

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



Preliminary design of a mixed-use building proposed by the selected developer (Diamond Sinacori, LLC) of 65 Washington Street – the former Salem District Court property. Design by CBT Architects.

Fiscal Year 2015  
July 1, 2014 to June 30, 2015

**BOARD OF DIRECTORS:**

**Conrad Baldini  
Robert Curran  
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Russell Vickers**

**EXECUTIVE DIRECTOR:**

**Lynn Goonin Duncan, AICP  
November 2015**

# **SRA ANNUAL REPORT**

## **Fiscal Year 2015**

### **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 53 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 2015 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*

On June 17, 2015 the SRA released a request for proposals (RFP) for sale and redevelopment of the former District Court property at 65 Washington Street. This process was mutually agreed upon by the City, SRA, and the Commonwealth's Division of Capital Asset Management and Maintenance (DCAMM) via a memorandum of understanding entered into by these parties.

The SRA received proposals from three developers. It held three public meetings to respectively designate finalist proposals for consideration, interview project teams, and select a final and alternate proposal. The proposal selected by the SRA calls for a mixed-use building with 61 residential condominium units, of which six (6) will be affordable and 14 will be three-bedroom units, 82 underground parking spaces, and 8,463 square feet of retail/restaurant space on the ground floor. The developer, Diamond Sinacori, LLC of Boston will begin the permitting process in fiscal year 2016.

#### *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.

### *Sign Improvements*

The SRA and DRB review and approve all sign changes that are proposed in the Urban Renewal Area. In fiscal year 2016 the SRA and DRB approved new signage to be installed at the following businesses:

Bambolina (288 Derby Street)  
Boston Wood Turning (24 New Derby Street, Artists' Row)  
Ceramics By Sibel (24 New Derby Street, Artists' Row)  
Coven's Cottage (190 Essex Street)  
DINO (24 New Derby Street, Artists' Row)  
Hauswitch Home and Healing (144 Washington Street)  
Jodi Bee Bakes (7 Church Street)  
Keller Williams Realty (75 Lafayette Street)  
Koto Japanese Grill and Sushi (90 Washington Street)  
Leap for Education, (209 Essex Street)  
Melita Fiore (83 Washington Street)  
New England Dog Biscuit Company (7 Central Street)  
Nikki Bergman Jewelry (24 New Derby Street, Artists' Row)  
October Moon (186 Essex Street)  
Opus (87 Washington Street)  
Pack Paper Company (24 New Derby Street, Artists' Row)  
Salem Dental Arts (20 Central Street)  
Sheila Farren Billings (24 New Derby Street, Artists' Row)  
Tavern in the Square (155 Washington Street)  
The Cheese Shop of Salem (45 Lafayette Street)  
Tibet Arts and Healing (230 Essex Street)  
Turtle Alley Chocolates (177 Essex Street)  
Ugly Mug Diner (122 Washington Street)  
Village Silversmith (186 Essex Street)  
Witch City Wicks (24 New Derby Street, Artists' Row)

### *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:

10 Derby Square – Replacement of fourth floor windows  
32 Derby Square (Old Town Hall) – Restoration and rehabilitation of all windows  
32 Derby Square – Public art installation  
217 Essex Street – Installation of rooftop wireless antennas  
30 Federal Street – Installation of rooftop solar panels  
25 Front Street (Lobster Shanty) – Installation of rooftop air-cooled fan unit  
2-26 Front Street – Replacement of roof shingles

## **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 continued to move forward in the local permitting process, receiving approval from the Planning Board as a Planned Unit Development (PUD) in December of 2014, and again in September of 2015 when the project was reduced in size by removing a floor of the residential/office building component. The project is currently being considered by the Conservation Commission. The applicant will return to both the Design Review Board and Salem Redevelopment Authority for "final design review" of the proposed project.

The City received 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. An additional \$825,000 was requested and awarded by the State to cover a funding shortfall for a total of \$3.175 million. The utility work is planned to begin in late 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.

#### *Peabody Essex Museum Expansion*

In 2011 the Peabody Essex Museum (PEM) announced its intention to build an expansion of the museum to make way for new gallery, public program, and education space. The PEM has since built a new mechanical penthouse on its roof and the installed a new emergency generator. This work comprises the "enabling phase" of the expansion and was approved by the SRA, and later completed by the PEM in 2013. Due to the unfortunate passing of the original architect for this project, the PEM announced the selection of a new firm – New York based Ennead Architects – to redesign its expansion.

In October of 2015 the PEM presented to the SRA an initial schematic design of the proposed expansion designed by Ennead that proposes to add 33,565 gross square feet to the museum. It is proposed to be built atop space currently occupied by an outdoor garden and restaurant. A new garden will be constructed in the back of the new proposed building. No existing galleries will be demolished in the building process and when the project is complete, gallery space will be increased by 15% to bring total gallery space to 100,000 square feet, ranking PEM among the top 20 art museums in the country. At its October 2015 meeting the SRA voted to approve the project to go through the schematic design review process, which will first be conducted at the Design Review Board.

The PEM also announced its intention to construct a collections and stewardship center building that will provide unprecedented capacity for the study and care of the museum's collection of more than 1.8 million objects. The center will be located off-site from the PEM's main campus and the museum is currently identifying potential sites within the region. It will be designed by the Boston-based firm, Schwartz/Silver Architects. Both it and the on-site expansion are slated for completion by 2019. The City and stakeholder partners are working diligently to ensure that the PEM locates the center at an appropriate location in Salem.

#### *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 two businesses participated in the program and developed designs. One of those businesses – Jodi Bee Bakes – moved forward with implementation of the storefront design and received a matching grant. 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.

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## **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.

### *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 substantially 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 full-time Public Art Planner.

Old Town Hall is marketed as an event venue through Destination Salem and various websites. 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 2015;
2. The Massachusetts Poetry Festival, which features local poets and lectures; and
3. The Boston Early Music Festival, which uses Old Town Hall for two weeks in November to not only rehearse their yearly opera, but to design, make and sew all of the production's costumes.

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

During fiscal year 2015, the building hosted close to 31 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.

As a result of being awarded \$20,000 from the Massachusetts Cultural Council's Cultural Facilities Fund and receiving funds from the City's Community Preservation Act (CPA) fund and Capital Improvement Plan (CIP), the City was able to begin the process of restoring and rehabilitating all of Old Town Hall's windows. The upper floor windows were removed in summer of 2015 and the project is slated to be complete by spring of 2016.

Other recent repairs to the building 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

During the 2015 season (June-October, there were 12,697 visitors to the Salem Museum, which operates on Old Town Hall's ground floor.

The museum's exhibits tell the history of Salem from pre-European settlement through contemporary times. Visitors over the age of 12 are charged a \$1 admission fee; donations are also encouraged. This is a change in policy for FY2015. In years past admission to the museum was free. The Salem community has been very supportive of the museum. Community members have donated money, artifacts, time, and shared stories to help the museum effort.

#### *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. This work was completed in fiscal year 2015.

#### *Public Art*

Since completing a Master Plan for Public Art in fiscal year 2013, the City began implementing 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 a Public Art Planner, who is part of the Department of Planning and Community Development and staffs the Public Art Commission, oversees all public art initiatives in the City, and manages Old Town Hall.

Public art projects completed in fiscal year 2015 include:

“Salem’s Connected World” – A series of designs and images painted on the brick and pavement directly adjacent to Salem’s Old Town Hall and along Artists’ Row. The designs referenced Salem’s Native American and maritime history and were painted by artist Liz LaManche.

The summer of 2015 marked the fourth year of the City’s “ArtBox” program. Six designs were selected by a jury to be implemented this past year and there are now a total of 23 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*

Artists’ Row provides a seasonal program designed to give area artists and craftspeople an opportunity to work, exhibit and sell their pieces; and in exchange, they provide free performances or workshops. In May 2015, the four stalls in the former Salem Market Place were awarded to artists and craftspeople answering the City’s Call for Creative Entrepreneurs. This program also provides great synergy between the nearby Main Street Farmers’ Market that runs between June and October at Derby Square.

The City this fiscal year began a process with the Boston based Cecil Group to develop a “framework plan” for Artists’ Row, that considers the space’s design, uses and programming, and management and operations. A working group of local stakeholders was convened to discuss what issues and ideas should be considered, and two public meetings were held to seek broader feedback. The final document provides a comprehensive set of recommendations that the City will use to guide future changes to the space and programming.

#### *Salem Main Streets Program*

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 2015 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. The City provides partial funding to the Main Streets program through the Community Development Block Grant program and occupies a seat on its steering committee.

### *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 2015 the program funded the following loans:

Bambolina - \$35,000 for equipment purchases. This is a restaurant offering Neapolitan style wood-fired pizza made in an authentic wood-fired pizza oven, as well as other nouveau Italian dishes.

Deacon Giles Distillery - \$30,000 for equipment purchases. This is a startup craft distillery that will produce small batches of gin and rum for wholesale and retail distribution.

Olde Main Street Pub - \$50,000 for asset acquisition and equipment purchases. This is a small pub with an Irish theme serving up comfort food.

### **BOARD/ADMINISTRATIVE CHANGES**

None to report.

### **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 15 Financial Report (Receipts and Expenditures)

Date	Description	Check Number	Deposits/Interest	Withdraws	Balance
	<b>Balance Forward</b>				<b>\$5,807.31</b>
7/31/2014	Interest - July 2014		\$ 0.24		\$ 5,807.55
8/31/2014	Interest - August 2014		\$ 0.25		\$ 5,807.80
9/30/2014	Interest - September 2014		\$ 0.24		\$ 5,808.04
10/31/2014	Interest - October 2014		\$ 0.25		\$ 5,808.29
11/30/2014	Interest - November 2014		\$ 0.23		\$ 5,808.52
12/31/2014	Interest - December 2014		\$ 0.25		\$ 5,808.77
1/31/2015	Interest - January 2015		\$ 0.25		\$ 5,809.02
2/28/2015	Interest - February 2015		\$ 0.22		\$ 5,809.24
3/31/2015	Interest - March 2015		\$ 0.25		\$ 5,809.49
4/30/2015	Interest - April 2015		\$ 0.24		\$ 5,809.73
5/31/2015	Interest - May 2015		\$ 0.24		\$ 5,809.97
6/30/2015	Interest - June 2015		\$ 0.24		\$ 5,810.21
	<b>TOTALS</b>		<b>\$ 2.90</b>	<b>\$ -</b>	<b>\$ 5,810.21</b>