

# **ANNUAL REPORT OF THE SALEM REDEVELOPMENT AUTHORITY**

Fiscal Year 2004  
July 1, 2003 to June 30, 2004



## **BOARD OF DIRECTORS:**

**Conrad Baldini  
Michael Brennan  
Michael Connelly  
Christine Sullivan  
Russell Vickers**

## **EXECUTIVE DIRECTOR:**

**Lynn Goonin Duncan, AICP**

October 2004

# **SRA ANNUAL REPORT**

## **Fiscal Year 2004**

### **INTRODUCTION**

The Salem Redevelopment Authority (SRA) and its Design Review Board (DRB) have played an active role in the redevelopment of downtown Salem since it was created in 1962. Over the past 42 years, the SRA has made significant contributions to the revitalization of the Central Business District in downtown Salem. Critical to this success is its commitment to preserving the social fabric and architectural heritage of the City.

During fiscal year 2004, the SRA reviewed redevelopment proposals for a number of major development projects. Together with the projects currently under construction, this represents over \$150 million worth of private development. On a further note, the downtown, with the guidance of the SRA, continued to see an increase in mixed-use developments with upper floor residential and first floor retail. In addition to the development projects that were reviewed, the SRA and DRB reviewed a number of minor storefront improvements and sign applications that have resulted in better-designed storefronts throughout the downtown.

The SRA Annual Report for FY04 provides an overview of the projects that the SRA reviewed during the year, those in construction, and those that were completed. It also includes the public projects and initiatives that impact the downtown. Overall, the report is a reflection of the high volume of activity and the quality of development projects being constructed in the Urban Renewal Areas

### **REDEVELOPMENT AUTHORITY PROJECTS**

#### *Old Salem Jail Redevelopment*

After the successful disposition of the Old Police Station and 18 Crombie Street, the Mayor requested that the Council transfer ownership of the Old Salem Jail to the Salem Redevelopment Authority for redevelopment. The Council voted to transfer the property on September 23, 2004. The SRA is in the process of hiring a consultant to conduct a Market Study as the initial step in the redevelopment process.

#### *18 Crombie Street*

The City had been trying to stop the demolition of the historic home at 18 Crombie Street since 1988. In 2003, after two years of negotiation, the City developed a plan to transfer ownership of the property from Holyoke to the Salem Redevelopment Authority. In November 2003, the SRA received ownership of the property at 18 Crombie Street. The project was immediately offered for sale through a Request for Proposals (RFP) process and a developer was designated in January 2005. In July 2004, eight months after obtaining ownership of the property, the Salem Redevelopment Authority transferred the deed of the home to Habitat for Humanity of the North Shore. Habitat for Humanity is fully restoring the home to create an affordable home for a low-income family to own.

#### *Old Police Station*

In March 2004, the SRA transferred the deed to the Old Police Station to Heritage Plaza Enterprises. Upon closing, the developers began the redevelopment of this historic property as stated above.

#### *Market Place/Former Salem Evening News Building Concept Plan*

The SRA obtained the design services of a local firm to design a Concept Plan for the Market Place and Former Salem Evening News Block. In FY04, the SRA approved the Concept Plan, which is designed to encourage development that enlivens the area, finishes the streetscape on Front Street, and adds much-needed parking downtown. During the past fiscal year, the owner of the property partnered with a development company and together they are working on development plans that incorporate the SRA approved Concept Plan.

### **PRIVATE DEVELOPMENT PROJECTS**

#### *Bowman's Bakery*

The former Bowman's Bakery building is currently undergoing a renovation that will include 4 residential units, 2,300 square feet of active retail and 4 parking spaces. The project is estimated to cost \$350,000. The project is nearing completion on the redevelopment and did come before the SRA during the past fiscal year for amendments to the approved plans. One of the storefronts was sold to a retail store, The Barking Cat, which is expected to open in October 2004.

#### *Beverly Cooperative Bank*

The Beverly Cooperative Bank completed the first phase of redevelopment of this parcel located on the corner of Derby and Lafayette Street to use as a branch bank and commercial rental space. The bank opened its branch in the spring of 2004 and construction continues on the upper floor space and the commercial space along Lafayette Street.

#### *Lawrence Place*

The Lawrence Place project will redevelop the building at the corner of Washington and Front Streets (former Beef & Oyster House and most recently home to "Bleachers") to include 10 residential condominium units with 5,000 square feet of first floor retail. It is estimated that the project will cost \$1.8 million. The project is currently under construction and this summer, an art gallery opened in one of the storefronts along Washington Street.

#### *Derby Lofts*

The Derby Lofts project will renovate the 100 year old, four-story industrial building, known as the Laundry Building, into a mixed-use residential and retail development. The project was permitted in the summer of 2003 and construction began in fall 2003. During the past fiscal year, the SRA reviewed minor amendments to the project design. The renovated building will consist of 54 residential condominium units and 14,000 square feet of first floor retail. It is estimated to cost \$14 million.

#### *Old Police Station*

During FY04, the Old Police Station project hit a roadblock when they discovered subsurface oil on the property. The SRA and the City worked with the developer to help

fund part of the remediation of the site, which is complete. In addition, the SRA approved amended plans for the property that included demolishing the Charter Street wing of the existing building and rebuilding the addition to closely match what existed. The project is currently under construction and when complete will include 14 residential condominium units with 2 dedicated to artists for live-work space, which will provide a more publicly accessible, retail-oriented development. The project is estimated to cost \$3 million.

#### *Coastal Gas Station Redevelopment*

The developer of 289 Derby Street, former Coastal Gas Station, began the review process for the redevelopment of the current gas station into a mixed-use building with residential condominiums on the upper floors and commercial storefronts on the first floor. The SRA and DRB did an extensive review of the project at the Schematic Design phase, which created an overall better development for the site. The project is currently in Final Design Review and is expected to begin construction next year.

#### *Salem Five Skybridge*

The Salem Five Bank recently purchased the building at One Salem Green. In order to connect their current office space along Essex Street to this building, they proposed a two-story skybridge connecting their two buildings. The SRA and DRB reviewed the project and construction has begun on the structure.

#### *10 Federal Street*

The owners of 10 Federal Street came to the SRA with a proposal to construct three stories of office space on top of their existing two-story building in order to attract the District Attorney's Office to relocate to the space and remain in downtown Salem. The SRA and DRB did an extensive review of the proposal and approved the plan. The City of Salem and the owners were pleased to hear that they won the bid to house the District Attorney's offices. Construction is expected to begin in the near future<sup>6</sup>.

#### *Sign Improvements*

The DRB and SRA review all sign changes that are proposed in the Urban Renewal Areas. In addition to the large-scale private development improvements, the following business and property owners made improvements or installed new signage at their business in FY04.

282-Rear Derby Street (Taste of Cilantro)  
8 Central Street (Salem Historical Tours)  
73-87 Lafayette Street  
190 Essex Street (Spellbound Museum)  
128 Washington Street (Café Kuscho)  
103 Washington Street (Sacred & Folk Int'l)  
140 Washington Street (Il Bocca Italiana)  
Aroma Sanctum Perfumes (5 Central Street)  
Salem's Color Corner (60 Washington Street)  
Nostalgia (103 Washington Street)  
Liberty Tax (155 Washington Street)  
Salem YMCA (120 Washington Street)  
Derby Deli (245 Derby Street)

Edgewater Café (155 Washington Street)  
Culver Insurance (20 Central Street)  
Boston Hotdog Company (60 Washington Street)  
Laura Lanes Skin Care (242 Essex Street)  
Salem Chiropractic Associates (72 Washington Street)  
Salem Cycle (72 Washington Street)  
Lobster Shanty (25 Front Street)  
Foundation for Salem Public Education  
Soular Books (Derby Street)  
Passage to India (157 Washington Street)

#### *Storefront Improvements*

The DRB and SRA also review smaller scale storefront improvements, such as repainting of facades and replacement of lighting. The following projects were reviewed by the SRA and DRB during FY04.

140 Washington Street  
70 Washington Street  
282-Rear Derby Street (Taste of Cilantro)  
128 Washington Street (Café Kuscho)  
Temptations/Balloons & Baskets (304 Essex Street)

#### *Other Private Improvement Projects*

The following two projects were reviewed by the SRA and DRB during FY04.

SalemOpen.net (Salem Partnership) – Installation of antennae to support WiFi network.  
Rockafellas (231 Essex Street) – Outdoor café permit.

### **OTHER PUBLIC PROJECTS AND INITIATIVES**

A number of public projects and initiatives were initiated or continued in the downtown, during the past fiscal year. The following are those projects and initiatives that impact the Urban Renewal Areas.

#### *Artists Row*

Art and cultural activities are proven to be an effective economic development tool used to spur activity in downtowns. Recognizing that the Mayor initiated Artists Row in the existing Salem Market Place. The seasonal program is designed to give area artists/craftspeople an opportunity to work, exhibit and sell their work and in exchange, they provide free performances or workshops on the weekends. In addition, the artwork from the participating artists will be displayed at Old Town Hall as part of a series of exhibits. In May 2004 three of the five stalls in the Salem Market Place were awarded to Salem artists answering the City's Call for Artists.

#### *Design Guidelines Manual*

During FY04, the Department of Planning and Community Development (DPCD) received a matching grant from the Massachusetts Historical Commission to develop a comprehensive manual of design standards and rehabilitation guidelines for its Urban

Renewal Areas, historic districts and entrance corridors. When complete, the manual will establish specific design standards for use by residents, business owners, and developers. The DPCD and consultants for the project held a meeting with community stakeholders in June 2004 to discuss needs for the manual. Representatives from the DRB took part in this meeting and will continue to be involved as the project is finalized in the winter of 2004.

#### *Old Town Hall*

The revitalization of Old Town Hall is a symbol of the proactive approach that the City and the SRA have taken in their efforts to promote a successful downtown. Based on the vision established by Mayor Stanley J. Usovicz, Jr., the City completed extensive interior renovations, provided space for public art and community activities, and adopted policies for rental of the Hall that encourage the continued use by nonprofit groups such as “Cry Innocent” and the Salem Main Streets Downtown Program. Old Town Hall has also become the home to the Salem Main Streets Downtown Program office.

#### *Salem Main Street Program*

The establishment of the Salem Main Street Program in 2000 has had a significant impact on public and private development in the downtown. The Salem Main Street Program assists with the recruitment of new businesses, provides design and financial assistance for storefront improvements, coordinates promotional events and serves as a leading advocate for a strong commercial-retail environment. In FY04, the program welcomed 9 new businesses to the downtown that created 43 new jobs. The Salem Main Street Program will continue to work with the SRA and the City to promote a vibrant, retail-oriented downtown.

#### *Storefront Improvement Program*

The Salem Main Street Program and the Department of Planning and Community Development manage the Storefront Improvement Program in downtown Salem as part of the Mayor’s goal to revitalize the downtown commercial area. The program offers a one-to-one matching grant up to \$2,500 for exterior storefront improvements including signs, awnings, painting and lighting. During the past fiscal year, four downtown storefronts were improved through this program. The program has helped increase the number of quality signs and storefront proposals being presented to the SRA by giving business owners an incentive to improve their storefronts.

#### *Salem-Beverly Transportation Project/ Bridge Street Bypass Road*

The Salem-Beverly Transportation Project is a multi-phase roadway project that will provide improved vehicular access between Salem and Beverly. This long-awaited transportation project has been fully designed and construction is anticipated to begin in the near future. Significant changes have been made to the project to improve the appearance of this critical corridor and provide a strong pedestrian connection to the downtown.

#### *City of Salem Business Loan Program*

The City of Salem continued to recruit and retain businesses in Salem by helping with financing gaps through its Business Loan Program. The program targets businesses wishing to make capital improvements to their buildings and those looking to expand their enterprise. In FY04, the program provided six loans totaling \$521,000 which are expected to create 24 new jobs and retain 53 jobs. Of the six loans, two were to businesses located within the downtown. The SRA acted as the Loan Advisory Board in recommending the

City fund a loan to Heritage Plaza Enterprises in order to assist with the site remediation at the Old Police Station; this loan was funded following the SRA recommendation and the remediation is complete.

#### *Citywide Signage Program*

The City of Salem worked with a design consultant to come up with a design for vehicular and pedestrian directional signage along the City's entrance corridors and downtown. Specific sign types include: Trail Blazer, City Gateway, Vehicular Directional, Parking Directional, Historic District, Pedestrian Directional and Pedestrian Maps. The Peabody Essex Museum has installed some of their signage as part of this program and the City hopes to install the other pieces of the signage program in the near future as funds are available.

#### *Courthouse/ MBTA Station*

A joint effort has been made by DCAM, MBTA and Mass Highway to construct a new, multi-modal transit station in Salem, including a 1,000 space parking garage and a major courthouse expansion at the existing commuter rail station. The SRA will continue to work with representatives from each organization to ensure that the facility is compatible with the downtown.

#### *South River Harbor Walk*

The South River Harbor Walk will include a fully accessible public walkway, pedestrian amenities and landscaping on both public and private property. In FY04, the city received funds from the state to complete the design of the project. The state already appropriated the funds for construction of the walk, which is expected to begin next spring. During its review of the project, the SRA and DRB made several changes to the design such as removing the wood planked walkway and replacing it with concrete, adding more lighting, and installing bollards and chains instead of wood fencing. The SRA and DRB will continue to review updated plans for the project as they are completed.

### **BOARD/ADMINISTRATIVE CHANGES**

The SRA Board also went through changes in the past fiscal year. In April 2004, Robert Curran resigned from the Board after 11 years of service. For the past eight years, Mr. Curran served the Board as the Chairman. His years of service and dedication to the SRA are to be commended. Christine Sullivan was appointed to succeed him as an SRA member and a chair has not yet been elected. In addition, Joseph P. Walsh, Jr. also resigned in April after serving for three years as the SRA Executive Director. The SRA voted to approve Lynn Goonin Duncan as the new Executive Director in July 2004.

### **CONCLUSION**

The SRA has had great success over the past year in its efforts to promote appropriate private and public development in Downtown Salem. Over the next year, the SRA will continue to support commercial and retail development while promoting the values and cultural heritage of Downtown Salem.