

ANNUAL REPORT OF THE SALEM REDEVELOPMENT AUTHORITY

Fiscal Year 2009
July 1, 2008 to June 30, 2009



BOARD OF DIRECTORS:

**Conrad Baldini
Michael Brennan
Michael Connelly
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**EXECUTIVE DIRECTOR:
Lynn Goonin Duncan, AICP**

November 2009

SRA ANNUAL REPORT

Fiscal Year 2009

INTRODUCTION

Since it was created in 1962, the Salem Redevelopment Authority (SRA) and its Design Review Board (DRB) have played an active role in the redevelopment of downtown Salem. Over the past 46 years, the SRA has made significant contributions to the revitalization of the Central Business District. Critical to this success is its commitment to preserving the social fabric and architectural heritage of the city.

The SRA Annual Report for fiscal year 09 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

In April 2009, the SRA closed on the sale of the Old Salem Jail complex to an affiliate of New Boston Ventures. Construction started shortly thereafter. The project was modified during fiscal year 2008 to add additional housing units, access historic tax credits, and incorporate a phased development program.

Under the phasing plan, NBV will initially restore the Jail Building and Jail Keeper's House and rebuild the Barn—a total of 23 residential units. The second phase will be the new building (13 units) and will be undertaken when market conditions permit. Because of the use of federal and state historic tax credits, the units in the Jail and Jail Keeper's house will be rental units for five years. The second phase will be sold as condominiums.

NBV developed a site plan showing what the site will look like at the end of phase one. All of the approved landscaping plan will remain as originally proposed. The site of the new building will have loam and seed over the entire area footprint, and a privet hedge will be planted to screen the parking lot.

Construction of phase one will be completed by August 31, 2010.

Old Town Hall

In fiscal year 2009, the City Council approved the SRA's recommendation to lease Old Town Hall to Gordon College and its Institute for Public History. The Institute for Public History was created by Gordon College in 2007 by joining the museum studies program and History Alive!, the group that has performed *Cry Innocent* in Old Town Hall since 1992.

Under Gordon College's management, the building has been more actively programmed and yet remains available for rental by the public as well as for public meetings. The site

manager is in the building daily during the week, and the College has made some physical repairs to building.

Through the partnership, the College was able to secure two grants to make significant improvements to the building. The College received a \$174,000 grant from the Massachusetts Cultural Facilities Fund (MCCF) and a \$75,000 grant from the Partners in Preservation (PIP) Program, a collaboration between the National Trust for Historic Preservation and American Express. The PIP grant is part of the match for the MCCF grant. Gordon College is contributing \$25,000 to the match, and the City is contributing the rest. The grant funds will be used to make structural improvements to the building, increase accessibility, replace the heating system, and redo some interior finishes. As part of the City's match, the basement bathrooms were repaired and opened to the public.

Church Street Lot

The Church Street Lot was the subject of a Technical Assistance Panel from the Boston Chapter of the Urban Land Institute (ULI) during fiscal year 2009. In September 2008, the panel of experts spent an intensive day discussing the site with local stakeholders and reviewing data. Their report concluded that development of a parking garage on the site was not the highest and best use considering that the adjacent parking garage was not at capacity. They recommended the City conduct a comprehensive downtown parking management study to determine how to manage the existing parking resources better, and determine what, if any, additional parking supply was needed. The panel suggested a residential development as being the most feasible development scenario for the property.

Parking Study

With the ULI TAP having recommended undertaking a comprehensive downtown parking management study, the SRA agreed to fund half of the study (up to \$25,000) to be matched by the City. The study will be completed during the next fiscal year.

Retail Market Plan

To advance efforts to revitalize downtown Salem as a vibrant year-round retail destination, the Salem Redevelopment Authority retained Karl Seidman Consulting Services, ConsultEcon, Inc. and the Institute of Regional Development to complete a Downtown Retail Market Plan. The Market Study presents results from an analysis of the downtown customer base and downtown business mix and their implications for the downtown retail development strategy. The Retail Market Plan presents the recommended strategies and an action plan to strengthen downtown Salem's retail base, expand its customers and improve the customer experience while visiting and shopping downtown. The Action Plan was completed in May 2007 and has continued to serve as the core workplan for the Salem Main Streets program in fiscal year 2009. Karl Seidman conducted an evaluation of the action plan implementation in the fall of 2008 and stated that the City and Main Streets had made excellent progress. Given the change in the economy, the recommendation was to provide additional effort on business retention.

PRIVATE DEVELOPMENT PROJECTS

Salem News Building

During the past fiscal year, the redevelopment of the old Salem News Building was completed. The total project consists of 31 housing units—seven in the renovated Central House building and 24 in the new building—36 surface parking spaces, and 7,500 square feet of commercial space. A single tenant, the Tavern in the Square restaurant, has occupied the commercial space.

Sign Improvements

The SRA and DRB review and approve all sign changes that are proposed in the Urban Renewal Areas. The following businesses installed new signage at their business in fiscal year 2009.

- Artists' Row Banners (24 New Derby Street)
- Body Empowered Wellness (281 Essex Street, Unit 3)
- China Trade House (6 Central Street)
- Dunkin' Donuts (60 Washington Street)
- Green Land Café (87 Washington Street)
- H&R Block (203 Washington Street)
- LaVoie Group (10 Derby Square)
- Lizzie Borden Museum (203 Essex Street)
- Lynde Street Café (2 Lynde Street)
- MetroPCS (221 Washington Street)
- Murphy's Irish Pub (300 Derby Street)
- Pamplemousse (185-189 Essex Street)
- Puleo's Ice Cream (133 Washington Street)
- Tavern in the Square (155-189 Washington Street)
- Treasures Over Time (139 Washington Street)
- Urban Elements (230 Essex Street)
- Witch City Ink (186 Washington Street, #3)

Façade and Other Storefront Projects

The SRA and DRB also review smaller scale storefront improvements, such as repainting of façades and replacement of lighting. The following projects were reviewed and approved by the SRA and DRB during fiscal year 2009.

- 209R Essex Street (Newmark Building)—Entry canopy
- 32 Derby Square (Old Town Hall)—Exterior doors
- 2 Lynde Street (Lynde Street Café)—Windows and exterior painting
- 24 New Derby Street (Artists Row)—Exterior painting
- 60 Washington Street (Dunkin' Donuts)—Changes to two entrances
- 189 Washington Street (Tavern in the Square)—Façade and lighting

Outdoor Café Permits

The SRA issues permits for outdoor cafés after DRB review and consultation with the Licensing Board and Health Department. The following outdoor café permits were approved by the SRA during fiscal year 2009.

Caffe Graziani—133 Washington Street
Green Land Café—87 Washington Street
Puleo's Ice Cream—133 Washington Street
Rita's Water Ice—2 East India Square, Suite 119

Other Private Improvement Projects

The following projects were reviewed by the SRA and DRB during fiscal year 2009.

2-26 Front Street—Replacement of screening fence
73 Lafayette Street (Beverly Cooperative Bank)—Rooftop screening

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.

City Hall

Planning for accessibility improvements to the Salem City Hall began in 2003, but the project was put on hold. In 2006, design of an elevator to replace the existing lift on the main City Hall stairway moved forward and the DRB and SRA reviewed and approved updated plans for an elevator addition located on the rear of the building. The SRA approved Final Design Plans in July 2007, and the DRB reviewed the construction drawings in February 2008. It is anticipated that the project will be bid and constructed during fiscal year 2010.

South River Harborwalk

The South River Harborwalk will include a fully accessible public walkway, pedestrian amenities and landscaping on both public and private property. In fiscal year 2004, the City received funds from the state to complete the design of the project. The design received Schematic Design Approval in September 2006 and Final Design Approval in April 2008. The first bids received exceeded available funds. During fiscal year 2009, the project design was modified and rebid. Bids were due in July 2009. It is anticipated the new bids will be within budget and work will be able to commence later in 2009.

15 Peabody Street Park

The City received a grant from the State to complete the design and construction of a new park at 15 Peabody Street. The City selected a team of design consultants led by Landworks Studio to complete the park design based on the schematic design created by Tufts University graduate students in 2007. The 15 Peabody Street Park will connect to the Harborwalk and has a number of amenities including a colorful, rubber-surfaced playground area. The park will serve as a front porch for the Point Neighborhood as well

as a link for the city at large back into the neighborhood. The SRA approved the Final Design Plans in June 2008. The first bids received exceeded available funds. During fiscal year 2009, the project design was modified and rebid. Construction commenced; however, onsite conditions have necessitated additional cleanup and a further modification to the park's design. It is anticipated the revised design will be approved in July 2009 and that construction will be completed in fiscal year 2010.

Artists' Row

Mayor Driscoll continued Artists' Row in the existing Salem Market Place in 2009 to capitalize on the ability of art and cultural activities to spur activity downtown. The seasonal program is designed to give area artists and craftspeople an opportunity to work, exhibit and sell their work and in exchange, they provide free performances or workshops on the weekends. In May 2009, the five stalls in the Salem Market Place were awarded to Salem artists answering the City's Call for Artists. In June, the SRA approved a new colorful design scheme for the exterior of the stalls.

Salem Main Street Program

The Salem Main Street Program was reorganized during fiscal year 2007 under the umbrella of the Chamber of Commerce but with its own Steering Committee. Originally established in 2000, the Salem Main Street Program assists with the recruitment of new businesses, provides technical assistance to businesses, coordinates promotional events and serves as a leading advocate for a strong commercial-retail environment. A new Main Street Manager was hired and started work during the summer of 2007. The Salem Main Street Program continued to work with the SRA and the City during fiscal year 2008 to promote a vibrant, retail-oriented downtown. Two new additions to the downtown events calendar were a very successful Arts Festival and a weekly Farmers' Market.

Outdoor Tables and Chairs

Consistent with policy goals to enliven the downtown streetscape, Mayor Driscoll proposed providing tables and chairs in Derby Square. The SRA approved the plan and the tables and chairs have been well received by the community. The Public Works Department is responsible for their management and care.

Storefront Improvement Program

The Department of Planning and Community Development implements a 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 \$5,000 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.

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 fiscal year 2009 the program funded loans for Pamplermousse and Crunchy Granola Baby.

Citywide Signage Program

The Mayor created an ad hoc signage committee to review the Comprehensive Signage Program prepared several years ago by the consultant firm, Roll & Barresi. A representative of the SRA serves on this committee. The consultant is providing technical assistance to help the committee fine tune the plan, establish priorities, and move forward with implementation. The plan includes vehicular and pedestrian directional signage along the city's entrance corridors and downtown. In fiscal year 2008, four kiosks were refurbished with new colorful maps and 32 parking signs were installed, carrying the same branding forward. For fiscal year 2009, the committee prioritized adding pedestrian display map kiosks and installing new pedestrian directional signage. The bidding process resulted in favorable pricing; however, the process was contested and work has not yet commenced. The City intends to install the other pieces of the signage program on an incremental basis as funds are identified.

BOARD/ADMINISTRATIVE CHANGES

The composition of the SRA Board did not change in the past fiscal year. Michael Blier, Ernest DeMaio, and Glenn Kennedy were reappointed to the DRB in June.

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 Salem.

Salem Redevelopment Authority

FY 09 Financial Report (Receipts and Expenditures)

Date	Description	Check Number	Deposits/Interest	Withdraws	Balance
	Balance Forward				\$43,302.97
7/31/2008	Interest - July 2008		\$9.83		\$43,312.80
8/31/2008	Interest - August 2008		\$9.84		\$43,322.64
9/10/2008	W.B. Mason	1067		\$32.12	\$43,290.52
	VOID	1068			\$43,290.52
9/30/2008	Interest - September 2008		\$9.51		\$43,300.03
10/1/2008	Adjustment for check 1042 which was never cashed		\$3,000.00		\$46,300.03
10/6/2008	Tom Daniel (ULI wrkshop expense reimbursement)	1069		\$332.26	\$45,967.77
10/31/2008	Interest - October 2008		\$9.82		\$45,977.59
11/10/2008	Karl Seidman Consulting Services (mrkt plan)	1070		\$500.00	\$45,477.59
11/30/2008	Interest - November 2008		\$9.43		\$45,487.02
12/31/2008	Interest - December 2008		\$9.66		\$45,496.68
1/31/2009	Interest - January 2009		\$9.66		\$45,506.34
2/28/2009	Interest - February 2009		\$8.72		\$45,515.06
3/31/2009	Interest - March 2009		\$8.73		\$45,523.79
4/30/2009	Interest - April 2009		\$3.75		\$45,527.54
5/31/2009	Interest - May 2009		\$3.86		\$45,531.40
6/30/2009	Interest - June 2009		\$3.74		\$45,535.14
	TOTALS		\$3,096.55	\$864.38	\$45,535.14