

ANNUAL REPORT OF THE SALEM REDEVELOPMENT AUTHORITY

Fiscal Year 2014
July 1, 2013 to June 30, 2014



BOARD OF DIRECTORS:

**Conrad Baldini
Robert Curran
Grace Harrington
Robert Mitnik
Russell Vickers**

EXECUTIVE DIRECTOR:

**Lynn Goonin Duncan, AICP
November 2014**

SRA ANNUAL REPORT

Fiscal Year 2014

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 52 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 2014 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 Area.

REDEVELOPMENT AUTHORITY PROJECTS

District and Superior Court Buildings

In fiscal year 2014 the Salem Redevelopment Authority maintained an open dialogue with local elected officials serving in the state house and with the Commonwealth's Division of Capital Asset Management and Maintenance (DCAMM), in order to consider the future of the Superior Court Complex on Federal Street, and District Court building on Washington Street.

After much examination and discussion, legislation was passed and subsequently signed by the Governor, allowing DCAMM to convey the District Court building and property to the SRA for the purpose of redeveloping the property. The SRA expects to release a request for proposals (RFP) to developers in fiscal year 2015. The legislation dictates that any proceeds from the sale of the District Court property, must be transferred to DCAMM, less any necessary costs incurred by the SRA during the process. The Superior Court complex remains in the control of DCAMM.

Salem MBTA Station and Parking Garage

The City of Salem worked closely with the MBTA and MassDOT on the design of an updated Intermodal Facility at Bridge and Washington Street, in order to improve the commuter experience.

The new Salem Station and Parking Garage was completed in October of 2014 and is fully accessible with a new nine-car, high-level platform and a lobby with two elevators in compliance with the Americans with Disabilities Act (ADA). Station access includes an at-grade bus platform, taxi lane and kiss-and-ride drop-off/pick-up area, pedestrian sidewalks, and a pedestrian bridge from Bridge Street to the elevators and stairs down to the platform. Upgrades have been made to seating, lighting, signage systems, site improvements, and landscaping. The new parking garage has 714 spaces and includes parking for electric

vehicles, accessible parking on each level, Zip Car parking, motorcycle and bicycle parking, and a parking control system. The facility has been designed to comply with Executive Order 484-Leading By Example: Clean Energy and Efficient Buildings. It is also designed to use natural-day and energy-efficient lighting with an energy saving lighting control system.

Old Town Hall

From fiscal years 2009 through 2014, the City leased Old Town Hall to Gordon College and its Institute for Public History. Under Gordon College's management, the building was actively programmed and remained available for rental by the public as well as for public meetings. In July of 2014 the City terminated this lease.

Starting in July, the City of Salem took full control of the management of Old Town Hall. All operations are coordinated by the City's recently hired, full-time, Public Art Planner.

Old Town Hall is marketed as an event venue through Destination Salem and various websites. In addition, word-of-mouth recommendations from past event hosts—especially for weddings—continues to generate new bookings. The Public Art Planner has been successful in continuing to build upon relationships with several entities that have booked events at Old Town Hall on an annual basis (or more often). These groups include:

1. The Paul Madore Chorale, which held four performances at Old Town Hall in fiscal year 2014;
2. The Massachusetts Poetry Festival, which features local poets and lectures; and
3. Commonwealth Vintage Dancers, which holds an annual Fezziwigs Ball and other events that average an attendance of over 100 people.

Having these regular events that draw large crowds at Old Town Hall helps to highlight the venue while driving business downtown.

During fiscal year 2014, the building hosted close to 70 events. They included private receptions, dances, birthday parties, weddings, fundraisers, concerts, theatrical performances, art shows, and graduation ceremonies. Old Town Hall also continues to host live performances of *Cry Innocent*, an interactive performance about the witch trial of Bridget Bishop.

During Gordon College's tenure managing Old Town Hall, it made some physical repairs to the building. Recent repairs include:

1. Reflooring of the Great Hall in September of 2012
2. Roof repairs made by the City in order to stop leaks and shore up loose shingles in the first quarter of 2013
3. Repainting of the Great Hall in June of 2013

The City was recently awarded \$20,000 from the Massachusetts Cultural Council's Cultural Facilities Fund to be put toward restoration of all of the building's windows, which are original. The City was also awarded \$46,000 from the Salem Community Preservation

Committee for this project. An architect has been contracted to develop bid specifications, and to oversee work for this project. The project should be complete by July, 2015.

There were 42,144 visitors to the Salem Museum, which operates on Old Town Hall's ground floor, during the 2014 season (June – October), which represents a 49% increase over the previous season's attendance. The museum's future is under discussion as it was managed by Gordon College.

The museum's exhibits tell the history of Salem from pre-European settlement through contemporary times. There is no admission fee; however, a \$3.00 donation is suggested. The Salem community has also been very supportive of the museum. Community members have donated money, artifacts, time, and shared stories to help the museum effort.

Retail Market Plan

To advance efforts to revitalize downtown Salem as a vibrant year-round retail destination, the Salem Redevelopment Authority in 2007 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 business mix, as well as 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. While the Action Plan was completed in May 2007, it continues to serve as a core work plan for the Salem Main Streets program.

PRIVATE DEVELOPMENT PROJECTS

Mixed-Use Development Proposal at Washington and Dodge Street

In July of 2013, the City Council voted to approve the disposition of City-owned land located at the corner of Washington and Dodge Streets, which is currently a 38 space parking lot, to Dodge Area LLC (c/o RCG LLC). The City also approved the abandonment of this portion of the Riley Plaza Roadway right-of-way as it is no longer used or needed for vehicular travel.

From September of 2013 to May of 2014, the developer presented continuously updated and revised plans to the Design Review Board for its proposed mixed-use development that will sit on the aforementioned site, in tandem with the parcels that it currently owns that run along the City's parcel. Schematic design was approved by the Salem Redevelopment Authority on June 11, 2014. The project includes:

- 70-100 Residential Units
 - Some live-work spaces
 - Final unit count and type subject to market demand
- 20,000 +/- square feet of commercial space
 - Could increase if demand for office space suggests adding office space and could decrease if demand suggests more live-work space

- 85-115-room limited service hotel
 - Subject to franchisor license agreement and market demand
- 265 +/- parking spaces
 - Parking sufficient to meet demands of all permutations of potential uses
 - Includes 38 re-located publicly available spaces, to be regulated and managed by owner
 - Final count will vary as drawings become more detailed

Since the schematic design for this project was approved, the applicant has continued to move forward in the local permitting process. The project is currently being considered by the Planning Board. The applicant will return to both the Design Review Board and Salem Redevelopment Authority for “final design review” of the proposed project.

The City was fortunate to receive a \$2.35 million “Massworks” grant from the Commonwealth’s Office of Housing and Economic Development, which will facilitate the relocation of utilities from underneath the City’s parcel and make improvements to the intersection at Washington and Dodge Street. The utility work is planned for 2015 with construction of the development planned for 2016. The completed project will do much to foster more economic activity, as well as to extend and bring additional vibrancy to the City’s downtown.

Phase II of the Old Salem Jail

The developers of the Old Salem Jail project, which transformed the former jail at St. Peter and Bridge Street into a multi-family residential building with a restaurant on the ground floor, returned to the SRA for approval of a redesign of Phase II of their project. A design for this phase, which calls for a new building fronting on St. Peter Street, was approved by the SRA back in 2006. The developer received approval from the SRA in March of 2014 to revise this design, which shrinks the building’s footprint, and calls for new materials, but still includes 13 residential units as originally proposed.

Peabody Essex Museum Expansion

In 2011 the Peabody Essex Museum (PEM) announced a proposed 175,000-square-foot expansion, which will add new gallery, public program and education spaces. The SRA in August of 2012 approved the PEM to proceed with the construction of a new mechanical penthouse on its roof, and in November approved the installation of a new emergency generator. This work comprises the “enabling phase” of the expansion, which paves the way for future work to be done. Due to the unfortunate passing of the original architect for this project, the PEM has since announced the selection of a new firm – New York based Ennead Architects – to redesign its expansion. The SRA was informed that the project completion is now delayed until 2019. When completed in 2019, the PEM expects 400,000 visitors annually, and it will rank among the nation’s largest art museums.

Storefront Improvement Program

The Department of Planning and Community Development implements a Storefront Improvement Program in 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, one downtown business participated in the program and developed designs. Over the years, the program has helped increase the number of quality signs and storefronts by giving business owners an incentive to improve their storefronts.

Sign Improvements

The SRA and DRB review and approve all sign changes that are proposed in the Urban Renewal Area. In fiscal year 2014 the SRA and DRB approved new signage to be installed at the following businesses:

- A&B Burgers (50 St. Peter Street)
- Artists' Row (24 New Derby Street)
- Beijing Herbal Foot Spa (201 Washington Street)
- Brothers Taverna (238 Derby Street)
- Colonial Hall at Rockafellas (227-231 Essex Street)
- Double Exposure (24 New Derby Street / Artists' Row)
- Firenze Trattoria (2 Lynde Street)
- Marrow (24 New Derby Street / Artists' Row)
- Nick's Firehouse Coffee Shop (30 Church Street)
- North Shore Children's Theatre (302 Essex Street)
- Petite Etoile (318 Derby Street)
- Pia (320 Derby Street)
- Red Line Café (188 Essex Street)
- Salem CyberSpace (209 Essex Street)
- Santander Bank (253 Essex Street)
- Turner's Seafood (43 Church Street)

Façade and Other Storefront Projects

The SRA and DRB also review storefront and building 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 2014:

- 211 Bridge Street – Replacement of basement level windows
- 11 Church Street (Essex Condos) – Replacement of roofline soffit
- 43 Church Street (Turner's Seafood) – Addition of historic flags to façade, as well as approval of proposed excavation of side planting area to create a new basement entrance/exit, and a back outdoor seating area.
- 328 Derby Street (Brother's Taverna) – Replacement of windows and awnings
- 188 Essex Street (Red Line Café) – Addition of umbrellas to outdoor café tables
- 265 Essex Street – Installation of new windows
- 299 Essex Street – Renovation of entire storefront facade
- 45 Federal Street – New siding, windows, decks, railings, and trim
- 24 New Derby Street – Repainting of buildings' siding

- 80 Washington Street (Melita Fiore Patisserie) – Addition of outdoor bistro tables and topiaries
- 87 Washington Street (Opus) – New front and back outdoor seating area with furniture, heaters, and umbrellas
- 93 Washington Street (City Hall) – Renovations/restoration of building envelope
- 155 Washington Street (Adriatic Restaurant) – New windows, outdoor lighting, and seating area fencing
- 191-211 Washington Street (Hawthorne Building) – Repainting of roofline cornices and signage

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 Downtown Renewal Area.

Repairs to City Hall

In the summer of 2011, the City Council secured \$2 million to initiate repairs to City Hall. In August of 2012, the SRA approved the replacement of its roof, masonry repairs to the chimneys, new gutters and downspouts, and repairs to its skylights. This work was completed in March of 2013.

The SRA approved another round of work for City Hall in December of 2013. This work to restore the building's exterior envelope includes repointing all brick, restoration of all windows, the front doors, a lantern mounted above the doors, and a gold leaf eagle that sits atop the roof. The work has been ongoing and should be completed in fiscal year 2015.

Essex Street Pedestrian Mall

Through a partnership among the City of Salem, Peabody Essex Museum, and the Salem Partnership, a consultant team was retained in 2011 to conduct four public forums on design improvements to enhance the pedestrian mall. The goal of the process was to develop a design that would strengthen the corridor and make it a vibrant place throughout the year.

The first set of improvements included removing some of the landscaping beds and replacing the areas with brick in order to increase pedestrian access and improve sight lines. Construction was completed on this phase in September of 2012.

In October 2012 and March 2013, the SRA approved phase two plans for the pedestrian mall, which included the removal of cobblestone "tabs" and replacement with brick, the resetting of cobblestone areas to improve drainage and ease of walking, removal of the wooden kiosk, replacement of trees, and the redesign of the fountain at Washington Street. Work was substantially completed on all of these items in July of 2013.

In winter of 2013 the City issued a request for bids to rehabilitate the Salem Town Pump, which sits at the intersection of Essex and Washington Street and was the last remaining project to be addressed for Phase II of the Essex Street Pedestrian Mall project. Work started

on this project in spring of 2014 and was completed in October 2014. The result is a fully rehabilitated fountain with a significantly smaller basin footprint that enables additional tables and chairs or other types of uses in this space. The basin is composed of precast concrete blocks etched with words from Nathaniel Hawthorne's "A Rill from the Town Pump." The bubblers were restored for use by the public and light fixtures were installed within the basin.

Public Art

Since completing a Master Plan for Public Art in fiscal year 2013, the City has moved ahead to implement its vision by having an ordinance approved by the City Council to appoint a Public Art Commission. That Commission was subsequently appointed by the Mayor and confirmed by the City Council in May of 2014.

In July of 2014 the City hired Deborah Greel to be its Public Art Planner, working out of the Department of Planning and Community Development to staff the Public Art Commission, oversee all public art initiatives in the City, and to manage Old Town Hall. Ms. Greel comes to the City with an impressive track record, having previously managed the Marblehead Arts Association for eight years, and prior to that, managing Salem Main Streets.

Noted in the feedback received during the four public forums on the pedestrian mall was a desire to see more public art downtown. As a result of this interest, the City has worked on several public art initiatives over the past couple of years.

The summer of 2014 marked the third year of the City's "ArtBox" program. Through ArtBox 2014, six designs were selected by a jury and the work of the artists can be found on three utility boxes downtown and three others adjacent to the downtown. There are now a total of 18 painted utility boxes in the city through this program, which was based on the successful 2010 pilot project held in front of Gulu-Gulu Café.

Artists' Row

Mayor Driscoll continued Artists' Row in the existing Salem Market Place in 2013-14 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 2014, the four stalls in the Salem Market Place were awarded to Salem artists answering the City's Call for Artists. This program also provides great synergy between the nearby Main Street Farmers' Market that runs between June and October at Derby Square.

Salem Main Streets Program

The Salem Main Streets 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 Streets 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. The Salem Main Streets Program continued to work with the SRA and the City during fiscal year 2014 to promote a

vibrant, retail-oriented downtown. The Arts Festival, weekly Farmers' Market, and "Scooperbowl" all continue to be successful events organized by Salem Main Streets.

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 that seek to make capital improvements to their buildings and those looking to expand their enterprise. In fiscal year 2014 the program funded a \$20,000 loan to local retailer "Pia." This women's boutique has operated on Derby Street since 2011 and draws customers from across the north shore.

BOARD/ADMINISTRATIVE CHANGES

Matthew Veno tendered his resignation in May of 2014. Subsequently, Grace Harrington was appointed by Mayor Driscoll to serve on the SRA and was confirmed by the City Council in June of 2014.

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 14 Financial Report (Receipts and Expenditures)

Date	Description	Check Number	Deposits/Interest	Withdraws	Balance
	Balance Forward				\$5,804.40
7/31/2013	Interest - July 2013		\$0.25		\$5,804.65
8/31/2013	Interest - August 2013		\$0.25		\$5,804.90
9/30/2013	Interest - September 2013		\$0.24		\$5,805.14
10/31/2013	Interest - October 2013		\$0.24		\$5,805.38
11/30/2013	Interest - November 2013		\$0.24		\$5,805.62
12/31/2013	Interest - December 2013		\$0.25		\$5,805.87
1/31/2014	Interest - January 2014		\$0.24		\$5,806.11
2/28/2014	Interest - February 2014		\$0.23		\$5,806.34
3/31/2014	Interest - March 2014		\$0.24		\$5,806.58
4/30/2014	Interest - April 2014		\$0.24		\$5,806.82
5/31/2014	Interest - May 2014		\$0.25		\$5,807.07
6/30/2014	Interest - June 2014		\$0.24		\$5,807.31
	TOTALS		\$2.91		\$5,807.31