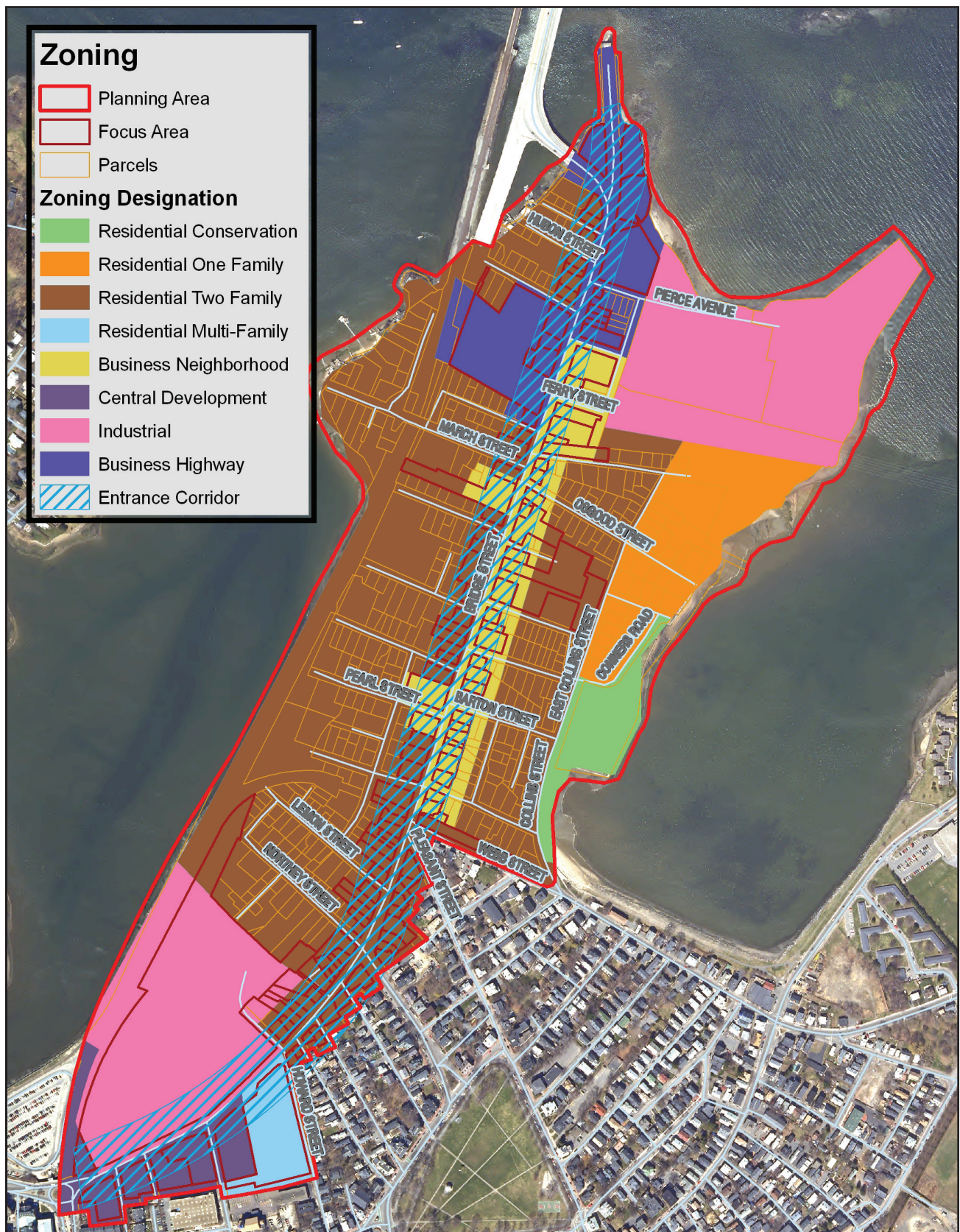
Planned Unit Development (PUD) is a special permit process available in accordance with the Salem Zoning Ordinance. This mechanism could be applied to any site as long as it meets the set of criteria required, and it is located in a Business (B1, B2, B4, B5 or BPD), Industrial (I) or Residential Multifamily (R3) district. One of the key criteria for application is a requirement that the site area be the lesser of 60,000 sf, or five times the minimum lot size of the zoning district that the property is in.

The purpose of the planned unit development district is to allow for various types of land use to be combined in a compatible relationship with each other as part of a totally planned development. PUDs are intended to ensure compliance with the master plan and good zoning practices while allowing certain desirable departures from the strict provisions of zoning classifications (e.g. the PUD review process could allow for changes to setbacks, residential densities higher than the ones allowed by the code, shared parking solutions, and other reasonable variations from the standard provisions as long as it is demonstrated during the process that no detrimental impact is caused). The Special Permit is granted by the Planning Board.

Design Review

Design review of proposed projects is one of the most useful methods for securing and advancing the desirable appearance and value of the neighborhood over time. Design review provides an opportunity for community representatives to provide input and guidance that will benefit the district as a whole before final plans are drawn up and construction proceeds.

PROPOSED ZONING MAP



The City of Salem has a Design Review Board that provides required reviews of certain projects within the City, specifically projects in the Urban Renewal areas and the North River Canal Corridor (NRCC) District. The Design Review Board acts as an advisory board to the Salem Redevelopment Authority in the case of the urban renewal area projects and advisory to the Planning Board for projects located in the NRCC District.

This report suggests that a moderate approach may be useful to direct the advantages of design review to this district. An advisory design review process would provide the opportunity for helpful input to a development proposal and provide a conduit for community considerations regarding the appearance, site layout, and overall design of improvements.

Within this neighborhood, an advisory design review process could be required for site plan review. In this entrance corridor, Site Plan Review is triggered by new construction greater than 2,000 sf for nonresidential uses or for residential construction of six (6) or more units. In addition, any projects proposed as a PUD could require design review. It could also be required for projects that receive any significant funding or financing managed and provided through the City.

There are several choices to provide for such an advisory design review process which would need to be considered within the larger context of City planning and the zoning framework. Among the approaches that should be considered are the following:

- Modification to the Planned Unit Development (PUD) ordinance – Advisory Design Review could be required as part of the overall PUD application and approval process.
- Design Review Overlay Zone – Creation of a design review overlay zone for the Bridge Street Neck neighborhood providing for an advisory process.

In the event that an overlay zone is used, it would be very appropriate to include a provision for design review guidelines specific to the neighborhood. Because the review would be advisory, such guidelines might be adopted by the Planning Board to provide guidance to the Design Review Board and to inform the proponents of projects of some useful considerations prior to their preparing plans and drawings. These guidelines could be amended easily from time to time to reflect changes and new considerations that may emerge.

Special Public Interests and Innovative Zoning Tools

The City may consider establishing and using special zoning tools to accomplish certain objectives associated with some commercial properties in the Bridge Street Neck neighborhood. In particular, there are several public interests that may not be met if traditional zoning is applied.

- Advantageous relocation – In some instances in the neighborhood, existing commercial uses are located on sites that are not fully compatible with adjacent and nearby uses.
- Business retention – In some cases, relocation of existing businesses could unlock redevelopment of certain sites, and the resulting shift in use would have positive benefits in terms of quality of life and property values for nearby

residential properties. However, the City benefits from the employment and tax base associated with existing businesses. If zoning can provide incentives for businesses to relocate to other more suitable sites within the neighborhood or within Salem while the original site is redeveloped, then the public interest would be well served.

- Productive and compatible interim use of existing properties – In view of the existing market conditions but with the prospect of higher value redevelopment as conditions improve, property owners have an interest in holding onto land and buildings with minimal improvements. In some cases, the property owners can afford to hold onto the land and buildings with minimal business income, while they await changes. This tendency results in unsightly and underutilized buildings that detract from the attractiveness of the area and depress values for other nearby properties. A mechanism that incents higher quality interim uses and property improvements would have both direct and indirect economic and community benefits that are clearly in the public interest.

There are several methods that might be employed to help meet the purposes of advantageous relocation, business retention, and productive interim use of properties. The City should consider special zoning programs such as the following:

Contract Zoning

“Contract zoning” refers to a practice through which a property owner and the City establish a binding contract that fulfills clear public purposes, and which accompanies a zoning change that is also advantageous to the owner of the site and the City. This mechanism can allow the City to advance very specific priorities and opportunities. It is essential to note that, once granted, the zoning becomes established as the governing regulatory standard, even if the owner does not fulfill the obligations in the contract. For this reason, the contract must be carefully drafted, so that the contract enforcement methods are contained within it and are separate from the zoning itself.

Contract zoning might be applied as part of the Bridge Neck neighborhood improvement initiative in several ways. One scenario might be as follows:

- Step One: Establish a special Commercial Property Improvement zoning category or overlay district– This zone designation would be eligible for properties that meet certain standards, such as location within the Bridge Street Neck neighborhood and proximity to residential properties. This zone would specify the public interests in providing for relocation and redevelopment of eligible properties. The zoning provisions would provide for the ability to redevelop the property for other desirable uses such as housing, mixed-use commercial, or other commercial uses deemed more productive and compatible with the neighborhood.
- Step Two: Negotiations – The City would negotiate an agreement with the owner that would accompany a change in zoning designation for the property to the new “Commercial Property Improvement”. This agreement could provide terms and conditions in the public interest, such as relocation of the business to another site within the neighborhood or the City, provision for productive interim use, provision of interim

property and site improvements, or the like. Performance requirements such as providing a performance guarantee to allow the City to undertake interim site improvements if the owner does not perform as expected would be built into the agreement.

- Step Three: Simultaneous Approvals, Zone Change and Contract – Once the negotiations are complete, the City would need to simultaneously approve the zoning change and the negotiated contract with the property owner.

Special Bonus Provisions

Similar purposes might also be achieved through special bonus provisions that address the public interests in productive relocation and interim uses. It may be possible to create an overlay zoning district for this area of the City that would provide enhanced benefits (such as increased density) if the property owner provides for business relocation within the City, for example, or provides for interim property improvements as a condition of approval of a bonus. This approach would need to carefully calibrate the scale and type of density or use bonus to ensure that the outcome would also be appropriate for the neighborhood and clearly in the public interest.

MGL Chapter 40R

The applicability of Chapter 40R (*Smart Growth Zoning and Housing Production*) to the Bridge Street Neck neighborhood was considered as one of the mechanisms available in the state to support compact and well-served residential communities. Massachusetts General Laws, Chapter 40R is a Smart Growth Zoning Overlay District Program that was created in 2004 to encourage smart growth and increased housing production. The program is regulated by the Department of Housing and Community Development (DHCD). To participate, municipalities must propose to DHCD new smart growth zoning provisions that allow the as-of-right development of high-density housing and mixed use projects (without recourse to a special permit, variance, zoning amendment or other form of zoning relief). If a 40R overlay district is approved, DHCD provides financial assistance in the form of zoning incentive payments.

Although the analysis of potential redevelopment concepts for selected sites in the Bridge Street Neck indicate that housing, and in particular affordable housing, could be a feasible reuse option at certain locations, only the densities that were obtained through the analysis for the Brake & Clutch site would qualify for the minimum density requirements established by 40R. Minimum housing density in a 40R district must be at least 20 units per acre for multifamily housing. The potential redevelopment density obtained through the site capacity analysis for the Brake & Clutch property amounted to approximately 22 units per acre (more detailed information on the analysis of potential redevelopment concepts is provided in *Appendix B*). From this perspective, the possibilities for creating a 40R overlay district for this site and for the other smaller parcels that could also be redeveloped for residential use should be explored in more detail, and in all its implications.

MGL Chapter 43D

Consideration was made about the applicability of Chapter 43D to the Bridge Street Neck neighborhood. Massachusetts General Laws, Chapter 43D is a state law and grant program that allows communities in Massachusetts to designate priority development sites and establish rules and regulations to streamline the permitting process. After a review of the criteria that apply to the designation of a 43D District, it was concluded that the Bridge Street Neck neighborhood and the recommended revitalization strategies do not match the criteria necessary to participate in this program for the following reasons:

- Priority Development Sites need to be commercially or industrially zoned, or zoned for mixed use development, and development should be primarily commercial, containing at least 50,000 sf of gross floor area. The two largest sites identified as potentially developable in the Bridge Street Neck and the analyzed development concepts do not match these criteria. One of the development concepts that could possibly be feasible was primarily residential; the other did not contain more than 40,000 sf of gross commercial area.

Design Guidelines

Design guidelines, as their name indicates, are intended to guide the design expression and quality of physical improvements (such as buildings and landscaping) toward the achievement of certain aesthetic goals specific to a particular location. These goals may include the protection of an existing design character.

Commercial Design Guidelines

The City of Salem has prepared and enacted *Commercial Design Guidelines* to encourage the highest quality design in its commercial areas. These guidelines apply to the Bridge Street commercial area through an Entrance Corridor Overlay District, which extends through the entire length of Bridge Street. The guidelines are intended to assist and guide design review in the entrance corridors, which includes Route 1A/Bridge Street. These guidelines are used by the Department of Planning and Community Development (DPCD) and the Planning Board during the project review and approval process.

An overview of the guidelines indicates a strong focus on traditional urban design qualities and architectural features characteristic of a historic center such as Downtown Salem. A similar focus is used in regard to the use of materials, signage and lighting. While this approach has proven to be very appropriate and successful in the downtown, it raises questions regarding its applicability to Bridge Street and, in particular to the envisioned restaurant “cluster” north of Pierce Avenue. This area is zoned as a Business Highway (B2) district, and includes businesses located on the waterfront. Some of the guidelines, such as the placement of buildings close to the street and the traditional design character of downtown storefronts may need to be qualified when they are applied to these buildings (e.g. the restaurants located along the waterfront would benefit from expanding toward the water and the harbor views, not toward the street).

Also, some of the guideline provisions concerning high quality materials and finishes could result in costs higher than what might be reasonably affordable to some of the smaller property owners, even with the assistance of the City of Salem Storefront Improvement Program, which offers matching funding grants up to \$5,000 to eligible projects for storefront and signage improvements.

A review of the applicability of the *Commercial Design Guidelines* to Bridge Street businesses is recommended, working together with the existing businesses in order to determine which guidelines are appropriate to the local business character and which might need to be qualified. The following suggestions could inform the courses of action to be chosen by the City, depending on the results of the review:

- Allow a certain degree of flexibility in the application and interpretation of the *Commercial Design Guidelines* to the Bridge Street Entrance Corridor, in order to promote redevelopment that is beneficial, especially where there are unusual constraints (e.g. waterfront sites).
- Writing alternative design guidelines that would specifically address the particular location and design character of the waterfront parcels.

Neighborhood Preservation Districts

The Bridge Street Neck neighborhood has enough historic character and resources to possibly enable the creation of a Local Historic District (LHD). This would provide a basis for a historically based neighborhood design expression, which could in turn contribute to define and enhance the neighborhood's historic identity. However, the tight regulatory controls empowered to Local Historic Districts have made this an unpopular idea with many neighborhood residents. In search of an alternative, the City has been studying innovative tools for neighborhood character preservation, such as the Neighborhood Preservation District (NPD).

The establishment of a NPD in the Bridge Street Neck was considered a few years ago, but it didn't become implemented at the time. Perhaps this is a good time to revisit the initial NPD study and reconsider its application to the Bridge Street Neck, in order to create guidelines for the protection of the neighborhood's historic character. A NPD would allow a good amount of flexibility and choice for local residents in the selection of the specific design features that should be protected.

The possibility of using the NPD as a vehicle for the creation of neighborhood-specific design guidelines for commercial properties (as a complement to the existing *Commercial Design Guidelines*) could also be explored during the preparation of NPD guidelines.

Affordable Housing Initiatives

The City could work with local property owners and non-profit development corporations, such as Salem Harbor Community Development Corporation, to apply their beneficial non-profit redevelopment efforts and resources to target locations within the planning area.

The development feasibility tests conducted for selected neighborhood parcels as part of this study (summarized in *Appendix B*) indicate that multi-family residential development, and in particular affordable housing, could be feasible in small vacant

properties. Affordable housing tax credits and grants could help bridge the financial “gap” that would make redevelopment possible in today’s challenging market. Some of these properties may also be eligible for Federal Historic Tax Credits which could contribute to additional funding, especially if they were originally built as housing.

An important question would be: Could several small vacant parcels scattered through the neighborhood be packaged together in one coordinated infill redevelopment project? If such were the case, important benefits could be gathered in terms of planning efficiencies, design quality, funding and management coordination. Individually each of these parcels may be too small or too constrained to change on its own. However, certain efficiencies and economies of scale may be found if combined in one project. More importantly, a coordinated and targeted effort by the City and a non-profit developer could result in the fastest and most efficient turn-around of vacant and dilapidated properties into neighborhood housing.

Code and Ordinance Enforcement

Cities and towns throughout the Commonwealth have multiplied efforts to enforce the building and sanitary code, and zoning ordinance to prevent and eliminate code violations, property nuisances and blight. In general, the overall goal of these initiatives is to protect public safety and improve the quality of living within their neighborhoods.

The purpose of these programs is to provide a systematic and predictable approach to meet public interests embodied in the ordinances and codes.

It has been pointed out by members of the Bridge Street Neck community who attended public meetings as part of this planning process that some properties lack in maintenance and repair, are occupied by vacant and dilapidated buildings or are used for junk storage.

Communities such as Worcester, Springfield, and Yarmouth have reinvigorated their efforts to prevent and penalize this type of code violations that detract from a neighborhood’s physical appearance and collective image. Some interesting ideas that can be drawn from the experience of these communities and may be applicable to the City of Salem, including the Bridge Street Neck neighborhood, are the following:

- Together with a Problem Properties Resolution Team, the City of Worcester established a “Clean Team” in 2007, comprised of neighborhood groups, community organizations, residents, business owners and youth groups to carry out community clean-ups throughout the city.
- The City of Springfield maintains a web page where anyone could report a code violation and check to see if a violation has already been reported before. Check boxes help in defining the type of complaint. Provision of contact information is voluntary.
- The Town of Yarmouth has formed an Impact Team of inspectors and safety personnel to address problems of building code and zoning violations, junk storage, unsanitary conditions and noisy parties that were subject of complaints.

Action Plan

Table 4 in the following pages lists the available programs, tools and mechanisms that could be applied to the implementation of this plan, and a proposed timeframe for completion.

Table 4. Action Plan

<i>Concept/Strategy</i>	<i>Recommendations</i>	<i>Implementation</i>	<i>Implementing Parties (Bold Indicates Lead Organization)</i>	<i>Existing Programs/Potentially Available Resources</i>	<i>Timeframe / Phasing</i>
HOUSING REVITALIZATION					
Stabilize the local housing market through a coordinated property owner assistance and marketing effort	<ul style="list-style-type: none"> • Assist homeowners at risk of foreclosure • Assist new owners in rehabilitating foreclosed properties 	<ul style="list-style-type: none"> • Orchestrate a multipronged effort to assist homeowners at risk of foreclosure and attract new resident owners • Help at-risk residents to seek loan modifications • Focus information and enhance outreach within the community to identify opportunities such as homeowner assistance programs (e.g. North Shore Community Action Program, MassHousing purchase and rehabilitation loans for eligible families) • Provide access and education regarding City and state sponsored homeownership and home rehabilitation programs 	<ul style="list-style-type: none"> • Salem Department of Planning and Community Development (DPCD) • Mayor's Office/ Salem Problem Properties Team • Local lenders 	<ul style="list-style-type: none"> • The Massachusetts Housing Partnership (MHP) Enhanced Soft Second Program • MassHousing Purchase and Rehabilitation Loan Program • Making Home Affordable Program • North Shore American Dream Down Payment Initiative • Historic Preservation Tax Credits 	Immediate Action
Support a healthy real estate market that has a diverse mix of housing prices, housing types and low vacancies	<ul style="list-style-type: none"> • Attract new residents to available housing 	<ul style="list-style-type: none"> • Market the neighborhood as an opportunity for first-time buyers • Coordinate marketing efforts to bring new buyers, lenders and partners 	<ul style="list-style-type: none"> • DPCD • MHP • Local realtors 	<ul style="list-style-type: none"> • "Buy Worcester NOW" (example) • MassHousing MI Plus Program • First Time Homebuyer Program 	Short Term (1 to 2 years)

Table 4. Action Plan (Continued)

<i>Concept/Strategy</i>	<i>Recommendations</i>	<i>Implementation</i>	<i>Implementing Parties (Bold Indicates Lead Organization)</i>	<i>Existing Programs/Potentially Available Resources</i>	<i>Timeframe / Phasing</i>
HOUSING REVITALIZATION					
Support the development of neighborhood-scale new housing	<ul style="list-style-type: none"> • Support the development of low-rise multi-family/infill housing (2 to 3 stories) • Allow the conversion from commercial to residential use in appropriate locations 	<ul style="list-style-type: none"> • Undertake zoning and regulatory changes to allow mixed use and residential development along Bridge Street (e.g. change zoning from B4 to B1 district) • Consider special zoning strategies to promote appropriate and economically beneficial redevelopment (e.g. contract zoning, zoning overlay district) 	<ul style="list-style-type: none"> • DPCD • Property owners 		Short Term (1 to 2 years)
Reduce unsightly housing conditions that impact the overall appearance of the neighborhood	<ul style="list-style-type: none"> • Improve deteriorated properties 	<ul style="list-style-type: none"> • Work with property owners to seek grants, financial assistance when possible • Set up programs to help renovate foreclosed property • Undertake additional, focused code enforcement 	<ul style="list-style-type: none"> • Mayor's Office/ Problem Properties Team • DPCD 	<ul style="list-style-type: none"> • MHP Enhanced Soft Second Program • MassHousing Purchase and Rehabilitation Loan Program • Massachusetts Foreclosed Properties Program • Salem Housing Rehabilitation Program 	Immediate Action

Table 4. Action Plan (Continued)

<i>Concept/Strategy</i>	<i>Recommendations</i>	<i>Implementation</i>	<i>Implementing Parties (Bold Indicates Lead Organization)</i>	<i>Existing Programs/Potentially Available Resources</i>	<i>Timeframe / Phasing</i>
COMMERCIAL REVITALIZATION					
Promote the improvement and commercial redevelopment of sites with location advantages such as visibility, size and proximity to the water	<ul style="list-style-type: none"> • Support enhanced business and restaurant clusters along the waterfront • Promote additional hospitality uses (hotel/motel/bed & breakfast) • Enhance waterfront access and amenities 	<ul style="list-style-type: none"> • Work with business owners to identify potential for improvements and need for technical/financial assistance • Promote shared strategy for marketing, waterfront amenities • Work with business/property owners to provide public access along the water • Create partnership for funding and building 1st phase of walkway along waterfront (from planned park at the end of Bridge Street to the 99 restaurant) 	<ul style="list-style-type: none"> • DPCD and Salem Chamber of Commerce • Business owners 	<ul style="list-style-type: none"> • Business Loan Program • Storefront Improvement Program 	Mid-Term (3 to 5 years)
Enhance the attractiveness and success of the waterfront area through new investment in a cluster of restaurants and destination uses	<ul style="list-style-type: none"> • Create a focused redevelopment strategy suited to this tightly constrained area • Coordinate public access and use of the new park and waterfront edge 	<ul style="list-style-type: none"> • Create special zoning or other regulatory tools and processes to encourage redevelopment • Work with property owners to promote reinvestment • Work with property owners to create and implement a shared parking strategy 	<ul style="list-style-type: none"> • DPCD • Business/property owners • National Grid 	<ul style="list-style-type: none"> • Business Loan Program • Storefront Improvement Program 	Mid-Term (3 to 5 years)

Table 4. Action Plan (Continued)

<i>Concept/Strategy</i>	<i>Recommendations</i>	<i>Implementation</i>	<i>Implementing Parties (Bold Indicates Lead Organization)</i>	<i>Existing Programs/Potentially Available Resources</i>	<i>Timeframe / Phasing</i>
COMMERCIAL REVITALIZATION					
Improve the appearance of existing business properties	<ul style="list-style-type: none"> • Undertake façade improvement • Improve signage • Improve landscaping of parking lots 	<ul style="list-style-type: none"> • Allow a certain degree of flexibility in the application of the existing <i>Commercial Design Guidelines</i>, in order to promote redevelopment that is beneficial • Consider updating the design guidelines to incorporate guidance on the use of innovative materials and technologies (e.g. LED signs) • Reach out and work with interested property owners to achieve individual business results • Undertake additional code enforcement activities • Undertake outreach to educate business owners about existing programs 	<ul style="list-style-type: none"> • DPCD • Business/property owners • Local lenders 	<ul style="list-style-type: none"> • Business Loan Program • Storefront Improvement Program 	Short Term (1 to 2 years)

Table 4. Action Plan (Continued)

<i>Concept/Strategy</i>	<i>Recommendations</i>	<i>Implementation</i>	<i>Implementing Parties (Bold Indicates Lead Organization)</i>	<i>Existing Programs/Potentially Available Resources</i>	<i>Timeframe / Phasing</i>
COMMERCIAL REVITALIZATION					
Attract new small businesses and reinvestment in existing business properties	<ul style="list-style-type: none"> Promote new small businesses and reinvestment for neighborhood-compatible businesses 	<ul style="list-style-type: none"> Create a promotional program for leasing and reinvestment by organizing collaborations among property owners and the commercial brokerage community Work with local property owners and technical assistance/business development programs to attract new businesses Assess the conformability of existing business properties and adjust zoning if needed to support viable businesses 	<ul style="list-style-type: none"> Salem Chamber of Commerce DPCD Business/property owners Local lenders 	<ul style="list-style-type: none"> Business Loan Program Salem State College Small Business Development Center (SBDC) Salem State College Enterprise Center North Shore Workforce Investment Board U.S. Small Business Administration programs 	Short Term (1 to 2 years)

Table 4. Action Plan (Continued)

<i>Concept/Strategy</i>	<i>Recommendations</i>	<i>Implementation</i>	<i>Implementing Parties (Bold Indicates Lead Organization)</i>	<i>Existing Programs/Potentially Available Resources</i>	<i>Timeframe / Phasing</i>
COMMERCIAL REVITALIZATION					
Provide adequate and convenient parking for commercial uses	<ul style="list-style-type: none"> • Protect and enhance the parking supply on- and off-street • Support the creation of shared and convenient parking 	<ul style="list-style-type: none"> • Manage on street parking along Bridge Street to ensure availability of convenient parking for business customers • Initiate conversations with business owners and utility companies to identify opportunities for new parking locations • If agreement is reached, establish partnership to initiate technical parking studies and a shared parking strategy • Support shared parking solutions through zoning 	<ul style="list-style-type: none"> • DPCD • Salem Parking Department • Business/property owners 		Mid-Term (3 to 5 years)
Enhance amenities to attract visitors to the Bridge Street Neck area	<ul style="list-style-type: none"> • Enhance waterfront access and activities, including provisions for transient boat access • Promote the organization of summer festivals, program activities at the new park 	<ul style="list-style-type: none"> • Undertake feasibility study for enhanced waterfront access and recreational programming • Undertake feasibility study for boat access • Seek additional public funding of waterfront access and amenities • Work with neighborhood businesses and residents to organize program of activities 	<ul style="list-style-type: none"> • DPCD • Salem Chamber of Commerce • Business/property owners • Local residents 		Mid-Term (3 to 5 years)

Table 4. Action Plan (Continued)

<i>Concept/Strategy</i>	<i>Recommendations</i>	<i>Implementation</i>	<i>Implementing Parties (Bold Indicates Lead Organization)</i>	<i>Existing Programs/Potentially Available Resources</i>	<i>Timeframe / Phasing</i>
COMMERCIAL REVITALIZATION					
Enhance commercial identity and wayfinding	<ul style="list-style-type: none"> • Complement the existing wayfinding signage along the Bypass road (Route 1A) • Provide identification and informational signage 	<ul style="list-style-type: none"> • Complement the existing wayfinding signage at the intersection of Bridge Street and the Bypass Road (in front of the Old Salem Jail) with signs directing to the Bridge Street businesses for vehicles leaving Downtown Salem • Provide identification and informational signage at selected key locations 	<ul style="list-style-type: none"> • DPCD • Salem Chamber of Commerce • Massachusetts Highway Department (Mass Highway) • Business/property owners 	<ul style="list-style-type: none"> • Bridge Street reconstruction process 	Mid-Term (3 to 5 years)
Promote and facilitate neighborhood business stewardship	<ul style="list-style-type: none"> • Promote the continued existence of a neighborhood business association or working committee that incorporates local businesses and property owners 	<ul style="list-style-type: none"> • Continue working with local residents and business owners building upon the Working Group interaction generated during this planning process 	<ul style="list-style-type: none"> • Salem Chamber of Commerce • Business/property owners • Ward II Social Club 		Immediate Action

Table 4. Action Plan (Continued)

<i>Concept/Strategy</i>	<i>Recommendations</i>	<i>Implementation</i>	<i>Implementing Parties (Bold Indicates Lead Organization)</i>	<i>Existing Programs/Potentially Available Resources</i>	<i>Timeframe / Phasing</i>
COMMERCIAL REVITALIZATION					
Work with businesses that could benefit from moving from less compatible to more compatible sites	<ul style="list-style-type: none"> Promote and enable business relocation and site reorganization 	<ul style="list-style-type: none"> Meet with property owners/businesses to consider opportunities and options Investigate mechanisms for technical/financial assistance and zoning incentives Investigate potential sites for business relocation within Salem Undertake zoning and regulatory changes to promote feasible redevelopment when market conditions allow 	<ul style="list-style-type: none"> DPCD Business/property owners 		Short Term (1 to 2 years)

Table 4. Action Plan (Continued)

<i>Concept/Strategy</i>	<i>Recommendations</i>	<i>Implementation</i>	<i>Implementing Parties (Bold Indicates Lead Organization)</i>	<i>Existing Programs/Potentially Available Resources</i>	<i>Timeframe / Phasing</i>
NEIGHBORHOOD IMPROVEMENTS					
Expand streetscape improvements along side streets, once the Bridge Street improvements are completed	<ul style="list-style-type: none"> • Provide for sidewalk improvements and landscaping where possible • Connect improved sidewalks to waterfront, shared path and open space network 	<ul style="list-style-type: none"> • Seek and secure additional public funding and target local improvements in a strategic, step-by-step improvement program • Improve sidewalk conditions throughout the neighborhood 	<ul style="list-style-type: none"> • DPCD • Salem Department of Public Works (DPW) 	<ul style="list-style-type: none"> • Chapter 90 funding 	Mid-Term (3 to 5 years)
Expand and improve open space connections and amenities	<ul style="list-style-type: none"> • Expand and improve open space along the water • Promote the creation of open space connections through new development 	<ul style="list-style-type: none"> • Consider the provision of bonus incentives through zoning in exchange for the creation of open space and public amenities • Seek and secure additional public funding if any sources become available in the future 	<ul style="list-style-type: none"> • DPCD • DPW 		Mid-Term (3 to 5 years)

Table 4. Action Plan (Continued)

<i>Concept/Strategy</i>	<i>Recommendations</i>	<i>Implementation</i>	<i>Implementing Parties (Bold Indicates Lead Organization)</i>	<i>Existing Programs/Potentially Available Resources</i>	<i>Timeframe / Phasing</i>
NEIGHBORHOOD IMPROVEMENTS					
Extend pedestrian and bicycle access	<ul style="list-style-type: none"> • Extend pedestrian and bicycle access along the waterfront • Extend pedestrian and bicycle access through potential new development • Seek opportunities to generate a network of interconnected bike paths/shared paths, building upon the planned extension of the bike path along Route 1A 	<ul style="list-style-type: none"> • Initiate feasibility studies to provide for public use and access where there are opportunities associated with zoning, Chapter 91 regulations or other methods • Study feasibility to extend the existing bicycle path from Webb Street north to Collins Cove Park, and to the planned park and open space at the end of Bridge Street • Improve signage and markings for the dedicated pedestrian and bicycle paths • Seek and secure additional public funding if any sources become available in the future 	<ul style="list-style-type: none"> • DPCD • DPW • Bike Path Committee 	<ul style="list-style-type: none"> • Chapter 90 funding 	Mid-Term (3 to 5 years)
Promote neighborhood stewardship	<ul style="list-style-type: none"> • Establish a stewardship and leadership group through the participation of area residents, and create programs and activities at a neighborhood scale 	<ul style="list-style-type: none"> • Build upon Working Group interaction generated during this planning process by convening a meeting of interested parties, and identifying leadership to move the stewardship effort forward 	<ul style="list-style-type: none"> • Salem Bridge Street Neck Working Group • Local residents and business/property owners 		Immediate Action

Table 4. Action Plan (Continued)

<i>Concept/Strategy</i>	<i>Recommendations</i>	<i>Implementation</i>	<i>Implementing Parties (Bold Indicates Lead Organization)</i>	<i>Existing Programs/Potentially Available Resources</i>	<i>Timeframe / Phasing</i>
POTENTIAL REDEVELOPMENT SITES					
Support new development and renovations at key locations which have opportunities for change because of their size, location, potential value and relationship to the surrounding neighborhood	<ul style="list-style-type: none"> • Waterfront restaurant cluster • Brake & Clutch site • Clipper Ship Inn • Former plumbing facilities 	<ul style="list-style-type: none"> • Work with business/property owners to achieve shared goals and mutual benefits • Work with non-profit development corporations to procure the redevelopment of small vacant parcels for affordable housing 	<ul style="list-style-type: none"> • DPCD • Business/property owners • Salem Harbor Community Development Corporation (CDC) 		Market Driven

Assessment of Existing Conditions

The sections contained in this Appendix describe the existing economic and physical conditions in the Bridge Street Neck neighborhood, and advance an assessment of opportunities and constraints, strengths and weaknesses.

The Bridge Street Neck neighborhood is a long-established community located on a narrow neck of land that projects north of downtown Salem into Beverly Harbor. Historically, this is one of the oldest settlements in the area, growing as an extension of the old Salem downtown and along the main road that connects to Beverly. Bridge Street as its name indicates leads to the site of the old bridge that used to connect across the harbor, and constitutes the neighborhood main vehicular and commercial spine.

The makeup of the neighborhood includes a large residential component, mainly consisting of single- and two-family homes. There are approximately 1,200 households in the Bridge Street Neck neighborhood, densely grouped in a village type of setting. Residential streets branch out of Bridge Street towards the water, allowing for water views in many places. Other amenities that enhance the neighborhood character include recreational open space along the water, a new bike path built in conjunction with the Bypass road, walking access to downtown Salem and Collins Cove, and proximity to the Salem commuter rail station. As the assessment of housing conditions and trends describes in more detail in the sections that follow, the neighborhood has been able to maintain a close-knit group of long-time residents while at the same time attracting young families and young professionals during the last few years.

Planning Area Boundaries

The planning area for this study comprises the entire Bridge Street Neck north of Webb Street. South of Webb Street, all the properties located west of Bridge Street to the water are included as well as properties with frontage on both sides of Bridge Street (shown in *Figure A1*). The planning area boundaries are represented by the North River, Beverly Harbor and Collins Cove to the east, north, and west respectively; and the rear property line of properties along Bridge Street to the Washington Street intersection, to the south.

The existing commercial properties along Bridge Street represent a special area of focus for the economic analysis and revitalization plan. *Figure A1* also represents the location and boundaries of the Focus Area with a separate outline.

Market Analysis

This area sits within two census tracts, but for this study data was used which allows customized districts to be drawn including only the planning area. Where the areas overlap for past data, the estimates use pro-rata shares; for projections, the trends from the preceding years are used as a barometer for future years.



Population

Historically population and household trends have driven residential and commercial development. Salem's population grew at a very strong rate between 1990 and 2000, an approximate growth of 7%. This growth slowed between 2000 and 2008 and is projected to slow even more between 2008 and 2013.

The Bridge Street Neck neighborhood grew very little in population between 1990 and 2000, less than 1%. However, the Bridge Street Neck population grew to an estimated number of 2,500 in 2008, on pace with rest of Salem in the 2000-2008 period at 4%. The projection of growth is very strong through 2013. The expectation for strong population growth for this period is based on the Salem Station development and the growth potential at the jail site.

The population trends show that people are slightly younger in the Bridge Street Neck neighborhood with a larger contingent of 25-34 and 34-44 year olds than the remainder of Salem. The neighborhood also has approximately 10% more 1 and 2 person households than the balance of the City. Educational attainment tilted more toward college diploma and higher attainment than the rest of Salem.

Median Household Income

Salem's median household income was approximately \$44,000 in 2000, \$58,000 in 2008, and is projected to be \$72,863 in 2013. The City's median income is growing at a rate of 4% which represents solid income growth, in relation to the consumer price index which is approximately 2%. However, it also represents approximately 10% less than county and state median income.

In the Bridge Street Neck neighborhood, median household income grew at a slightly higher percentage between 1990 and 2000. It is expected to be approximately the same or a little higher than the rest of Salem going forward. However, the mix of incomes is very close to the rest of Salem. This demographic information can be reviewed in greater detail in *Table A1* located on the next page.

Table A1. Demographic Indicators

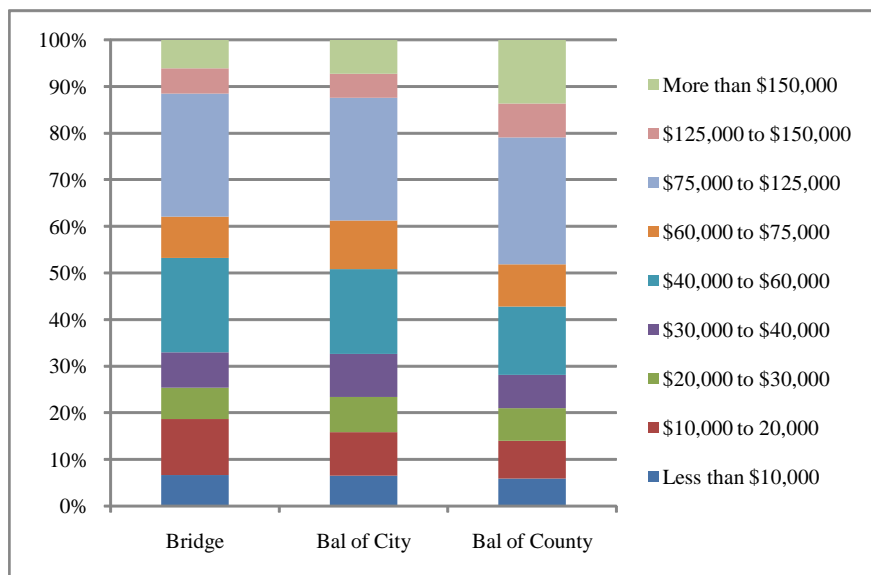
General Demographics

	Demographic Comparison				Avg. Ann. Change		
	1990	2000	2008	2013	1990-2000	2000-2008	2008-2013
Bridge Street Ngh							
Population	2,331	2,296	2,456	2,510	-0.15%	0.87%	0.44%
Households	947	1,065	1,162	1,194	1.25%	1.14%	0.55%
Median Household Income	\$31,125	\$42,860	\$56,735	\$70,594	3.77%	4.05%	4.89%
Balance of Salem							
Population	35,810	38,111	38,952	39,383	0.64%	0.28%	0.22%
Households	14,878	16,427	16,823	17,049	1.04%	0.30%	0.27%
Median Household Income	\$32,661	\$44,074	\$58,675	\$72,863	3.49%	4.14%	4.84%
Balance of County							
Population	631,939	683,012	709,973	722,198	0.81%	0.49%	0.34%
Households	235,460	257,927	267,293	272,089	0.95%	0.45%	0.36%
Median Household Income	\$37,913	\$51,763	\$70,408	\$82,996	3.65%	4.50%	3.58%
Balance of MSA							
Population	3,463,815	3,667,925	3,763,955	3,814,831	0.59%	0.33%	0.27%
Households	1,287,767	1,404,240	1,452,105	1,477,051	0.90%	0.43%	0.34%
Median Household Income	\$39,967	\$54,590	\$75,949	\$89,747	3.66%	4.89%	3.63%
Massachusetts Total							
Population	6,016,425	6,349,097	6,518,184	6,605,384	0.55%	0.33%	0.27%
Households	2,247,110	2,443,580	2,523,144	2,565,022	0.87%	0.41%	0.33%
Median Household Income	\$36,952	\$50,539	\$68,176	\$81,824	3.68%	4.36%	4.00%

Source: STDB Online

Table A1. Demographic Indicators (Continued)

Households by Annual Income

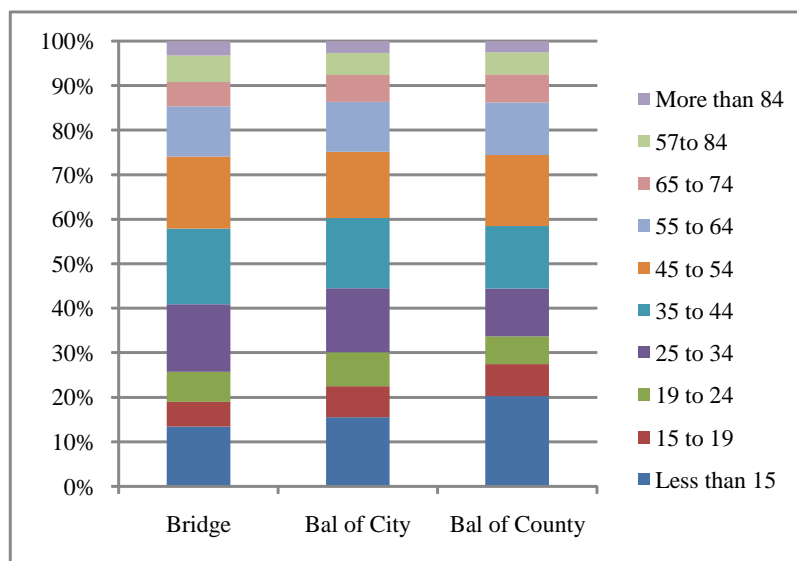


<u>Income Level</u>	<u>Annual Income 2008</u>		
	<u>Bridge St. Ngh</u>	<u>Bal. Of City</u>	<u>Bal. Of County</u>
Less than \$10,000	77	1,096	15,730
\$10,000 to \$14,999	68	744	10,430
\$15,000 to \$19,999	72	825	11,204
\$20,000 to \$24,999	42	563	8,839
\$25,000 to \$29,999	36	704	9,855
\$30,000 to \$34,999	45	778	9,979
\$35,000 to \$39,999	44	784	9,062
\$40,000 to \$49,999	103	1,681	19,807
\$50,000 to \$59,999	132	1,370	19,449
\$60,000 to \$74,999	103	1,753	24,178
\$75,000 to \$99,999	219	2,450	37,884
\$100,000 to \$124,999	88	1,987	34,890
\$125,000 to \$149,999	63	865	19,435
More than \$150,000	71	1,222	36,551
TOTAL	1,163	16,822	267,293

Source: STDB Online

Table A1. Demographic Indicators (Continued)

Population by Age

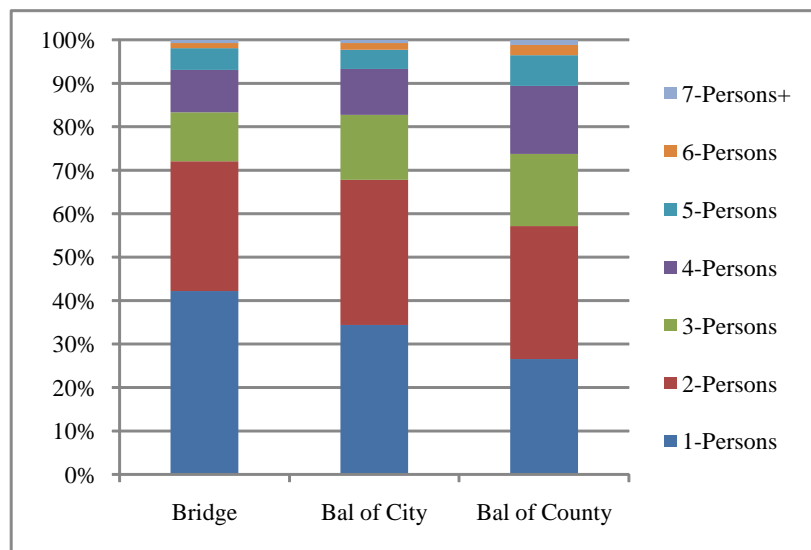


Age of Resident	Population by Age, 2008		
	Bridge St. Ngh	Bal. Of City	Bal. Of County
Less than 15	331	6,378	143,202
15 to 19	136	2,868	51,240
19 to 24	166	3,127	44,047
25 to 34	371	5,908	75,597
35 to 44	420	6,469	100,020
45 to 54	397	6,109	112,615
55 to 64	277	4,625	83,275
65 to 74	134	2,458	44,801
57to 84	146	2,056	35,361
More than 84	80	1,079	17,688

Source: STDB Online

Table A1. Demographic Indicators (Continued)

Households by Household Size

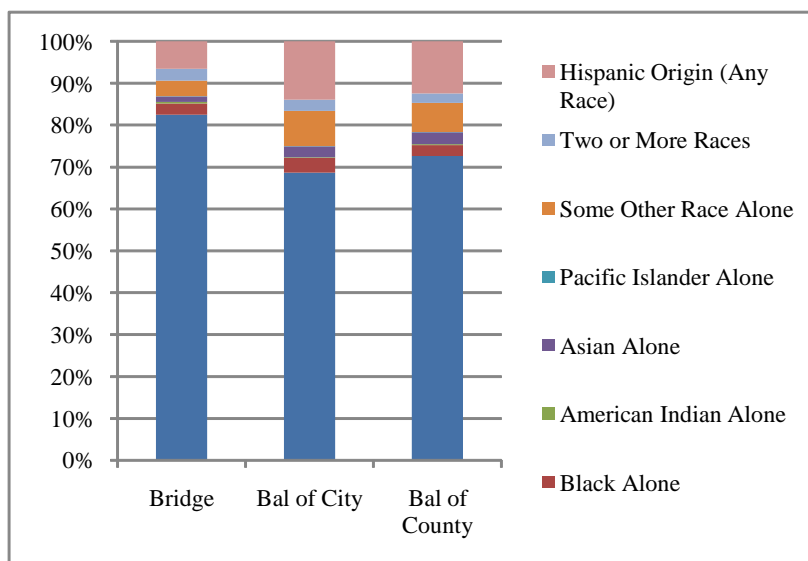


Household Size	Households by HH Size, 2000		
	Bridge St. Ngh	Bal. Of City	Bal. Of County
1-Persons	450	5,655	68,523
2-Persons	318	5,485	78,841
3-Persons	120	2,444	42,942
4-Persons	104	1,742	40,346
5-Persons	54	730	18,235
6-Persons	12	253	5,987
7-Persons+	8	117	3,053
Total	1,066	16,426	257,927

Source: STDB Online

Table A1. Demographic Indicators (Continued)

Racial Composition

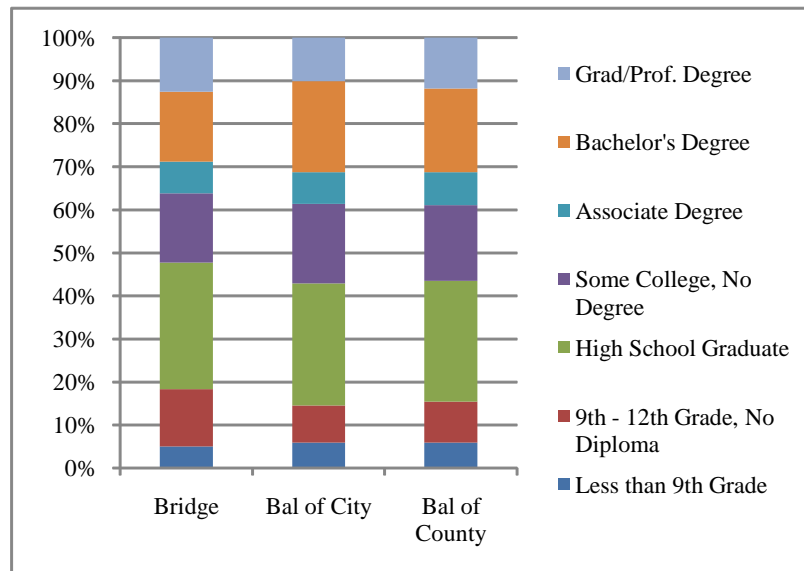


Race and Ethnicity	Racial Composition, 2008		
	Bridge St. Ngh	Bal. Of City	Bal. Of County
White Alone	2,168	31,109	588,973
Black Alone	71	1,569	20,822
American Indian Alone	10	85	1,835
Asian Alone	34	1,170	23,358
Pacific Islander Alone	1	30	328
Some Other Race Alone	98	3,781	56,522
Two or More Races	74	1,208	18,135
Hispanic Origin (Any Race)	<u>173</u>	<u>6,323</u>	<u>100,927</u>
Total	2,629	45,275	810,900

Source: STDB Online

Table A1. Demographic Indicators (Continued)

Educational Attainment



Persons 25 +, 2000		
Bridge St. Ngh	Bal. Of City	Bal. Of County

Educational Attainment

Less than 9th Grade	83	1,570	27,209
9th - 12th Grade, No Diploma	220	2,285	43,600
High School Graduate	487	7,531	128,726
Some College, No Degree	267	4,895	80,940
Associate Degree	121	1,938	35,006
Bachelor's Degree	269	5,618	89,297
Grad/Prof. Degree	<u>208</u>	<u>2,677</u>	<u>54,156</u>
Total	1,655	26,514	458,934

Source: STDB Online

Housing Conditions

The City of Salem has approximately 19,000 total residences. Of those, 6% or 1,200 units are located in the Bridge Street Neck neighborhood. The homes in the Bridge Street Neck neighborhood are mainly characterized by smaller single family and two family detached homes.

The housing in the Bridge Street Neck neighborhood is older than the housing in the City at large with 55% of the units built before pre-1940, compared with 40% for the rest of the City. The new Salem Station development was built in 2002 and is the largest newest development. There is a slightly higher rate of vacancy among units in the Bridge Street Neck neighborhood at approximately 7% versus the City average of 4%. There also is a slightly higher percent of owner occupied housing than the City; the neighborhood's owner occupied/rental housing ratio is 53/48 while the City's ratio is 54/46.

Rental Market

A profile of the market rents in Salem was reviewed for analysis. For three prominent rental properties in the market, rents are approximately \$1,000-\$1,400 for a 1 bedroom and \$1,600 for a 2 bedroom unit. These properties are in high demand and have an average vacancy rate of less than 5%.

As these comparables command the highest rents in the area and are in new or significantly rehabilitated "luxury" rental housing, they represent a premium over the market for rentals in the two and three family homes that exist in the Bridge Street Neck neighborhood. Even with that premium, the market is not strong enough to support new rental development. Anecdotal evidence gathered through interviews with individuals in the planning area suggest that one and two bedroom units in multi-family residences in the Bridge Street Neck neighborhood are currently renting in the \$800-\$900 per month range. These rents are below the fair market rents of \$1,146 (1 br) and \$1,345 (2 br) determined by HUD for the Boston-Cambridge Metro Area, which includes Salem.

For-Sale Market

Housing values in Salem are clustered between \$250,000 and \$400,000. Prices made the leap to \$228,000 in 2002 and have not diminished significantly since. The upward City wide trend for single-families and condos peaked in 2005 at \$358,000 and \$275,000 respectively. This was up from \$213,000 and \$170,000 for single families and condominiums respectively in 2000. These prices have fallen to \$262,000 and \$251,000 for condos again in Jan-Mar 2009.

For Bridge Street Neck neighborhood, median prices for a single-family home in 2009 have been \$261,000 and \$231,000 for a condominium. City wide, the largest percentage of owner occupied homes is in the \$300,000 to \$399,000 range. In the Bridge Street Neck neighborhood, owner occupied homes are predominantly in the \$200,000 range. The Bridge Street Neck has a slightly larger percentage of owner occupied homes in the \$200,000 to \$250,000 range: 32% versus 15% in the rest of the City.

Market Observations

The rental and condominium market in Salem has been growing over the strong growth period of the early 2000s. During this time, Salem began to be perceived even more than before as an extension of the Boston residential market and an attractive location to young families, professionals and empty nesters, as witnessed by the strength of growth in higher end apartments and condominium sales. On the for sale side, the price points for entry level housing are very competitive in the \$250,000 to \$300,000 range when compared to Boston.

The Bridge Street Neck neighborhood stands out in this discussion because within a well priced city it represents a lower price option. It also has a relatively good location within the city, with the rental stock close to the MBTA commuter rail station, the neighborhood is well positioned to pick up new residents who like Salem but would like a well priced home instead of a rental unit.

Priority Needs and Opportunities

The residential areas of the Bridge Street Neck are like the residential areas in South Boston, East Boston, Charlestown, Somerville or Quincy in that they generally have a historical relationship with both the water and industrial and commercial uses. While these uses grew up naturally together, in the modern City they often times develop a contentious relationship with contrary objectives. Industry located in residential neighborhoods experiences widely variable levels of success. In some locations the industry and commercial uses thrive, while in others they are underutilized or vacant. In these instances the commercial uses can be perceived – rightly or wrongly – as having detrimental relationship to the residential community.

Housing Condition Analysis

This section focuses on recent and ongoing foreclosure trends within the Bridge Street Neck neighborhood and the programs and resources that may be available to control and mitigate the foreclosure impacts in the neighborhood.

Foreclosure Assessment

From January 1, 2007 to March 15, 2009 in the Bridge Street Neck neighborhood there were 21 properties in various stages of foreclosure, as reported by the Warren Group. Of these foreclosures, 16 were initial petitions to foreclose and 5 were foreclosure auctions. For this same time period, there were 182 reported foreclosures for the entire City of Salem. A description of the foreclosure properties in the Bridge Street Neck neighborhood is included in *Table A2*. The foreclosed properties are almost all owner occupied.

**Table A2. Foreclosures in Bridge Street Neck Neighborhood
January 1, 2007 to March 15, 2009**

Status	Address	Property Type	Assessed Value	Date
Petition to Foreclose	93 Bridge St, Salem, MA	Mixed Res and Com	\$445,000	1/8/2009
Foreclosure Auction	8 Milk St, Salem, MA	1-Fam Res	\$311,100	1/21/2009
Petition to Foreclose	29 Bridge St, Salem, MA	Commercial		1/29/2008
Petition to Foreclose	18 Oliver St, Salem, MA	2-Fam Res	\$369,800	2/3/2009
Petition to Foreclose	8 Hubon St, Salem, MA	1-Fam Res	\$287,600	2/15/2007
Foreclosure Auction	7 Winter St #1, Salem, MA	Condominium	\$425,700	3/4/2009
Petition to Foreclose	12 Osgood St, Salem, MA	2-Fam Res	\$321,800	4/4/2007
Foreclosure Auction	89 Bridge St, Salem, MA	2-Fam Res	\$330,000	4/28/2008
Petition to Foreclose	6 Waite St, Salem, MA	1-Fam Res	\$251,200	5/14/2008
Petition to Foreclose	131 Bridge St, Salem, MA	2-Fam Res	\$403,500	5/15/2008
Foreclosure Auction	8 Cross Street Ct, Salem, MA	1-Fam Res	\$211,800	7/1/2008
Petition to Foreclose	9 Pleasant St, Salem, MA	2-Fam Res	\$356,500	9/26/2007
Petition to Foreclose	16 Lathrop St, Salem, MA	2-Fam Res	\$302,000	10/6/2008
Petition to Foreclose	6 March St, Salem, MA	3-Fam Res	\$396,600	11/3/2008
Petition to Foreclose	13 March St #7, Salem, MA	Condominium	\$198,300	11/7/2008
Petition to Foreclose	116 Bridge St, Salem, MA	3-Fam Res	\$443,600	11/10/2008
Petition to Foreclose	22 Lathrop St, Salem, MA	1-Fam Res	\$243,300	11/26/2008
Petition to Foreclose	25 Planters St, Salem, MA	1-Fam Res	\$228,900	12/3/2008
Petition to Foreclose	6 Pierce Ave, Salem, MA	1-Fam Res	\$268,300	1/7/2009
Petition to Foreclose	25 Horton St, Salem, MA	1-Fam Res	\$332,700	12/11/2008
Foreclosure Auction	26 Cross Street, Salem, MA	2-Fam Res	\$368,000	7/31/2008

Source: Warren Group

Note of clarification: This information was collected at one point in time-early April, 2009. Some properties may have gone in and out of the foreclosure process prior to this date or after this date. This data base service does not collect information on short sales, another indicator of distressed sales.

The 21 Bridge Street Neck neighborhood foreclosures represent just over 11% of the 183 foreclosures in Salem from January 2007 to March 15, 2009 (it should be noted that 29 Bridge Street is a business, not a residential property). The Salem Bridge Street Neck neighborhood is not defined by HUD as a low and moderate income area. Also, this area has a HUD Foreclosure and Abandonment Risk Score of 5 (out of 10) with only 1 area, North Salem having a higher score of 6 on this same scale.

To put this data in a wider context, the Department of Housing and Community Development (DHCD), ranked Salem 27th out of all Massachusetts communities for the number of foreclosures in 2008. Salem's foreclosures represent .071% of all foreclosures in the Commonwealth. In contrast, foreclosures in Boston,

Springfield, Worcester and Lowell make up nearly 30% of all foreclosures in the Commonwealth.

Table A3. Foreclosures in the Bridge Street Neck neighborhood across property type

Total Foreclosures	Single Family	Condo minium	Two Family	Three Family	Multi-Family	Mixed Use	Other
21	8	2	7	2		1	1

Foreclosures are distributed across all property types. This distribution is similar to the relative distribution of different property types in the area.

The Bridge Street Neck neighborhood has a lower condominium foreclosure rate than the rest of Salem.

Trend of Foreclosures

The rate of foreclosures has been increasing across the Commonwealth and Salem is no exception. The 21 foreclosures in the Bridge Street Neck neighborhood have occurred in the following years.

Table A4. Rate of Foreclosures

2007	2008	2009 (Jan - March 15)
3	13	5

Causes of Foreclosures

A number of factors are cited for causing foreclosures:

- Borrowers assumed adjustable rate mortgages with interest rates that increased to unaffordable levels.
- With the recession, many have lost jobs and can no longer afford monthly mortgage costs.
- Lax underwriting with subprime loans let borrowers buy homes they never could afford.

It is interesting to note that not one local bank has been involved with a foreclosure in the Bridge Street Neck neighborhood. All loans that are now in foreclosure were provided by mortgage brokers and out of town lenders.

One important common observation can be made regarding the foreclosures analyzed in the Bridge Street Neck neighborhood. Many of the foreclosed properties were acquired between 2005 and 2007. 2005 was the peak time for real estate values in Salem and many other communities. Buyers who bought recently have seen their homes decline in value markedly as noted in the following sales statistics (*Table A5* on the next page).

Table A5. Median Sales Calendar Year for All Salem

Year	Month(s)	1-Family	Condo	All Sales
2009	Jan – Mar	262,550	251,250	253,750
2008	Jan – Dec	295,000	240,000	269,500
2007	Jan – Dec	315,500	250,000	294,500
2006	Jan – Dec	325,000	269,900	318,250
2005	Jan – Dec	358,450	275,000	320,000
2004	Jan – Dec	325,000	265,000	305,000

Source: Warren Group

From a peak in 2005 of \$320,000 the prices of all sales have dropped to \$253,750 as of March 2009. This is a drop of 20.7%. During this same period condominium values have held up better, only declining 8.6% while single family home values declined 26.8%.

In contrast those who have owned their homes since the year 2000 are still ahead in terms of home appreciation.

Programs to Help Individuals Dealing with Foreclosure

Local Programs

Salem has been proactive in dealing with foreclosures. The Mayor has appointed a property team that makes sure homes are boarded up, neighbors are notified and other actions are taken to provide some stability. Counseling services are provided through North Shore Community Action Program, a local center of Neighborhood of Affordable Housing (NOAH), and other organizations. Salem has a very good website listing numerous sources for foreclosure prevention and legal resources.

It is critically important that Salem and other communities try to prevent foreclosures. The personal hardship for homeowners in foreclosure is extremely high. The destabilizing impacts on communities are high as well—leading to lower property values, vandalism, reduced property taxes and, in many communities, nicks at community confidence.

Unfortunately, dealing with foreclosures has been an intractable problem. Foreclosure prevention workshops sponsored by the Commonwealth are becoming more popular. These workshops may give homeowners the opportunity to meet one-on-one with their lenders as they try to avoid losing their homes. Lenders are seemingly more engaged now and willing to make loan modifications and other arrangements to help homeowners facing foreclosure.

Lenders and homeowners have been engaging in short sales, whereby lenders agree to a sale that may not be sufficient to repay the outstanding debt. Short sales are happening in the Bridge Street Neck neighborhood and are helping to sell foreclosure threatened properties.

Federal Efforts: Housing Stimulus Package

The Federal government has a new Making Home Affordable Program which includes two programs, as described below, offering attractive financial incentives for homeowners who may face foreclosure.

- Refinancing: Many homeowners pay their mortgages on time but are not able to refinance to take advantage of today's lower mortgage rates, perhaps due to a decrease in the value of their home. Under the new Housing Stimulus Plan, the Refinance Program will help borrowers whose loans are held by Fannie Mae or Freddie Mac refinance into a more affordable mortgage.
- Modification: Many homeowners are struggling to make their monthly mortgage payments either because their interest rate has increased or they have less income. To encourage homeowners who work hard to keep their homes, the plan provides them with a financial incentive to make timely payments on their modified loans. Borrowers who pay on time for five years will have up to \$5,000 applied to reduce their principal debt on their first mortgage. There is no fee to modify a loan.

State Efforts to Assist Homeowners facing Foreclosure

MassHousing, the State's largest affordable housing lender, offers several refinancing options for homeowners that face foreclosure and meet certain underwriting requirements.

- Home Saver Foreclosure Prevention Program: Home Saver is a counseling and loan program that helps borrowers who are unable to repay their mortgage. It is a proactive step that home owners take before their mortgage becomes unaffordable, and before foreclosure becomes a real possibility.
- MyCommunity Refinance Loans: The MyCommunity Loan program allows homeowners with adjustable-rate mortgages to take a proactive step toward stability before their loan becomes a burden.

Program Help for the Bridge Street Neck Neighborhood

The programs described above may help individuals dealing with foreclosure. At the same time, programs are needed for the neighborhood to deal with the impacts of foreclosed properties and to give the neighborhood a boost.

The Salem Planning and Community Department offers a number of programs that can assist residents dealing with foreclosure and also help the neighborhood with renovation programs, first time homebuyer assistance and other forms of support.

Table A6. Summary of Salem Housing Funding Proposed 2010

Housing Rehabilitation Loan Program (FY10 CDBG funds)	\$105,000
First Time Homebuyer Loan Program (FY10 CDBG funds)	\$50,000
Rental Assistance Program	\$99,000
Community Support Services (CDBG) -For homeless prevention, homebuyer training	\$48,750
Approximate Total	\$303,000

One of the more positive programs Salem offers is the North Shore American Dream Down Payment Initiative. First time homebuyers (with incomes less than 80% area median income) can receive 6% of the property's purchase price, up to \$10,000 in down payment assistance as a loan which is forgiven after 10 years. In a separate program, the City of Salem provides matching funds up to \$7,500.

Federal / State Efforts to Support Neighborhoods with High Numbers of Foreclosures

- Neighborhood Stabilization Program (NSP): The Federal government is providing funding to the Commonwealth of Massachusetts for programs to assist areas that have been impacted by foreclosure. These programs provide little relief to homeowners facing foreclosure. Funds are targeted for new owners, often owner occupants to assist them in purchasing and renovating foreclosed properties.

Of the 39 eligible Massachusetts communities, Salem ranks 27th and the Bridge Street Neck neighborhood (census tract 204500) is one of the 10 eligible census tracts in Salem. \$54 million has been allocated to the Department of Housing and Community Development with \$8.6 million going directly to Boston, Brockton, Springfield and Worcester. The balance of \$43.5 million is going to the remaining 35 communities but only the top 17 communities (not Salem) will be eligible for acquisition and rehabilitation assistance of \$15.4 million.

- Soft Second Enhanced Program for Foreclosed Properties in Hard-hit Areas: This program, offered by the Mass Housing Partnership, is designed for homebuyers buying foreclosed properties. In the federal designated NSP 39 communities, the first time homebuyer requirement is waived and the income limits are set under 120% of area median income (versus 80%). The enhanced soft second program offers attractive interest rates—now as low as 3.5%. This program is available and could possibly be combined with rehabilitation grants from other sources such as Salem's homeowner rehabilitation program.
- Purchase/Rehabilitation Loans for Income Eligible Families: MassHousing, the State's Housing Finance Agency (HFA), is making rehabilitation grants available to income-eligible households (up to 120% of area median income) and first time homebuyers for the purchase and rehabilitation of foreclosed properties. This would be a very good program to target to foreclosed properties in the Bridge Street Neck neighborhood. These loans include funds for renovation and have lower interest rates. City rehab program funds could possibly be coupled with these loans.

All the above NSP funds should be targeted to the identified foreclosed properties listed in *Table A2*. There are undoubtedly other properties that may qualify as well, having been foreclosed upon more recently than the date of these records, March 2009, or prior to January 1, 2007.

CHAPA's Foreclosed Properties Clearinghouse Program

The City is working with Citizens' Housing and Planning Association (CHAPA) through its Massachusetts Foreclosed Properties Program to facilitate the disposition of real estate owned properties (REO) to non-profit organizations, local

housing authorities and agencies, municipalities, private owners, owner-occupants, and other purchasers. There are five approved “qualified purchasers” for Salem:

- Salem Harbor CDC
- Harborlight
- Beverly Affordable Housing Coalition
- Planning Office for Urban Affairs
- Citizens for Adequate Housing

Commercial Assessment

Commercial Market Status and Trends

Recent History- Traffic and the New Bypass Road

Until August 2008, Bridge Street was an integral part of Route 1A, a scenic tourist and commuter road that runs through Boston up the northern coast of Massachusetts. At the local level, Route 1A directly connects the City of Salem and its southern neighbors Swampscott and Lynn, to Wenham and Essex and by other routes connects these cities and towns to the coastal scenic towns of Manchester-by-the-Sea and Gloucester via the town of Beverly.

Prior to August 2008 tourist traffic traveling up route 1A had to pass through the Bridge Street Neck neighborhood commercial district to continue over the bridge and up or down the coast. Over the years, the section of Bridge Street that runs through the Bridge Street Neck neighborhood became notorious for heavy traffic and travel delays at all hours of the day. The commercial section of the Bridge Street Neck grew up around this well-established traffic pattern and became dependent on these tourists and commuters to support their thriving businesses.

In August 2008 a new bridge and Bypass road opened in order to alleviate the bottleneck traffic on Bridge Street. This bypass connects Route 1A in Beverly directly to downtown Salem along the western coast of the Bridge Street Neck neighborhood with limited access road- entries located only at either end. The highway signage that was installed at the entrances to the Bypass road gives no indication that Bridge Street is an alternative route to or from downtown Salem. While Bridge Street is still listed on maps as Route 1A, tourist traffic from the north is likely to take the direct route via the Bypass and commuter traffic will typically opt for this faster route as well.

Impact of Traffic Reduction on the Bridge Street Neck Commercial District

During the first few weeks of the Bypass opening, traffic on Bridge Street was almost completely absent as local commuters tried out the new road, and tourists were directed to the new road. Now the traffic has evened out and traffic is split between the two roads, so the heavy traffic problem has been alleviated.

However, lesser traffic has also affected the local businesses by decreasing their visibility. It is also important to acknowledge the likely negative impacts on the commercial area due to the current economic downturn. Interviews with business owners on Bridge Street indicate that businesses dependent on tourist traffic have lost significant sales over last year (approximately 6 businesses depend on tourist traffic). On the other hand, businesses with a loyal customer base have remained

stable over last year because their customers no longer need to wait in heavy traffic to get to Bridge Street. These businesses have expressed concern, however, that new customers are no longer being drawn to the area. Today the primary visitors to the Bridge Street Neck neighborhood are residents, customers visiting a specific retail or business enterprise, and commuters already familiar with the road.

Characteristics of the Bridge Street Commercial District - Three Zones

The Bridge Street Neck commercial district is a neighborhood retail district with three general zones and characters:

- The southern end closest to downtown, south of Lathrop and Skerry Streets, is characterized by mixed-use buildings, a combination of retail and upper floor residential, which transitions to purely residential south of Webb Street at the end of the Bridge Street Neck neighborhood. This end of Bridge Street benefits from the positive influence of the well maintained historic houses along Webb Street that continue toward Salem Common.
- The second zone, in the middle of the peninsula between Lathrop and Planters Streets, is where the street transitions into larger parcels and more automotive and boat oriented businesses. It also contains less dense residential buildings and small retail shops. This middle stretch has a more ambiguous identity and amorphous streetscape than the southern end. It also contains the largest number of vacant properties along Bridge Street.
- The third zone, north of Planters and Rice Streets, is characterized by larger parcels, some popular destination restaurants, and the Clipper Ship Inn. This zone connects directly to the new bridge to Beverly. Some of the restaurants on the eastern side of the street provide nice views of the water; however there is also a large gas tank and prominent electrical cables that cross this end of the Bridge Street Neck neighborhood. The entrance to the old bridge is currently cordoned off, but is slated to be revitalized as a public park on the water.

A survey of the properties along Bridge Street was conducted by going building to building, identifying uses for buildings with retail frontage and using the City's GIS website to gather data on the floor area of the different buildings, assuming that leasable floor area is approximately 15% of gross floor area.

Using this approach, an estimate of approximately 150,000 sf of space dedicated to 1st floor commercial uses was established. The median space was approximately 3,564 sf. The tenants and buildings are listed in *Table A7*.

Table A7: Bridge Street Neck Neighborhood Revitalization

Commercial Property

Address	Store Name	Story	Total Gross Sq. Ft.	Useable Sq. Ft. 85%
2 Bridge Street	Black Lobster	1	4,222	3,589
3-5 Bridge Street	Bridge Street Market	1	2,095	1,781
9 Bridge Street	Bill & Bobs	1	3,564	3,029
15 Bridge Street	99 Restaurant	1	13,536	11,506
18 Bridge Street 3-11 Hubron Street		2	4,174	3,548
26-30 Bridge Street	Cosgroves Liquors	1	4,261	3,622
31-31A Bridge Street	Dunkin Donuts & Realtor	1	4,394	3,735
33 Bridge Street	Clucky Wings/ Dinatas Pizza	1	2,662	2,263
34 Bridge Street	Spinale Auto	1	1,452	1,234
41 Bridge Street	Auto Repair	1	1,556	1,323
40 Bridge Street	Clippership Inn	1	11,670	9,920
40 Bridge Street	Clippership Inn 2nd Building	1	11,578	9,841
35 Bridge Street	Pegasus Auto	1	10,931	9,291
38 1/2 Bridge Street	Tanning 2nd Floor		1,527	1,298
39 Bridge Street	Auto	1	8,155	6,932
44 Bridge Street	Tanny 1st Floor		1,202	1,022
45 Bridge Street	antiques	1	2,078	1,766
53 Bridge Street	Aqua Hair & Joe's Hair	1	3,350	2,848
59 Bridge Street	Sign Painting, Construction	1	1,403	1,193
56-54 Bridge Street	J&W Marine Boat Sales	1	3,154	2,681
64 Bridge Street	Multiple Office	2.5	5,085	4,322
63 Bridge Street	Salem Brake & Clutch	1	16,978	14,431
65A Bridge Street	Salem Brake & Clutch	1	1,425	1,211
69-67 Bridge Street	Saws	2.5	6,883	5,850
77 Bridge Street	Boats and Nautical Gifts	2	18,806	15,985
81 Bridge Street	Cycle Parts	2.5	4,825	4,101
85 Bridge Street	Pulmonary Services	2	4,304	3,658
87 Bridge Street	Computer Repair		1,906	1,620
94 Bridge Street	Mobile Gas Station	1	2,921	2,483
96 Bridge Street	Coffee Time	1	2,391	2,032
99-97 Bridge Street	Stacia's Restaurant		1,164	989
109 Bridge Street	Liquor & Minimart	1.5	4,193	3,564
107 Bridge Street	Salem Used Furn. & Stereo Repair		2,225	1,891
106 Bridge Street	Magic Muffler	1	4,363	3,709
1 Pleasant Street	Commercial	2	1,970	1,675
TOTAL			176,402	149,942
		Median	3,564	

Current Residential-Retail Mix

Following a similar approach to the calculations of commercial areas, calculations of residential space along Bridge Street (179,000 sf) and vacant commercial space along Bridge Street, which is estimated to be (17,000 or 11%) were made. These data support the interview findings that there is a balance between retail and residential uses that have traditionally existed in the Bridge Street Neck neighborhood, and that the retail/commercial elements of the balance may be declining.

Apart from Bridge Street, the side streets in the Bridge Street Neck are primarily residential. The neighborhood is small, and being surrounded by water, with mostly small built-out lots, it doesn't allow significant expansion. In 2008 the population of the neighborhood was 2,500 people in 1,200 households. A residential population of this size cannot support and has not historically supported the amount of retail on Bridge Street.

Physical Appearance of the Bridge Street Commercial District

Over the past few years, the physical appearance of the Bridge Street commercial area has deteriorated. The reason for this may be because the northern end of the Bridge Street Neck neighborhood has been under construction for so long, and owners are waiting for the completion of the Bridge Street improvements before investing in their own properties. It may also be as a result of the economic downturn, compounded by the fact that the area is so small that just a few troubled properties can have a large impact.

Bridge Street infrastructure improvements are being designed and planned as the final phase of the Bypass road project. This work will include new sidewalks, street lighting, and a park at the northern end where the old bridge entrance was.

Relationship to Downtown Salem and Beverly

The Bridge Street Neck neighborhood is situated between downtown Salem and Beverly, both of which serve a very different retail purpose and experience and are more upscale than the Bridge Street Neck commercial district. Downtown Salem has experienced a revitalization in recent years and has a strong, well-organized Main Streets Program. A prominent tourist destination, Downtown offers a broad range of shopping and dining options.

As Bridge Street starts to redefine itself, it must maintain its own distinct character from Downtown Salem and Beverly. It cannot try to serve the same purpose as these established surrounding centers.

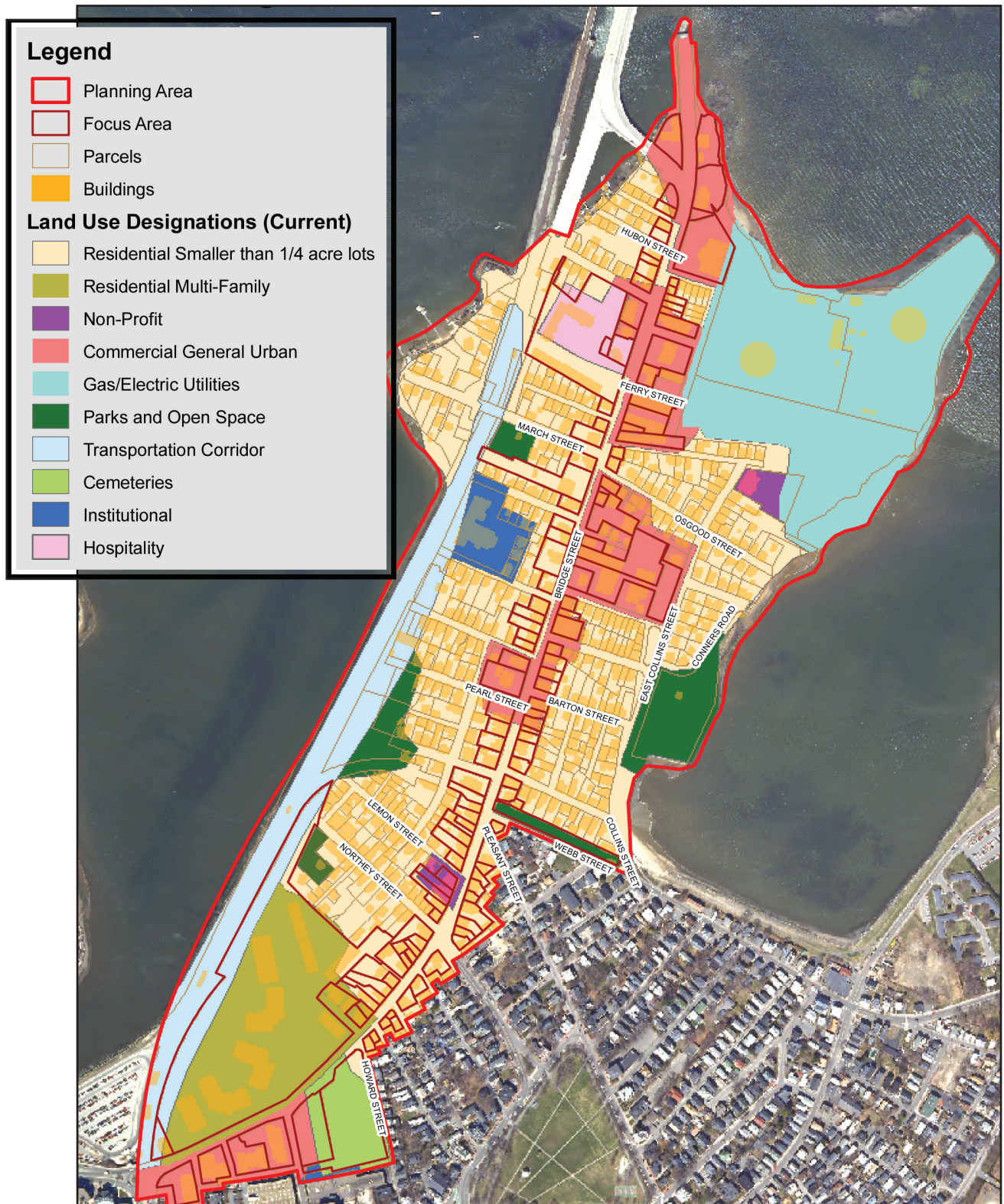
Physical Planning Assessment

This section analyzes the Bridge Street Neck neighborhood's physical resources, their condition, how they are utilized, how they are regulated and how they can be improved. The Bridge Street Neck neighborhood's physical environment faces immediate challenges, however it also possess significant assets that can be capitalized on and strengthened to meet and address these challenges. Evaluations and strategy recommendations for each of the key Bridge Street Neck neighborhood's physical planning elements follow.

Land Use Patterns

The Bridge Street Neck is a dense neighborhood featuring both residential and commercial uses. The dominant land use in the planning area is residential, specifically multi-family residential. There are commercial uses located along Bridge Street and industrial uses located at the north east section of the planning area. The commercial uses include a bakery, restaurants, lodging automotive services and boat sales. The industrial uses are facilities run by the gas and electric utility companies (National Grid). There also are a school, a church and a social club, as well as three open spaces dedicated for recreation purposes. An industrial zoned area located in the southwest region of the planning area was recently developed into a residential complex, Salem Station. Mapping information on existing land use within the planning area is shown on *Figure A2* and is available at MassGIS, the State's Office of Geographic and Environmental information.

EXISTING LAND USE



Parcel Size and Ownership

The majority of parcels in the Bridge Street Neck neighborhood are less than 0.5 acres. The small parcel size reflects the area's historical urban environment. The distribution of parcel size is illustrated in *Figure A3*. The largest parcels are located at the edges of the planning area, specifically the two areas zoned for industrial use. The largest parcels are owned by utility companies (National Grid), followed by the City of Salem, the Commonwealth of Massachusetts and the Massachusetts Bay Transit Authority (MBTA). Individual property owners comprise the rest of the parcels and the majority of the planning area. Parcel ownership is illustrated in *Figure A4*.

Parking and Circulation Patterns

The Bridge Street Neck neighborhood has limited parking for residences and businesses due to its dense street network and built environment. The recent creation of the Bypass road in the Bridge Street Neck neighborhood has significantly altered the circulation patterns in the planning area. The Bypass road has reduced traffic congestion on Bridge Street providing improved vehicular access for residents and businesses. However the reduction of vehicular traffic on Bridge Street has had an adverse effect on some businesses in the planning area.

Existing Parking Conditions

There are no City owned parking structures or lots located in the Bridge Street Neck neighborhood. Additionally there are no curbside areas monitored by meters for short term parking in the Bridge Street Neck neighborhood. The documents for the planned Bridge Street reconstruction project show that limited parking will be allowed along Bridge Street. Street parking is not allowed on the Bypass road, but is common place on the local roads located throughout the planning area.

The primary circulation routes in the Bridge Street Neck neighborhood are the north-south corridors of Bridge Street and the Bypass road connecting downtown Salem with the Town of Beverly and other communities to the north of Salem.

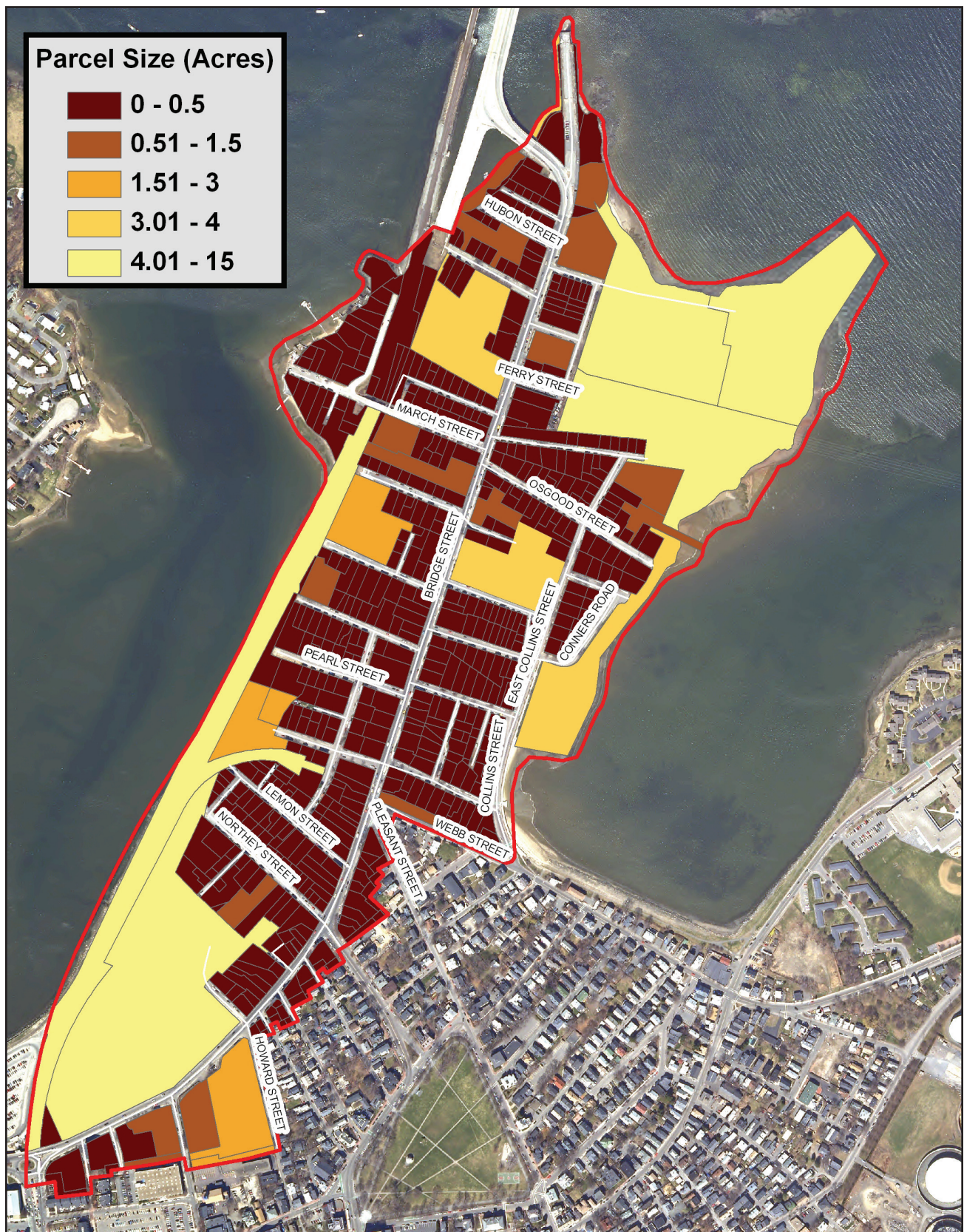
Open Space Patterns

There are three public open space areas in the Bridge Street Neck neighborhood. These are Gonyea Park, Collins Cove Playground, and Curtis Park/March Street Playground. There are also two unconnected sections of a bicycle network located within the planning area. Additionally there is a new waterfront park planned for the north end of Bridge Street, on the remaining portion of the former bridge.

The new open space area planned for development at the site of the former bridge overlooking the mouth of the Danvers River will function in a similar way as a public pier would. The planned park will include landscaped areas, features for sitting, walking paths, viewing areas and fishing spots. This park will also have designated parking located on the former bridge structure.

There are two unconnected sections of a bicycle path network in the planning area. One section of the bicycle path is located along the newly constructed Bypass road from Bridge Street in the south to the Curtis Park/March Street Playground in the north. The second section of the bicycle path is located along Webb Street. This

PARCEL SIZE



LAND OWNERSHIP



second section of the bicycle path continues along Webb Street and then extends north around Collins Cove to Willows Park and Winter Island Marine Park. There is a project currently underway to connect these two sections of the bicycle path using MBTA owned property near Lemon Street. The existing open spaces, together with other amenities are shown in *Figure A5*.

Historic Resources and Neighborhood Character

The Bridge Street Neck neighborhood is an area that is rich with historic resources. There are two National Register Districts, a building on the National Register of Historic Places, and a Local Historic District located just outside of the Bridge Street Neck neighborhood. The historic resources located within the planning area are captured in *Figure A6*.

Historic Districts and Buildings

The two National Register Districts located in the planning area are The Bridge Street Neck District and Salem Common District. Together the two encompass approximately the southern half of the planning area. Properties within National Register Districts are regulated only if there is state or federal permits, licensing or funding involvement in a project.

There is one building in the planning area which is on the National Register of Historic Places. That building is the Woodbridge Thomas March House at 48 Bridge Street. The building is not located in either a local historic district or national register district.

The northern half of the planning area is not in either a National Register District or Local Historic District. The planning area abuts a Local Historic District designated for Washington Square. There are no Local Historic Districts in the planning area.

Overall, the neighborhood character is that of a dense nineteenth century residential area, consisting of small parcel sizes, buildings with little or no setbacks, and featuring architectural examples of Federalist and Greek Revival styles.

Neighborhood Character Photo Inventory

A photographic inventory of the neighborhood character and land use conditions has been compiled over several site visits to the planning area. Aspects recorded photographically include the existing roads and public ways, open space, sidewalks, streetscape and civic institutions.

A selection of representative images is included as *Figure A7* to portray the overall architectural, urban design and streetscape character of the Bridge Street Neck neighborhood. Additional photographs are available in electronic format for use as reference materials during the next steps of the study.

Pedestrian Environment

The dense nature of the Bridge Street Neck neighborhood's street network and building fabric as well as the area's predominantly residential use make the pedestrian environment a critical feature of the planning area. The neighborhood's pedestrian environment is defined by two main elements: the comprehensive



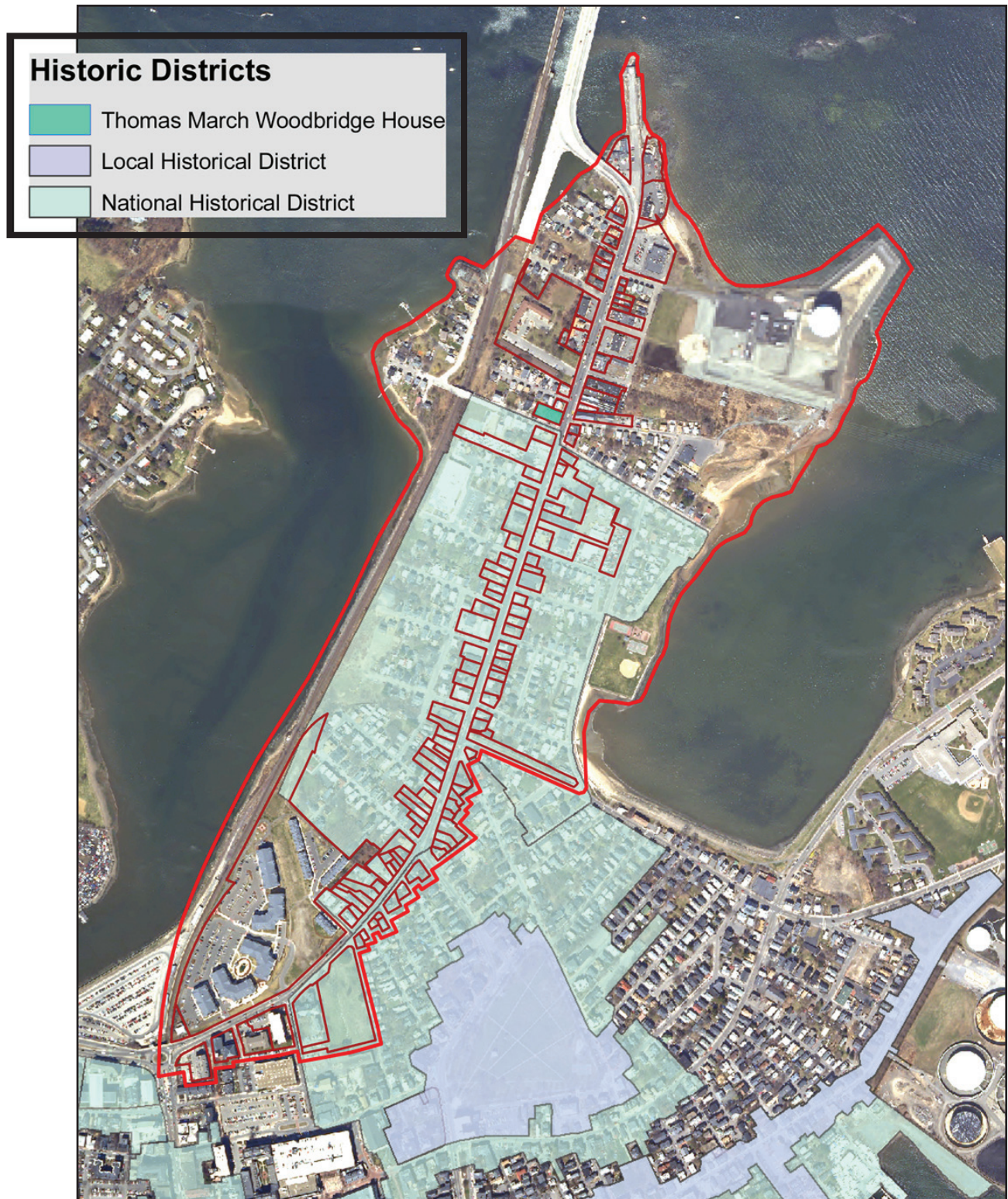


PHOTO INVENTORY



PHOTO INVENTORY (CONTINUED)



network of street sidewalks and the presence of two sections of the public bicycle path.

Existing Pedestrian Routes and Conditions

Although the planning area has a comprehensive network of street sidewalks, the historical nature of the sidewalks (narrow and close to street level in many locations) reduces their effectiveness in establishing a safe and friendly pedestrian environment. An example of the lack of a barrier between the sidewalks and the streets is the common occurrence of vehicles parking on the sidewalks, which reduces the sidewalk's pedestrian capacity and forces many pedestrians to walk in the streets. The reconstruction of the sidewalks along Bridge Street is planned as part of the Bridge Street reconstruction project. This project also includes landscaping and period lighting.

The two sections of the bicycle path complement the street network. However they appear to be used more as a recreational path than a pedestrian connection route. The effectiveness of the bicycle paths should be enhanced when the current project to connect the two independent sections is complete.

The primary pedestrian circulation route in the planning area is the north/south corridor of Bridge Street. Many of the other local roads are dead ends or not through streets. The primary pedestrian destinations are the businesses on Bridge Street, Carlton Elementary School, the MBTA Commuter Rail Station and downtown Salem. There are limited open space areas to reinforce and encourage pedestrian activity.

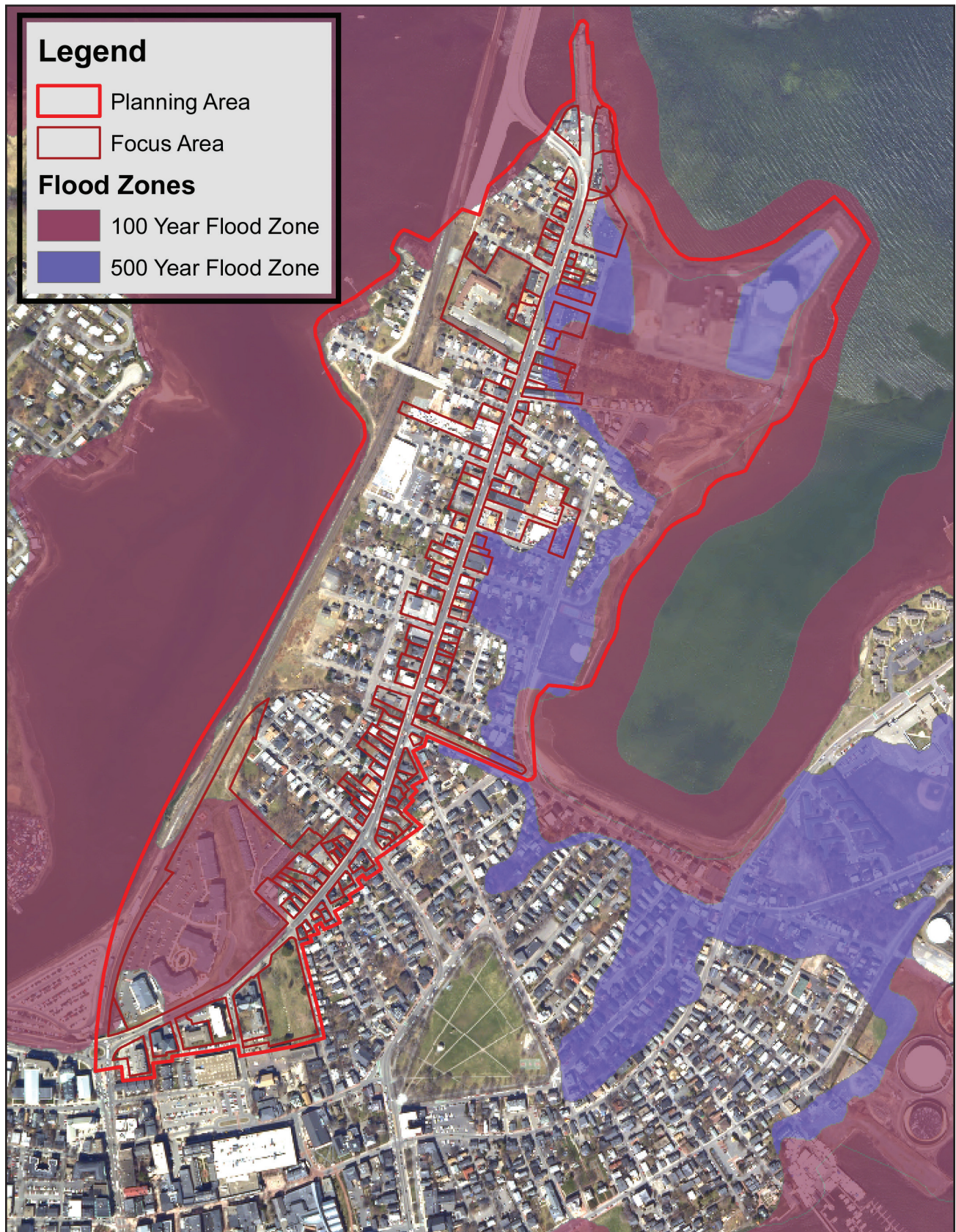
Infrastructure Conditions and Constraints

The Bridge Street Neck neighborhood has several constraining infrastructure conditions within the planning area such as flood zones and utility easements. However there are also several infrastructure improvement projects currently planned, including the renovation and reconstruction of Bridge Street, the creation of a park on the end of the former bridge site and the connection of two separate bicycle path sections. Although the existing infrastructure conditions may represent constraints, the planned infrastructure projects may function as opportunities.

Infrastructure Conditions

There are several flood zones located in the Bridge Street Neck neighborhood, including 100-year and 500-year flood zones located along the east coast. The most significant flood zones are located in the north east and south west sections of the planning area. Although the flood zones are not predominant throughout the area they must be accounted for in development and revitalization plans. In addition to the flood zones, there are several utility easements located within the planning area. The most significant is the electricity easement that travels east-west near Ferry Street. The power lines in the electricity easement prevent development of the land beneath and detract from views of the water surrounding the northern end of the planning area. The largest parcels of land without structures are areas affected by flood zones or utility easements. *Figure A8* shows the flood zone boundaries.

FLOOD ZONE BOUNDARIES



The planned infrastructure projects for the Bridge Street Neck neighborhood may act as a catalyst for revitalization and redevelopment. Of the several infrastructure improvements projects planned for the neighborhood, the renovation and reconstruction of Bridge Street road and sidewalks from Howard Street to Ames Street is most likely to have the largest impact. This will include the repaving of Bridge Street, construction of new brick lined sidewalks, new landscaping, new signage and new period lighting. The existing brick sidewalks should be retained wherever possible to preserve their historic and aesthetic value. While this project will provide traffic and pedestrian improvements it will also provide an aesthetic upgrade for Bridge Street, which is a designated “Entrance Corridor” for the City of Salem. It is possible that this project will lead to storefront renovations and revitalization along Bridge Street as well as creating a new perception for the area among residents and visitors.

The planned construction of a new waterfront park and recreation space on the former bridge site and the planned connection of the Bypass road section and the Webb Street section of the bicycle path can also be an asset in the revitalization and redevelopment efforts. The waterfront park, which will be situated among commercial uses, has the potential to become a destination open space for the Bridge Street Neck neighborhood and possibly the whole City of Salem.

The planned connection of the two separate sections of bicycle path network should increase the volume of users on both sections of the bicycle path that run through the neighborhood. Together these two projects represent not only an opportunity to create an attraction for residents and visitors within the commercial business district, but also an improvement to the infrastructure system to move residents and visitors from other parts of the City and from the commuter rail station into the planning area.

Zoning and Regulatory Framework

The planning area has a long history of both residential and commercial use that is reflected in the current zoning, which comprises nine different zoning districts and one overlay district. This is a significant number of different zoning districts for the size of the planning area.

Existing Zoning

The nine zoning districts and one overlay district located in the planning area are the following:

- Industrial (I)
- Business Neighborhood (B1)
- Business Highway (B2)
- Wholesale and Automotive (B4)
- Central Development (B5)
- Residential One Family (R1)
- Residential Conservation (RC)
- Residential Two Family (R2)

- Residential Multi-Family (R3)
- Entrance Corridor Overlay

The majority of the planning area is zoned residential use, specifically Residential Two Family (R2). The areas zoned for business are mostly located abutting the east side of Bridge Street, stretching the majority of Bridge Street uninterrupted away from downtown Salem. Although the majority of the planning area is zoned for residential use, three of the five business districts in the planning area prohibit residential use. Conversely, three of the four residential districts largely prohibit business uses.

For the size of the Bridge Street Neck neighborhood, the area has a high number of different and potentially conflicting zoning districts. The planning area's predominately residential nature and use present potential areas of conflict with the uses allowed by the Wholesale Automotive, Business Highway and Industrial zoned districts. The area's zoning districts are illustrated in *Figure A9*.

Table A8 lists uses permitted as-of-right and uses allowed only by Special Permit (pages A25 and A26).

CURRENT ZONING MAP

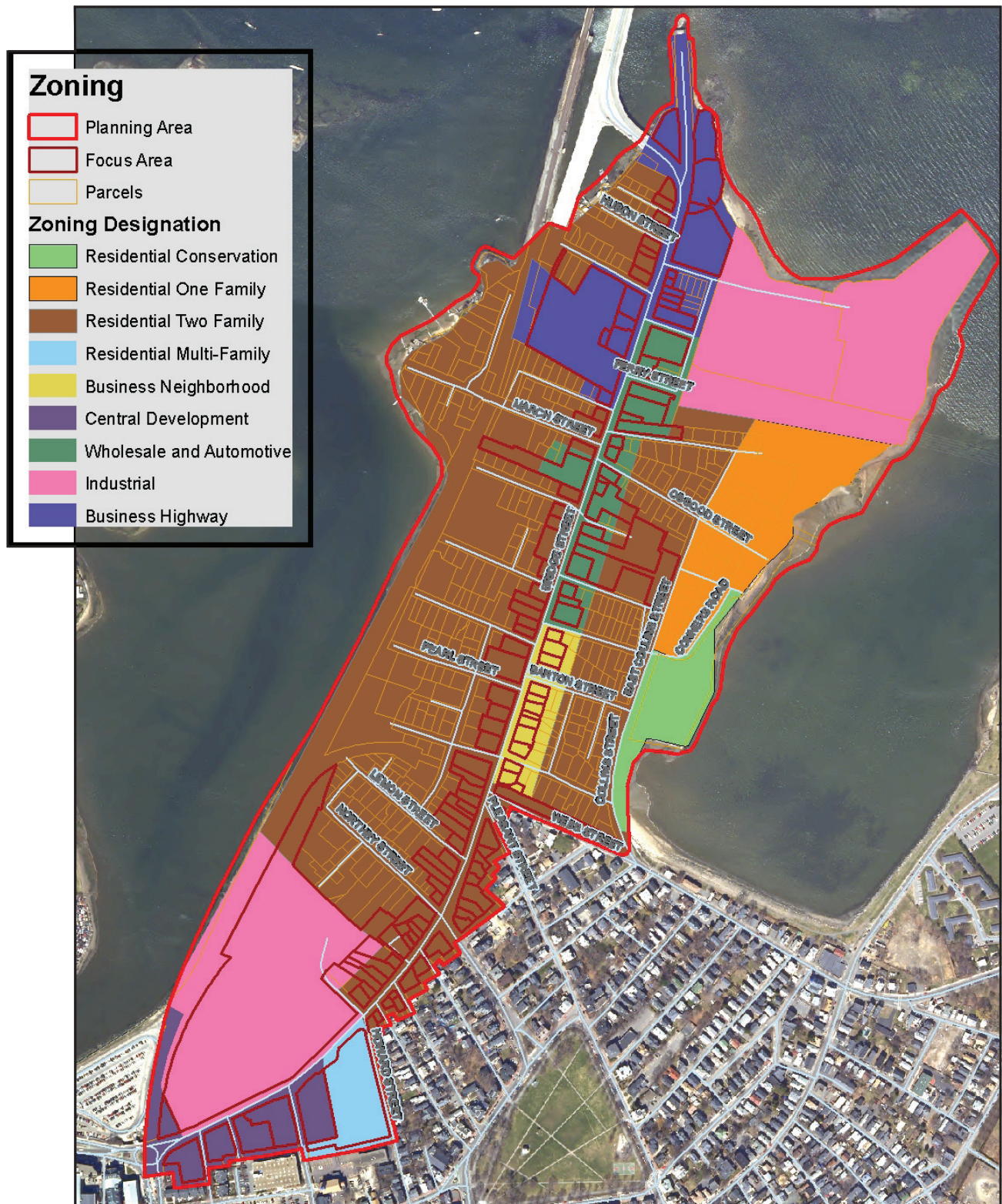


Table A8. Permitted Uses

District	Permitted Uses
Residential Conservation (RC)	Detached single family dwellings, agricultural, horticultural and floricultural operations, accessory buildings, golf courses, institutions, places of worship and religious housing, libraries, schools, and public parks.
Residential One Family (R1)	Detached single family dwellings, agricultural, horticultural and floricultural operations, accessory buildings, golf courses, institutions, places of worship and religious housing, libraries, schools, and public parks.
Residential Two Family (R2)	All uses allowed in R1 and CR Districts (except agricultural, horticultural and floricultural operations), two family dwellings, accessory buildings, museums, municipal elderly housing, rooming and boarding (not more than two people) and historic buildings.
Residential Multifamily (R3)	All uses allowed in R2 Districts, multifamily dwellings, and accessory buildings.
Business Neighborhood (B1)	All uses permitted in R-3 Districts, grocery stores and delicatessens, retail bakeries, drugstores, liquor stores, newsstands and variety stores, florists (no greenhouses), banks and savings and loan institutions, hardware stores, barber shops, beauty parlors, book stores, gift shops, shoe repair shops, tailor and custom dressmaking shops, municipal buildings, professional offices, medical and dental clinics, appliance repair shops (with less than three people engaged in providing services), self service laundries, restaurants (drive –in allowed, alcoholic beverage service not allowed), laundry and dry cleaning establishments (with less than five people engaged in provide services), incidental off street parking and loading facilities are allowed in support of principal use.
Business Highway (B2)	All uses permitted in B-1 Districts, except that residential uses are prohibited. Motels, automobile service stations, restaurants with alcoholic beverage service, supermarkets, retail department stores (if located within a shopping plaza), shopping plaza accessory uses, research and development facilities, warehousing and distribution, laboratories (provided no noxious odors are emitted), publish and printing establishments, general office buildings, and incidental off street parking and loading facilities are allowed in support of principal use.
Wholesale and Automotive (B4)	All uses permitted in B-1 Districts, except that residential uses are prohibited. Places of worship, schools, institutions, automotive service stations, automobile, boat and trailer sales and service, printing establishments, warehousing, sale and storage of building supplies, wholesale merchandise brokers, wholesale storage, plumbing, carpentry, sheet metal shops, incidental accessory uses and buildings (off street parking, loading facilities), service establishments exceeding B1 District requirements (laundry, baking, dry cleaning) retail uses relating to the above uses.
Central Development (B5)	All uses permitted in the B-1 Districts. Restaurants and eating and drinking places, nonprofit clubs, lodges and fraternal orders, philanthropic and charitable institutions, music and dance studios, trade and business schools, hotels, motels and inns, business and professional offices, places of commercial recreation and entertainment (theaters and bowling alleys), publishing and printing establishments, one-family, two-family and multifamily residential uses (as either primary or secondary building use), artist and artisan

District	Permitted Uses
	studios, workrooms, and shops, retail stores (other than those permitted in B-4 Districts), retail-wholesale contractors supply establishments (if wholesale operations consist of less than 50% of the business), housing projects built under the jurisdiction of the Salem Housing Authority, off street parking and loading facilities, and accessory uses generally in support of the above permitted uses
Industrial (I)	All uses permitted in B-1 Districts, except that residential uses are prohibited. Places of worship, schools, institutions, automotive service stations, automobile, boat and trailer sales and service, printing establishments, warehousing, sale and storage of building supplies, wholesale merchandise brokers, wholesale storage, plumbing, carpentry, sheet metal shops, incidental accessory uses and buildings (off street parking, loading facilities), service establishments exceeding B1 District requirements (laundry, baking, dry cleaning) retail uses relating to the above uses.

Amenities

Important amenities valued by both residents and businesses are the designated open space areas, waterfront access, existing and planned bicycle path networks, and MBTA commuter rail service. Although the Bridge Street Neck neighborhood has a good mix and a significant amount of amenities, there are opportunities and needs to improve and strengthen these community assets. The existing amenities can be improved and enhanced by focusing on how the amenities function in concert with each other, how they work with adjacent uses and where they are located to maximize their accessibility and effectiveness within the community. *Figure A5* illustrates the location of the neighborhood's amenities.

The Bridge Street Neck neighborhood's valued amenities include three existing open space areas, two sections of Salem's bicycle path network, an elementary school, waterfront properties and views, restaurants and shops, MBTA commuter rail service and downtown Salem within walking distance, and good vehicular access to the neighborhood. Additionally there are several City and State planned projects to increase and enhance the amenities in the planning area. These planned projects include: the renovation and reconstruction of Bridge Street road and sidewalks, the creation of a new recreational park on the former bridge and the connection of the two sections of the bicycle path in the planning area.

In the same manner that amenities are elements that have positive effects on a community, the Bridge Street Neck neighborhood has detractors that have negative effects. The Boston Gas Company facility located at the north end of the neighborhood, which includes a large industrial gas tank, is situated on the water and acts as a barrier between the waterfront and abutting residential and commercial districts. High tension power lines run east/west across Bridge Street in the same vicinity as the gas tank facilities. The power lines detract from the water views in that area and present a less than ideal gateway image when entering the Bridge Street Neck neighborhood from Beverly.

the degree to which the traffic once divided the area. Another neighborhood strength is that Bridge Street is an important gateway and entrance corridor into Salem, which has historically contributed to generate its typical layout and land use patterns.

The Bridge Street Neck neighborhood's existing assets and strengths will be further enhanced with the planned infrastructure projects that will repave and renovate Bridge Street road and sidewalks, create an open space recreation area on the end of the former bridge and connect two sections of the existing bicycle path. Overall the Bridge Street Neck neighborhood has significant strengths and resources.

Weaknesses

The Bridge Street Neck neighborhood has several weaknesses and challenges that face it, such as the reduction of sales volume for buildings on Bridge Street and the current economic downturn. The Bypass road project was successful in achieving its designated goal of eliminating the debilitating congestion that existed on Bridge Street. However, it also removed a lot of through traffic that many of the Bridge Street commercial businesses relied upon to generate business. Bridge Street businesses that have a loyal and established customer base have not experienced as dramatic a negative impact as others.

The presence of the utility companies (National Grid) at the north end of the Bridge Street Neck neighborhood presents an image challenge. The location of these utilities prevents access by neighborhood residents to the waterfront and obstructs what would be water views. Additionally the imposing physical presence of the gas tank and power lines presents an industrial gateway effect that contradicts the residential nature of the Bridge Street Neck neighborhood. Similarly to the utility companies' location creating a barrier to the waterfront area for the neighborhood, the parallel Bypass road and railroad line create a hard barrier on the west edge of the neighborhood preventing residential access to the waterfront. The Bypass road, the railroad line, the power lines and the gas tank are all elements of the Bridge Street Neck neighborhood that weaken the potential of the planning area.

Opportunities

The Bridge Street Neck neighborhood has the opportunity to build on its existing strengths and improve its overall condition as desirable place to live, work, and visit. Opportunities exist for the neighborhood by making new and strengthening existing waterfront and open space connections. Connections to the water can be improved by creating new links with the use of streetscape elements or specific signage.

Strategically implemented streetscape items, beyond what is planned as part of the Bridge Street road and sidewalk reconstruction, can be used to create new places along Bridge Street or to create strengthen connections between different parts of the planning area. By locating additional brick paving in the sidewalk, adding street benches and having landscape planters in a three block area along Bridge Street that has a high concentration of commercial business will identify that location as a designated place and therefore a destination. In a similar manner sidewalk improvements, street tree additions and signage can strengthen an existing street

Urban Design Opportunities

The Bridge Street Neck neighborhood's natural geography presents opportunities to develop and strengthen the planning area's connection to the surrounding waterfront areas and ocean views. The peninsula land form provides excellent proximity to the ocean, which can be a defining characteristic for the neighborhood and a significant asset for residents and businesses. Increasing access to the waterfront, creating public space at the water's edge and preserving views are ways to increase the planning area's connection to the waterfront area.

In 2005 the City of Salem issued Commercial Design Guidelines, which provide direction for the physical design of commercial buildings in designated urban renewal areas and entrance corridors. The Commercial Design Guidelines apply to commercial uses located along the entire length of Bridge Street as it is designated as the Bridge Street Entrance Corridor. These guidelines should eventually provide an improved visual experience when traveling along Bridge Street and therefore portray an improved image of the Bridge Street Neck neighborhood.

Physical Conditions Summary Assessment

The Bridge Street Neck neighborhood's physical environment has its own unique set of strengths, weaknesses, opportunities and threats, as does every community. The strengths include existing assets such as the MBTA station and the opportunities such as the planned Bridge Street road and sidewalk reconstruction. The neighborhood's weaknesses include infrastructure locations and threats to the area's commercial businesses. Evaluating the Bridge Street Neck neighborhood's assets and challenges and the respective strategies to enhance or improve them provides the ground work for the implementation of future cohesive improvement strategies.

Strengths

The Bridge Street Neck neighborhood has significant strengths in its amenities, location, planned projects and existing assets, and is well positioned for improving upon its already strong neighborhood character and resources. The neighborhood possesses an excellent location, adjacent to downtown Salem, with direct access to Beverly and an MBTA commuter rail station. Additionally the planning area presents many positive amenities such as open space recreation options, access to the waterfront, access to the City wide bicycle path, and a mixed use commercial district along Bridge Street. The Bridge Street Neck neighborhood is a densely developed, primarily residential neighborhood, mainly comprised by individually owned small parcels of land. The absence of large land parcels or individuals and entities owning multiple parcels of land in the neighborhood significantly reduces the likelihood of a major unwanted development.

A neighborhood strength is represented by the Bypass Road, which diverted a significant amount of gridlock vehicular traffic from Bridge Street. Even if this traffic diversion may have affected the volume of sales for some businesses, the Bypass Road has allowed the neighborhood to be reconnected on both sides of Bridge Street in ways that were not possible before. Prior to the construction of the Bypass, older City district maps showed the east and west sides of the Neck on each side of Bridge Street as two different neighborhoods, which is indicative of

connection from one part of the planning area to an open space or recreation area that increases its use by the community.

Threats

The current national economy and the housing market continue to be a threat to the Bridge Street Neck neighborhood. This threat is not specific to the planning area, but is one that could have lingering negative effects. However the combined strengths of the existing assets and the planned improvements suggest that the area will rebound in a strong manner when the national market correction occurs.

Future

Overall The Bridge Street Neck neighborhood appears to have more assets and opportunities than weaknesses and challenges, and therefore appears to be well positioned to respond to its current and future challenges. Improving the physical condition and visual impression of buildings along Bridge Street should provide the greatest benefit for the neighborhood. Bridge Street is the main thoroughfare, commercial zone, gateway to the City and face of the neighborhood to most visitors. Physical improvements to Bridge Street and abutting buildings will improve the whole neighborhood image. The plans and initiatives to revitalize this corridor are already in place with the Bridge Street road and sidewalk reconstruction, the construction of a public recreation space at the end of the former bridge as well as the Commercial Design Guidelines that apply to all businesses along Bridge Street. Together these infrastructure projects and design regulations should contribute to improve the image and quality of living in the entire neighborhood.

Financial Feasibility - Specific Projects Tested

There are a couple of larger properties on Bridge Street that could potentially in the future serve a denser more advantageous use. The redevelopment of these properties does not make economic sense in the current economic climate but conceivably could in the future. To understand what could possibly be done in the future and to guide our thinking, we tested development projects on two key relatively large sites. There are also some smaller sites that contain vacant, run-down buildings that contribute to the problematic aspects of the neighborhood. We tested one of these smaller infill sites in order to see what may be done in the long and short term to curtail the blight. The sites tested include:

- The Brake & Clutch site at 63-65 Bridge Street and 9-11 Lathrop Street, a relatively large site whose current automotive use is not compatible with its residential surroundings.
- The Clipper Ship Inn site at 40 Bridge Street, the largest development parcel on Bridge Street. The hotel use is seen as an asset to the neighborhood, but the site could be more densely developed and improved in appearance.
- The Salem Plumbing Building site at 43 Bridge Street, a vacant, narrow, poor quality 3-story building perceived as a blighting influence in the neighborhood.

Brake & Clutch Site

This parcel could be developed, potentially, for a larger residential project that fronts on Bridge Street and reaches into the neighborhood along Lathrop and East Collins Streets taking over two additional non-residential buildings which are currently surrounded by successful residential streets with proximity to the water.



Brake & Clutch Site - Concept layout showing potential residential redevelopment

The density of the proposed residential development was arrived at by limiting the height to that of the surrounding residential neighborhood, two to three stories, and accommodating all of the parking on site. The tested configuration contains 75,000 gross square feet, approximately 60 residential units made up primarily of one and two-bedroom apartments in a building on Bridge street plus townhouses along Lathrop and East Collins Streets. Outdoor parking is provided for the apartments and half-flight below grade parking for the townhouses underneath each unit.

For-Sale Housing

In a for-sale housing scenario, the total development cost today for this type of project far exceeds current sales prices for condominiums and townhouses in the Bridge Street Neck neighborhood. Bridge Street Neck's 2009 sales and on-market data show housing selling at \$150/sf. While new construction will sell at a higher rate, typically 20% more, housing prices will need to rise much higher for this project to be feasible: \$360/sf for the one-bedroom apartments, \$315/sf for the two-bedroom apartments, and \$285/sf for the townhouses. These are in the range of prices that were realized at the peak of the market in 2005 in Salem.

Project feasibility assumes that the site's current owner would be able to sell the properties to a housing developer for, at a minimum, site's assessed value, which is \$1,600,000 (based on what the site would rent for under its current industrial use). Taking into account the above listed sales prices, and the development cost of \$275/sf, the residual land value left for the developer to pay for the site would be approximately \$1,400,000. This price is within the range of what the owner might expect to make, but the housing sales prices will need to rise back up to Salem's 2005 peak in order for a developer to be within this range of the assessed land value.

Market Rate Rental Housing

Current rents are too low on the Bridge Street Neck to support new development. Rents on the Bridge Street Neck proper, in the two and three-family houses, are approximately \$1.00/sf or \$1,000/month for a two-bedroom unit. At Salem Station, the newer (2002) large rental housing development at the bottom of the Neck, rents are \$1.50/sf, or \$1,770/month for a two-bedroom unit. Salem Station contains many amenities that a large site can afford to provide, such as, a pool and fitness center, business center, and clubhouse. It is also located much closer to the commuter rail station and downtown Salem than the Brake & Clutch site.

Rents will need to raise an additional 150% over Salem Station's rents for this type of project to work. The rents for new development on the Brake & Clutch site would need to be \$2.30/sf or \$2,415/month to support a new rental development, not including any amenities it would need to compete with a Salem Station-type neighbor. Therefore, the conclusion is that market rate rental housing is not feasible in today's market, and we do not expect it will be feasible even in mid-term future markets as the economy recovers.

Affordable Rental Housing

An affordable housing project using tax credits and grants to pay for development costs could generate the same land value as the for-sale housing scenario, but might do so in

today's economy, making that type of development potentially financially feasible. However, because the scale of affordable housing projects is limited by the size of the tax credit awards, and the amount of credits and grants are very limited today, the project would need to be done in two or three phases. In addition, the project would need to be comprised of 100% affordable units because market rate rental units are so far below being financially feasible.

Clipper Ship Inn Site

The Clipper Ship Inn is located on the northern end of the Bridge Street Neck near the destination restaurants and future site of the new waterfront park. The 60-room hotel is located on a relatively large, 3.6 acre, site in two separate buildings. The older building, built in 1960 appears to be tired and lacking curb appeal, while the newer building built in 1992 appears to be in good shape and is attractive. Each building contains 30 hotel rooms. The site contains more than enough parking for the hotel as well as considerable green and undeveloped space. Although hotel use seems to be a favorable future and long-term use for this end of the neck, the size of the parcel warrants the testing of other uses so that the city can understand if additional compatible uses are financially feasible.

Enhanced Hotel Use

It is likely that the most practical and economical future use of the Clipper Ship Inn site is an enhanced hotel use. When the economy improves it could well make sense to replace the older, outdated building at the existing hotel with a new two-story building that can hold twice as many rooms, thus expanding the total hotel from 60 to 90 rooms.

In order to pay for this addition, the owner would need to generate an additional \$65 per day on the 30 new rooms, net of operating costs and taxes, assuming a 55% occupancy rate. Achieving this type of revenue increase is likely to be possible when the market improves. In addition, amenities such as a pool and/or breakfast room will be needed to market the property and compete with more contemporary limited service properties. The cost of these amenities could be covered by selling off part of the land for four or five house lots along Thorndike Street.

Retail

The type of retail that will be feasible on this site will need to include a cluster of retail stores large enough to be a destination for shoppers. A development was tested that includes 40,000 sf of retail space and 160 surface parking spaces. This retail cluster will need to include a mix of larger national retail tenants and local merchants. For example, the mix might be: a smaller grocery store, a pharmacy, a bank, a dry cleaner, a florist, a restaurant, and a hardware store.



Clipper Ship Inn Site - Concept layout showing potential retail redevelopment

Retail development of this nature will be feasible when retail space is in demand and can support rents of \$25/sf nnn (triple net). With a total development cost of \$300/sf, the residual land value would be \$2,000,000, which is within the range of what the owner would expect to make, considering the assessed land value is currently \$2,200,000. In order to maximize the value of the site, the land on Thorndike Street can be sold as 5 house lots.

It is more difficult to determine what comparable retail rents are today in the Bridge Street Neck neighborhood because the larger retail enterprises all own their own buildings. Based on similar projects in greater Boston, it is thought that \$25/sf nnn rents can be attainable in the near future once the economy has stabilized.

Retail and Office

When an office component is added to the retail development mix, the project becomes infeasible. The development tested on the site includes 20,000 sf of retail, 30,000 sf of three-story office space, and 170 parking spaces. Reasonable office rents at \$19/sf nnn (or \$27/sf gross minus \$8 tax and operating cost) are not high enough to support this kind of development at \$300/sf development cost.

If this is to work in the future it will require a unique office tenant, or more likely an owner-occupant, that wants a combination of convenient location and water views for their own offices when the market stabilizes and there should be a demand for retail

space as well. Office use may be compatible and desired for this end of the Bridge Street Neck neighborhood, but is likely to be the least financially feasible use for this area.

Salem Plumbing Building Site

The Salem Plumbing Building is an example of a smaller, more typical size site on Bridge Street, 0.3 acres. Although it is close to the northern end of the neck, the site is too small to support destination retail or office use. Infill housing would be an appropriate use of this type of site, and a good alternative to the blighting influence of a vacant building.

Redeveloping the Salem Plumbing Building for for-sale or market rate rental housing is not financially feasible for reasons that are demonstrated above in the Brake & Clutch site analysis. The site can only accommodate 6 units and the associated parking. Affordable rental housing may be a more financially viable solution for a site like this, and might be viable in the near future, but would still not be financially feasible today. The building would need to be completely replaced to create housing, and that development cost is too high to support a \$440,000 assessed land value. If the site could be combined with adjacent properties as a larger parcel its viability as a project will increase.

Affordable Housing on Smaller Infill Sites

In this middle zone of the Bridge Street corridor there are other run-down vacant buildings of similar scale to the Salem Plumbing on Bridge Street that may be more viable candidates for affordable housing infill projects. As discussed earlier, affordable rental housing at a small scale is likely to be viable in the current economy. This redevelopment strategy would be a good, possibly temporary, alternative to the blighting influence of vacant buildings and to redevelopment that is not financially feasible today.

This strategy will work best if targeted to a few specific vacant properties. One affordable housing unit can generate approximately \$20,000-25,000 in land value, so a 6 to 8 unit project could generate up to \$200,000 for the land purchase price. Vacant buildings that are already built as housing would require less extensive construction work than the Salem Plumbing Building, and would therefore be less costly to redevelop. If they are redeveloped as rental property Federal Historic Tax Credits may be used reducing development costs by almost 20%. Individual owners would need to be approached on each property. The revitalization of these properties may entice other property owners in the middle zone of the Bridge Street corridor to better maintain their buildings as well, thereby addressing some of the key problematic areas of this commercial and residential corridor.

Proforma Summaries

Proforma summaries of the feasibility analysis for each redevelopment site are included in the following pages.

Brake & Clutch Site

Scenario 1- Market Rate For-Sale Housing

Parcel Size

- 2.7 acres on 4 contiguous parcels (63 and 65 Bridge Street plus 9 and 11 Lathrop Street)

Building Program

- Unit Mix
 - 1 and 2-bedroom apartments in a 3 story building on Bridge Street
 - 3-bedroom townhouses along Lathrop Street
- Development Size
 - 75,000 square feet
 - 47 apartments
 - 16 townhouses
 - 100 parking spaces

Financial Proforma

- Total development cost including land, construction, soft costs, financing, and developer profit = \$275/sf
- Housing sales prices for new development
 - 1 bedrooms - \$360/nsf, \$270,000/unit
 - 2 bedrooms - \$315/nsf, \$330,000/unit
 - Townhouses - \$285/nsf, \$445,000/unit
- Residual land value = \$1,400,000

Preliminary Conclusions

- Residual land value is within the range of what an owner would expect to make
 - Assessed land value = \$1,600,000
 - Based on industrial use rents
 - Assessed value may be high based on today's market
- However, housing sales prices for new development are not feasible today
 - Bridge Street Neck housing sales in 2009 (sold and on market) = \$150/sf
 - New construction today may be worth 20% more = \$180/sf
 - Housing prices will need to rise back up to the 2005 peak for this project to be feasible
 - Peak condo prices = \$250-300/sf
 - Assuming 20% more for new construction = \$300-360/sf
 - Peak single family prices = \$230/sf
 - Assuming 20% more for new construction = \$275/sf

Brake & Clutch Site

Scenario 2- Rental Housing

Parcel Size

- 2.7 acres on 4 contiguous parcels (63 and 65 Bridge Street plus 9 and 11 Lathrop Street)

Market Rate Rental Housing

- Current rents
 - In 2/3-family houses = \$1000/month or \$1.00/sf for a two-bedroom unit
 - At Salem Station = \$1770/month or \$1.50/sf for a two-bedroom unit
 - Salem Station is 97% leased
 - Close to the commuter rail and downtown Salem
 - Amenities include a pool, fitness center, business center, clubhouse
 - Newer housing, built in 2002
- New Development Rents
 - New rental housing on the Brake & Clutch site = \$1.30/sf or \$1,365/month for a two-bedroom
 - This rent can support a development cost per unit of \$160-170,000 depending on operating costs
- New Development Cost
 - Development cost on this site is \$340,000 for a two bedroom unit
 - Rents would need to be \$2.30/sf or \$2,415/month to support new rental development
- Market rate rental housing is not feasible in today's market or even mid-term future markets as the economy recovers.
 - Rents will need to raise an additional 50% over Salem Station's rents for this type of project to work

Affordable Rental Housing

- The affordable housing tax credits structure limits the land cost that can be generated per unit to approximately \$20-25,000
- The scale of the project is also limited because of the limited size of the tax credit awards
- An affordable housing project of approximately 60 units could generate the same land value as the for-sale housing scenario, generating a land value within the range of what an owner would expect to make.
- The project would need to:
 - Be done in two to three phases
 - Be made up of 100% affordable units

Clipper Ship Inn Site

Scenario 1- Enhanced Hotel Use

Parcel Size

- 3.6 acres at 40 Bridge Street

Current Hotel

- 60 rooms in two separate buildings of 30 rooms each—half in newer two-story structure; the balance in older, tired single-story structure

Redevelopment Building Program

- Replace the older single-story building with a two-story building, adding 30 more rooms, for a total of 90 hotel rooms on the site
- Sell the five house lots on Thorndike to finance amenities such as a pool, landscaping, breakfast room

Redevelopment Finances

- The owner would need to generate \$65 per day on the 30 new hotel rooms, net of operating costs and taxes, assuming a 55% occupancy rate, to pay for the development cost
- Achieving this type of revenue increase is likely to be possible when the market improves
- Profit for the owner could come from the ability to increase rates or improve occupancy due to the overall improved facility, appearance, and amenities.

Conclusions

- Expanded hotel use does not make sense in today's market, but when the market is ready, it is likely the most economical preferred future use of the site
 - This site is the right size for a budget hotel with amenities such as a pool and breakfast room
- Zoning should allow for this scale of higher density so that the owner can afford to expand when the market allows

Clipper Ship Inn Site Scenario 2- Retail Development

Parcel Size

- 3.6 acres at 40 Bridge Street

Development Program

- 40,000 SF of retail space
- 160 parking spaces
- 5 house lots on Thorndike St.

Financial Proforma

- Total Development cost including land, construction, soft costs, financing, and developer profit = \$300/sf
- Retail rent = \$25/sf nnn, assumes 5% vacancy
- Housing lots sell for \$35,000 each
- Residual land value = \$2,000,000

Preliminary Conclusions

- This type of development will be feasible when the market stabilizes and there is demand for retail, assuming the retail includes:
 - A cluster of retail stores large enough to be a destination
 - A mix of larger national retail tenants and local merchants
 - Signage that can be seen from the bypass road
 - For example:
 - Trader Joe's = 12,000 sf
 - CVS = 12,000 sf
 - Bank = 4,000 sf
 - Dry Cleaner = 2,000 sf
 - Florist = 1,000 sf
 - Restaurant
 - Hardware Store
- Residual land value is within the range of what an owner would expect to make
 - Assessed land value = \$2,200,000

Clipper Ship Inn Site

Scenario 3- Office + Retail Development

Parcel Size

- 3.6 acres at 40 Bridge Street

Development Program

- 20,000 SF of retail space
- 30,000 SF of office (three-story)
- 170 parking spaces
- 5 house lots on Thorndike St.

Financial Proforma

- Total Development cost including land, construction, soft costs, financing, and developer profit = \$300/sf
- Retail rent = \$25/sf nnn, assumes 5% vacancy
- Office rent = \$19/sf nnn, assumes 5% vacancy (\$27/sf gross minus \$8 tax and operating costs)
- Housing lots sell for \$35,000 each
- Residual land value = \$2,000,000

Preliminary Conclusions

- Office rents keep this development from feasibility. It would require a unique office tenant that wants combination of convenient location and water views for their own offices when the market stabilizes and there is demand for retail, assuming the retail includes:
 - A cluster of retail stores large enough to be a destination
 - A mix of larger national retail tenants and local merchants
 - Signage that can be seen from the bypass road
 - Cannot project that this mix would generate sufficient residual land value but zoning should allow such use or stand alone office to allow for the unique user.

Salem Plumbing Building Site Market Rate For-Sale Housing

Parcel Size

- 0.3 acres at 43 Bridge Street

Development Program and Finances

- 6 units of 1 and 2-bedroom condos and the associated parking can fit on the site
- Each unit can generate approximately \$25,000 in land value for a total of \$150,000
- The assessed value of the site is \$438,600

Conclusion

- The redevelopment of this site with infill housing is not feasible in today's market
- Market rate rental and affordable housing would also not be feasible as is demonstrated on the Brake & Clutch site.

Bridge Street Neck Neighborhood Revitalization Plan

Resources for Homeowners to Deal with Foreclosure or Redeveloping Foreclosed Properties

Local Programs

City of Salem - Housing Rehabilitation Loan Program

Housing rehabilitation assistance program for low- and moderate-income homeowners for 1-4 unit homes

http://www.salem.com/Pages/SalemMA_DPCD/housing

City of Salem – North Shore American Dream Down Payment Initiative

First time homebuyers (with incomes less than 80% area median income) program which provides down payment assistance

http://www.salem.com/pages/salemma_dpcd/addguidelines.pdf

City of Salem – Pre-foreclosure Counseling and Working with Servicers

Salem offers information on where programs are offered and great variety of resources available

http://www.salem.com/Pages/SalemMA_DPCD/additionalresources/other

State Programs

Mass Housing Partnership – Enhanced Soft Second Program

Offers attractive interest rates for homebuyers purchasing foreclosed properties

http://www.mhp.net/homeownership/lender/soft_second_guidelines.php

Mass Housing – MyCommunity Refinance Loans

Allows homeowners with adjustable-rate mortgages to take a proactive step toward stability before their loan becomes a burden

<https://www.masshousing.com/portal/server.pt?mode=2&uuID=%7B053B0514-F267-4944-B7BF-7C396F32102F%7D>

Mass Housing – Home Saver Loan Programs

Counseling and loan program that helps borrowers who are unable to repay their mortgage

https://www.masshousing.com/portal/server.pt?open=512&objID=228&&PageID=2563&mode=2&in_hi_userid=2&cached=true

Mass Housing – Purchase/Rehabilitation Loans for Eligible Families

Rehabilitation grants available to income-eligible households (up to 120% of area median income) and first time homebuyers for the purchase and rehabilitation of foreclosed properties

https://www.masshousing.com/portal/server.pt?open=512&objID=228&&PageID=2563&mode=2&in_hi_userid=2&cached=true

Resources for Homeowners to Deal with Foreclosure or Redeveloping Foreclosed Properties (Continued)

Federal Programs

Neighborhood Stabilization Program Grants

Administered by Mass Department of Housing and Community Development and City of Salem Details of homeowner eligibility and program components still being worked out

http://www.chapa.org/?q=foreclosure_view_details/46

Making Home Affordable Program

Help borrowers whose loans are held by Fannie Mae or Freddie Mac refinance into a more affordable mortgage or favorably modify a existing one

<http://makinghomeaffordable.gov/>

First Time Homebuyer Tax Credit

\$8,000 first time homebuyer credit

<http://www.irs.gov/newsroom/article/0,,id=206294,00.html>

Other Resources

Citizens' Housing and Planning Association

Clearing House for Information on Foreclosure Prevention Programs and assistance for homebuyers and tenants.

<http://www.chapa.org/>

MEETING NOTES

Meeting Date:	May 5, 2009
Meeting Topic:	Small Group Discussions of Issues, Opportunities and Constraints during the Public Meeting
Meeting Location:	Carlton Elementary School, Salem, MA
Project:	Salem Bridge Neck Neighborhood Planning Study
Attendees:	Community members, The City of Salem Department of Planning and Community Development, The Cecil Group and subconsultants
Prepared by:	Margarita Iglesia and Meghan Grafton
Copies:	Department of Planning and Community Development Project File

Over 100 people attended these group discussions, which were held at the Carlton School. This was the first public meeting for the Salem Neck Neighborhood Planning Study. During the meeting the members of the Consultant Team were introduced, and the findings of an initial assessment of current housing, commercial and planning conditions in the neighborhood were presented to the participants. Additionally, the participants were divided into five small groups. A mapping exercise and discussion to share the neighborhood's issues, opportunities, and constraints took place in each group. Goals and priorities for the neighborhood were also discussed.

Section I of these notes is a summary of the concerns shared by the participants of the small groups, in which we have tried to reflect our findings and learning from the discussions as closely as possible. *Section II* contains a comprehensive list of the issues, opportunities, and constraints as they were noted by the group facilitators during the small group discussions.

Section I

Issues:

- Utilities are an eyesore, especially some Verizon poles in which they added a new pole and attached the old one to it which makes them stand out even more.
- Some houses are in disrepair and some properties have absentee landlords, which is often reflected in their exterior condition.
- Sidewalks and street crossings need to be improved, ideally beyond the boundaries of the traffic and streetscape improvements planned for Bridge Street.
- Parking needs to be improved; in particular there is a lack of on-street parking for businesses.
- The neighborhood should become a destination, in order to retain and expand the business customer base.

Opportunities:

- Historic character, this was the first settlement in the City.
- Commuter Rail access within walking distance.
- Pride in history and architecture, with many buildings contributing to the neighborhood historical character.
- A certain number of properties available for purchase present an opportunity for homeownership and building improvements.
- The neighborhood is located within walking distance to everything and close to downtown.
- Friendly neighborhood.
- The neighborhood is changing for the better.

Constraints:

- Power lines cross the Neck in the vicinity of the Clipper Ship Inn.
- Utility Corp/Appearance [?] of the industrial uses.
- Absentee landlords and rundown buildings detract from the general quality of living.
- Bureaucracy [?]
- High commercial real estate taxes may pose an obstacle for some businesses.
- Lack of a controlled signage program detracts from the overall design and image quality.
- Decisions sometimes seem to be based on money and not on what is best for the neighborhood.
- Traffic is heavy at some times, although commercial activity has decreased since the Bypass Road was built.
- Bridge Street divides more than connects the east and west sections of the neighborhood.
- Overcrowding of some properties
- [already listed above] Perception of security is not good in some areas (car break-ins, graffiti, some people are afraid to walk at night).
- Vandalism of vacant properties and landscaping contribute to detract from the neighborhood's image and appeal.

Goals and Wishes:

General themes for goals and wishes were attracting business and tourists, improving the appearance of the area, improving green space, and zoning concerns.

The following is a summary list of the goals and wishes compiled at the meeting, grouped by categories. It is intended as a condensed version of the goals and wishes listed in *Section II*, and it has been edited to clarify some of the ideas based on our recollections as group facilitators. However, this summary should not be assumed to be comprehensive. Please refer to *Section II* for a complete list of goals and wishes.

Appearance and Maintenance:

- Get Verizon to fix the poles
- Relocate utilities underground
- Cleaning
- Reuse of empty buildings, good maintenance
- New and wider sidewalks
- [doesn't say where] Great signage - remove bad signs
- Gateway to Salem – make it beautiful
- Historic marker sign
- New name - Harbor View?
- Bridge Street beautification
- Solve traffic problems, especially at Webb Street
- Discourage graffiti
- Clean and orderly - less graffiti – less traffic

Attract business and tourism and improve the neighborhood feel:

- Welcoming signs
- Outdoor restaurant/ café seating
- Nice like "Cabot Street"
- Destination - not a pass through
- Destinations to attract visitors
- Marketing of businesses on Bridge Street
- New businesses for tourists
- Period lighting
- Ice cream shop/ stand
- Tourist destination - Antique shops
- Self-guided walking tour
- Fishing destination
- Parking on Bridge Street allowed
- Retail and transportation signage
- Better connections to Beverly, other Salem neighborhoods
- Better signage for directions
- Fix Swampscott sign
- Get rid of Orange Street cleaning sign

- Events at new Bridge Park
- More family/park/block party events
- Safe for walking and bikes
- Keeping a mix of types and affordability
- Consolidated Business District
- Control the wildlife (squirrels, skunks)
- Bring a flower shop, Trader Joe's
- Feel connection to Salem Common
- Slower traffic
- A more affordable neighborhood
- Market / shop
- Movie theater
- Motel redevelopment
- Carts/restaurant/ice cream parlor
- [already listed]Boat access (ideally to Collins Cove)
- Fishing pier
- Safety - Tracy walk-way [?]

Green Space:

- More green space
- Walk all the way to the restaurants and the park
- Bike path used in a better way
- Better sidewalks
- More pedestrian friendly
- Better landscaping
- More trees
- Natural features and views / parks and trees

Zoning:

- Density - maintain lower level density
- Worried about zoning changes - avoid big project

City Action:

- City to show that they have heard Citizen's input, follow up and act on recommendations
- See action spreading fast - no more meaningless studies

Section II

Issues

Utility construction
Development at Bridge Park
North End Street Walk
Late night businesses
Disrepair of houses on Bridge St
Redundant light posts/phone polls
Unfinished pier - not accessible
Traffic coming off new bridge
Lack of parking-whole neck
Northey / Bridge St. Intersection
is dangerous (mentioned 3 times)
Need better restaurants
Better retail corridor
Need a laundromat
Absentee landlords
Proximity of aura-related
businesses to residential
Dangerous crossing for kids

Sidewalks are bad
Verizon telephone poles-double
telephone poles
Salem building and properties -
need redevelopment
Need for trash barrels
Parking is lacking / invading
residential area
Blight
Need to improve conditions at
dilapidated properties
Clustered foreclosures
Deserted buildings on Bridge
Street
Snow removal problems

Constraints

Power lines
Rundown buildings
Utility Corp/ industrial uses
appearance
Absentee landlords
Dealing with utilities and wires
crossing streets
Bureaucracy
High commercial real estate taxes
Getting more open space
Lack of controlled signage
program
Lack of care for houses businesses

Decisions based on money-not on
what is best
Traffic
Bridge Street divides more than
connects
Overcrowding of some properties
Graffiti need to clean
Run down properties
Car break-ins
Some people are afraid to walk at
night
Vandalism of landscaping
Vandalism of vacant properties
Snowy sidewalks on Bridge Street

Opportunities

Building South Bridge Street
Power lines underground
Webb Street Park
Better lighting
Water on both sides
Water views and water smell
Historic homes/ beautiful houses
Walkable
1st settlement
Commuter rail
Collins Cove
Great potential to be beautiful
Electrical utilities buried
Pride in history and architecture
Local restaurants
Jail renovation

Park on one end (gateway, green)
Properties available (need to steer to owners vs. investors)
Streetscape, sidewalks
Bike path (Committee meeting on May 13)
Walking distance to everything
Local to downtown
Very friendly
Neighborhood is changing- for the better
Have a hospitality place (could be improved)
Park at the end of Bridge Street

Goals and Wishes

City to listen
City to act on recommendations
City to show that they have heard and follow up
Density - maintain lower level density
Worrier about zoning changes - means big project
See action fast - will spread - no more meaningless studies
See what other groups said
Cleaning
New sidewalk
Walk all the way to the restaurants and the park
Reuse of empty buildings, good maintenance
More green space
Welcoming signs
Wider sidewalks
Outdoor restaurant cafe
Nice like "Cabot Street"
Bike path used in a better way
Get Verizon to fix the poles
Send utilities underground
Control the wild life (squirrels, skunks)
Fishing destination
Flower shop, Trader Joe's
Feel connection to Salem
Common

Better sidewalks
More pedestrian friendly
Better landscaping
Destinations
More trees
Cleaned up
Slower traffic
Marketing of businesses on Bridge Street
New businesses for tourists
Affordable for us
Keeping a mix of types and affordability
Better connections to Beverly, other Salem neighborhoods
Better signage for directions
Fix Swampscott sign
Get rid of Orange Street cleaning sign
Events at new Bridge Park
More family/park/block party events
Consolidated Business district
Market / shop
Movie theater
Motel redevelopment
Carts/restaurant/ice cream parlor
Parking on Bridge Street
Bridge Street beautification
Retail and transportation signage
Discourage graffiti

Goals and Wishes (continued)

Clean and orderly - less graffiti –
less traffic (Webb street)
Safe for walking and bikes
Period lighting
Fishing pier
Ice cream shop/ stand
Tourist destination - antique shops
Self-guided walking tour
Great signage - remove bad signs
Gateway to Salem - beautiful
Historic marker sign
New name - Harbor View
Improved appearance
Safety - Tracy walkway
Destination - not a pass through
Incentive for more retail and
restaurants that will support foot
traffic
More like Rantoul Street - small
businesses

Natural features and views / parks
trees
Parking
Boat access
New sidewalks
Cleaner improved utilities
Bridge Street as a walking place
Water oriented park at Bridge end
Day care at Commonwealth and
Bridge Street - pedestrian crossing
Small business assistance
Slow traffic on Bridge Street
Improved business aesthetics
Diverse retail
Bike Lane-improved access
Urban wilds
Small retailers
Pleasant walks on Bridge
New park

MEETING NOTES

Meeting Date:	June 9, 2009
Meeting Topic:	Small Group Discussions of Concepts and Recommendations during the Public Meeting
Meeting Location:	Carlton School, Salem, MA
Project:	Salem Bridge Neck Neighborhood Planning Study
Attendees:	Community members, The City of Salem Department of Planning and Community Development, The Cecil Group and subconsultants
Prepared by:	Margarita Iglesia and Meghan Grafton
Copies:	Danielle McKnight, Department of Planning and Community Development Project File

Over 40 people attended the second public meeting for the Salem Neck Neighborhood Planning Study. Participants were provided with an agenda for the evening's meeting, a six page summary of notes from the first meeting, and a handout on housing assistance programs. After a brief introduction, the members of the Consultant Team shared the findings from the first Public Meeting and a summary of opportunities and constraints for the Bridge Street Neck neighborhood. An assessment of current commercial conditions and trends was presented followed by concepts and ideas for revitalization. The participants were divided into four small groups for discussions of those concepts and recommendations.

Section I of these notes is a summary of the concerns shared by the participants of the small groups, in which we have tried to reflect the main topics of the discussions as closely as possible. *Section II* contains a comprehensive list of the feedback regarding the concepts and recommendations that was recorded by the facilitators during these small group discussions. In both sections the feedback has been organized into four topics concerning development: Residential, Business, Open Space, and Miscellaneous.

Section I: Summary of Key Points

Residential

- Residential development could be good as long as it is low density, low profile (crowding should be discouraged)
- Need guidelines for building maintenance and improvement, but not historic requirements. Hearings at the historic commission are so difficult - requirements are too strong.
- The City needs to enforce the code in rental units in the middle district-too many families are living in units that are designated as single family.
- Envisioning the Brake and Clutch site as residential in the long term is a good idea.

Business

- An ice cream parlor/snack stand near the new park would be great.
- Bed and breakfast done well could be a positive use in some areas (there are currently two in Winter St. and one in Northey)
- Could the boat storage relocate? They are close to residential properties and sometimes get noisy. Moving them to another location within the Neck, surrounded by businesses would be good.
- Northern end should have art galleries in addition to more restaurants.
- More development focused around an anchor and complementary businesses and attractions should go in northern end
- A good food/grocery store could be good (such as Trader Joe's).
- Create a destination within the neighborhood.

Open Space

- This should be a walking neighborhood (traffic out is a benefit)
- A bike and pedestrian path should go along the residential sections along Collins Cove all the way to the proposed park at the north end-the bike path needs to go to more places.
- There is potential for improved greenspace in the lots at the end of Saunders Street.
- Collins Park could be a great amenity but the City needs to fix it up. It is underutilized and neglected. Tree, better lighting and gardens should be added.

Miscellaneous

- Design guidelines should be created to set height, scale, look and feel.
- A boat landing should go in at the northern end.
- Festivals could become a summer attraction.
- Greater commitment to fight crime and drug dealing – people coming in from out of area
- There should be improvements made to the side streets.
- Focus on abandoned and empty buildings.
- Zoning shall allow good development like second story residential above retail.
- The neighborhood should improve upon the historic character-but it has to be affordable.

Section II: Complete List of Suggestions

Residential

- Residential development could be good as long as it is low density, low profile
- The density of residential properties is important (crowding should be discouraged)
- Transformation from single residential to multiple residential would not be good; more single family homes are needed.
- The city needs to enforce the code in rental units in the middle district-too many families are living within units that are designated as single family.
- The Bridge Street Neck neighborhood should try to mimic the feel of the residential neighborhood that is between Conner's Cove and the Common.
- Not enough focus on home ownership
- Brake and Clutch as residential is a good idea.

- No change in neighborhood scale and character
- Side street improvements are needed.
- New multifamily residential at plumbing site
- Undeveloped area between Hubon and Thorndike should become residential.

Business

- An ice cream parlor near the new park would be great.
- An upscale food store could be good (such as 'Trader Joe's').
- Classy music and/or entertainment in the business district would be okay.
- Bed and breakfast done well could be a positive use in some areas (there are currently two in Winter St. and one in Northey)
- Design guidelines to set height, scale, look and feel.
- Northern end should have art galleries in addition to more restaurants.
- Signage-street, amenities, flags/banners
- More development in northern end focused around an anchor and complementary businesses and attractions
- Create a destination within the neighborhood.
- A water taxi from the proposed park to Beverly would bring in tourists and support businesses.
- Parking at northern end needs to be addressed in order for businesses to grow.
- Physical attractiveness and pedestrian improvements would create better stopping environments
- Improve appearance at northern end
- Find uses like Essex in terms of antiques
- There is not enough assistance provided to older businesses for upkeep
- More business should open around Coffee Time-people come from out of town to go to Coffee Time.
- Some type of Salem Museum could go in northern end-Maritime, art, Salem Fire.
- Commercial façade improvements are needed.
- Waterfront restaurants/park with appropriate scale development 2 floors

Open Space

- Collins Cove pedestrian access is necessary.
- Greenspace for the section of property between March and Burnside.
- There was once a Victorian garden overlooking Collins Cove. A flower garden along the water would be great.
- Public access/beach behind "Street Market"
- Connect bike trails-take trail to Winter Island/Willows.
- The bike path needs to extend to more places.
- A bike and pedestrian path should go along the residential sections along Collins Cove all the way to the proposed park at the north end.
- The bike path should be extended past the Willows and along Collins Park.
- Waterfront walk at north end with beach access
- Collins Park could be a great amenity but the City needs to fix it up. It is underutilized and neglected. Tree, better lighting and gardens should be added.

- The bike path and walking paths should connect the neighborhood to the commons.
- There is potential for improved greenspace in the lots at the end of Saunders Street.
- Collins Cove beach needs to be improved.
- Graffiti at Collins Cove needs to be cleaned up and prevented.

Miscellaneous

- Could the boat storage relocate? They are close to residential properties and sometimes get noisy. Moving them to another location within the Neck, surrounded by businesses would be good.
- Don't discourage boating; it would be great to have a place to dock and visit a restaurant (floating dock).
- This should be a walking neighborhood (traffic out is a benefit)
- Need guidelines for building maintenance and improvement, but not historic requirements. Hearings at the historic commission are so difficult - requirements are too strong.
- Peabody has no historic feel anymore.
- Bridge Street has the historic character (own a 1795 house)
- People need to maintain historic character, but it has to be affordable.
- Festivals could become a summer attraction.
- The neighborhood could become a destination for artists and create a community of artists with cottages and galleries.
- Bridge Street needs to feel safe.
- Loitering in old plumbing building needs to be stopped.
- Insufficient parking on side streets needs to be addressed.
- The neighborhood should have historical markers/pamphlets with map for a historic walk through the area.
- The neighborhood needs to create an identity for itself. Some people think the neighborhood says "Cars"-with so many businesses dealing with and servicing cars.
- More parking for residential and commercial areas is needed.
- The City needs a greater commitment to fight crime and drug dealing – people coming in from out of area
- 47 Bridge Street not specifically addressed
- Would like to place utility wires underground as part of the plan
- Look at connecting sidewalks in the neighborhood.
- Speeding up Lathrop Street needs to be stopped.
- Utility pole reduction
- New mixed use development
- Focus on the stretch of Bridge Street between Lathrop and Merrill for improvements. Focus on abandoned and empty buildings.
- Townhouses or shops could go in front of the buildings at the corner of Lathrop and Bridge
- Middle scale adequate density to make change feasible in the Brake and Clutch lot site.
- A key property for the neighborhood (the old bridge/future park area at the north end) is now vacant.

- Improve-Burnt out building at the corner of Osgood and Bridge Street
- Mixed use is good in the Brake and Clutch site.
- Location planning for the Brake and Clutch Site is important.
- Storefront residential/live work for the Brake and Clutch site
- Focus improvements on the lower end of the Bridge Street
- Zoning shall allow good development like second story residential above retail.

MEETING NOTES

Meeting Date:	July 28, 2009
Meeting Topic:	Final Presentation
Meeting Location:	Carlton School, Salem, MA
Project:	Salem Bridge Neck Neighborhood Planning Study
Attendees:	Community members, The City of Salem Department of Planning and Community Development, The Cecil Group
Prepared by:	Margarita Iglesia and Meghan Grafton
Copies:	Danielle McKnight, Department of Planning and Community Development Project File

On July 28, the final public meeting for the Salem Bridge Neck neighborhood planning study was held at the Carlton School. The meeting attracted around 30 participants from the community.

The Cecil Group presented a slide show summarizing the study's key findings and recommendations. The presentation was followed by an active discussion among all the participants, covering a variety of topics of shared interest and concern.

The following points relate the key questions and comments discussed:

- The importance of maintaining an adequate balance between homeownership and rental housing in the neighborhood has been emphasized since the first public meeting for this process. When the Jefferson Station apartments were developed, substantial changes happened to the neighborhood all of a sudden. What is the plan recommending regarding balance?

The consultant team has found that a good "balance" between owner-occupied and rental housing already exists in the neighborhood, and significant risks of alteration to the existing balance in the near future were not perceived. Even if changes may occur, especially if some potentially developable sites are redeveloped, the estimated amount of new development would not be big enough to significantly disrupt the existing balance. However, explicit mention of this subject and recommendations to maintain the current balance of owner-occupied versus rental housing will be added to the final plan document. It will be important to make sure that future new development gets thoroughly reviewed at each incremental step prior to approval.

- The development feasibility tests conducted as part of this study indicate that up to 60 residential units could possibly be accommodated in the Brake & Clutch site. These appeared to be too many units and too many cars for some of the residents attending the meeting.

The analysis of potential development concepts looked into building types and densities with a similar character to the ones that already exist in the

neighborhood (for example, the buildings that were considered along the side streets where adjacent single- and two-family homes currently exist were two-family homes). In looking ahead, if development proposals were made for the site, the character of future development would need to be determined and controlled through zoning and possibly design guidelines.

It would be up to the neighborhood to decide what type and extent of guidelines they would like to have. Design guidelines would need to be reviewed by the community through a public process. One potential mechanism for the preparation and application of design guidelines could be the establishment of a Neighborhood Preservation District. However, this has been attempted before without success because the corresponding guidelines were perceived as being restrictive. There are other alternatives – for example, projects in the North River Canal district get advisory input from the existing Salem Design Review committee. This type of review and input could be particularly useful if new projects are proposed, in order to make them be compatible in design with the rest of the neighborhood.

- It should be noted that this is a National Historic District and repairs can be very expensive when they need to be made.

That is true in a way. However, Historic Tax Credits may also be available under certain circumstances if repairs are made conforming to historic preservation guidelines.

Placing design restrictions on new construction is good. However, there should not be restrictions on building repairs. A balancing point in terms of requirements needs to be established somewhere in between.

- How will the proposed waterfront walk and beach access be accomplished? The study also talks about a different type of restaurants. What is the incentive for the owners?

A neighborhood plan does not have the capacity to compel redevelopment. However, if restaurant owners would propose changes or improvements in the future, the creation of waterfront access may be one of the conditions required for approval. The state waterways regulations (Chapter 91) would likely require the provision of public access along the water, for example. On a complementary note, these kinds of improvements could result in an enhanced district image, better restaurant services and more business opportunities.

- The Tracy walkway is being incorporated into the bicycle and pedestrian path system by connecting the Bypass bike path to Collins Cove. This new pedestrian and bike way connection is being designed and will be built as part of the ongoing Bridge Street reconstruction project.
- Through all these ideas and planning process, the City has always had a clear intention of working together with the existing property owners to bring about positive change. There has never been any intention of eminent domain.
- Many neighbors are financially incapable of making any improvements to their properties. This plan is not about compelling neighbors to spend, but rather about discussing and generating ideas for the future so that the City receives guidance from the community to move and allocate public funds in the right direction when change comes.

- The Bypass Road has been built for a relatively short period of time. However, some of the noise wall foundations are already cracked. Requests for repairs have gotten no response so far.

The purpose of this planning process is to set a basis in moving forward in planning for the future. However, a record will be made with these notes that the noise walls need to be reviewed and repaired.

- The proposed PUD zoning mechanism for future redevelopment is not applicable to all the parcels that need change along Bridge Street. In particular, PUD does not apply to parcels smaller than 60,000 sf. A different zoning mechanism is needed for the smaller parcels.
- A small group of local businesses has been active through the Chamber of Commerce for about three years. The members of the Working Group that was established to oversee the preparation of this study could continue working with the Chamber of Commerce, and with other interested neighbors, in advancing the key ideas and recommendations of this plan.
- One of the important concepts discussed at the last Working Group meeting involved the possibility to work in collaboration with non-profit developer corporations to rehabilitate vacant buildings. Affordable housing could be one of the very few options available to recover and repair these properties.
- Affordable housing could also be the mechanism that would allow some of the existing residents, and their children, to remain in the neighborhood if housing prices go back up again in the future.
- An important call for caution: If there is a desire to improve derelict properties and clean up the neighborhood, the proposals of small developers and local business owners that are trying with great effort to improve their properties against significant odds should not be dismissed. There is a need to reconcile the development pressures caused by the rising costs of construction with the general desire to keep densities low in the neighborhood.
- An important benefit provided by this planning process, which could be extended through the continuous interaction of a neighborhood group or local business association, is the opportunity to review and discuss important issues of general concern with other neighbors in a public forum.



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