

**City of Salem Massachusetts
Public Meeting Minutes**

Board or Committee: Redevelopment Authority, Regular Meeting
Date and Time: Wednesday, June 12, 2019 at 6:00 PM
Meeting Location: 98 Washington Street, First Floor Conference Room
SRA Members Present: Chair Grace Napolitano, David Guarino, Dean Rubin, Russ Vickers
SRA Members Absent: Gary Barrett
Others Present: Tom Daniel – Director of Planning and Community Development, Kathryn Newhall-Smith
Recorder: Colleen Brewster

Chair Napolitano calls the meeting to order. Roll call was taken.

Projects Under Review

Executive Directors Report:

Daniel stated that;

1. 289 Derby Street: Portions of the property have been subdivided and the City is working with the property owner's attorney on an easement agreement, that might be presented to the SRA in July. A payment would be made, and that money would go back into programming for 289 Derby Street. Construction at 289 Derby Street should be completed by the end of June.
2. Permitting path for 5 Broad Street and Archdiocese school buildings: Ordinances, License, and Legal Affairs Committee Meeting discussion lead to a different approach to allow permitting in certain zoning districts through a Special Permit for a Municipal Religious Use Conversion. A joint public hearing of the City Council and Planning Board to further discuss the matter will be held on Monday, June 17, 2019. There have been concerns with the language which have been clarified and they will continue to make the language clearer based on the upcoming discussion.
3. Goals for 2019: At the last meeting Dean Rubin raised reviewing and updating the goals every 6 months. The goals will be kept the same through June, the end of the fiscal year. This matter can be discussed further at the July meeting.
4. HSI's 75th Anniversary Gala: Russ Vickers attended the event and accepted an award on behalf of the SRA.

Urban Renewal Area Projects Under Review

1. 25 Lynde Street: Discussion of Residential Redevelopment of Existing Structure

Attorney Scott Grover, and Co-Owners, Mike Becker and Charrissa Vitas were present to discuss the project.

Ms. Newhall-Smith stated that the proposal is to convert the existing 2 units into 5 residential units. DRB made a positive recommendation and requested that the trellis be painted to match the body color of the house.

Atty. Grover stated that the structure is currently a mixed-use office, 5 residences with 5 parking spaces, 1 space through an easement at the adjacent property, are proposed. The plans have been updated to reflect these changes. Mr. Becker stated that they've relocated one of the garage spaces and vehicles can now drive through the lower level. The garage door has been reduced to 22-foot-long and 1 residential door has been added to each side of the addition. They've squared off the corner of the building, set the addition back from the original building, and added small setbacks on the sides with the garage, so that it looks like an addition and not an extension. The dormers were also simplified using shed dormers and a couple were doubled.

Mr. Rubin asked if there was anything requested that he didn't want to do. Mr. Becker replied no. The addition is a different color and material and the result is better than the original design. Historic Commission Chair Jessica Herbert and HSI were very helpful in this process.

Gary Barrett arrived.

Chair Napolitano opens public comment.

No one in the assembly wished to speak.

Chair Napolitano closes public comment.

Guarino: Motion to approved as recommendation of the DRB.
Seconded by: Rubin. Passes: 5-0

2. 65 Federal Street: Discussion of Residential Redevelopment of Existing Structure

Attorney Scott Grover and Owner Mike Becker were present to discuss the project.

Ms. Newhall-Smith stated that the proposal is to convert the existing 2 units into 5 residential units. This project went through several meetings and iterations. There were a few recommendations by the DRB; to treat the dormer with laced corners, the dormer façade would be a darker color like the roof, to add a planter box to the front, and additional pervious pavers to the front parking area.

Mr. Becker stated that the Nantucket dormer changed to a simple shed dormer, they changed the roofline to be consistent with the existing, the gable dormers will remain, the dog house dormers were changed to shed dormers, the 2 story structure will remain, as well as the rear tree, and a new foundation will be added at the rear of the existing structure.

Mr. Guarino requested clarification on the DRB's paving comment. Mr. Becker replied that he will replace existing concrete on the left side of the parking area to match the new pervious pavers being installed on the right. This will allow the spaces to double as outdoor space and will also help keep the rear tree hydrated.

Mr. Becker stated that Historic Commission Chair Jessica Herbert was very helpful with the review of this project as was HSI.

Chair Napolitano opens public comment.

No one in the assembly wished to speak.

Chair Napolitano closes public comment.

Guarino: Motion to approve with recommendation with the DRB.
Seconded by: Rubin. Passes: 5-0

3. 2 East India Square (Witch City Mall): Discussion of proposed signage

Ms. Newhall-Smith stated that the DRB approved this last month. The owner didn't respond to the suggestions for additional signage on the entrances and a directory but also didn't oppose it. They also have not followed through yet with the payment for the signage package application.

Chair Napolitano and Mr. Guarino agreed that they won't approve of this application unless the applicant pays the fee. Chair Napolitano also wanted to ask about the cleaning of the façade, which was an issue the DRB raised. Mr. Guarino suggest they let the owner know what issues the SRA would like responses on. Mr. Daniel agreed that cleaning is a concern and noted that the owner is on the hook for signage removal and restoring the façade but not cleaning. There is a concern with water in the building that causes leaks and the City may not want to power wash the façade and clean it. The City may not want him to do it so it shouldn't be tied to the removal.

Mr. Vickers stated that the owner should be cleaned in the area of the sign only, or at least try. Mr. Daniel agreed and noted that the whole façade is a different concept. Mr. Rubin noted that the former name shouldn't be visible. This building is a hold-out to the old days of the SRA and it doesn't contribute to the vibrancy of the downtown. Mr. Guarino stated that this seems to be the only opportunity to get the owner to follow through with building maintenance.

Chair Napolitano opens public comment.

No one in the assembly wished to speak.

Chair Napolitano closes public comment.

Rubin: Motion to continue to the next regular meeting.
Seconded by: Barrett. Passes: 5-0

4. 1 Derby Square: Discussion of installation of skylights

No one was present to discuss the project.

Guarino: Motion to continue to the next meeting.
Seconded by: Rubin. Passes: 5-0

5. 217-221 Essex Street: Discussion of restoration of exterior façade

Attorney Joseph Correnti of Serafini, Darling & Correnti, L.L.P, representing Essex Lofts, LLC, and Vu Alexander of Sousa Design, were present to discuss the project.

Atty. Correnti stated that there is a commitment to restore these buildings. The existing first-floor will remain retail and the vacant upper level will become residential. This project will go to the Planning Board (PB) since there are more than 6 new residential units being created.

Mr. Alexander stated that they will restore the exterior of the building, replace the existing windows with aluminum insulated windows with divided lites, and the aluminum and glass storefront will be replaced with wood with traditional details. They will clean up and paint the brick exterior and will save the old cast iron window surround details and sills. There is some deterioration, rust, and

damage to the cast iron details, so they will need to be restored. At the rear façade an existing opening has been infilled with glass blocks that was once a rear entry to the bank. It will be reopened to create a second egress for tenants. The rear entry will be 6-12” above grade at that point and they may need to work around existing utilities, but a ramp won’t be necessary since the opening at the glass block used to come all the way down to the floor-line. Pella Architectural Series windows will be used for the storefront.

Mr. Daniel asked if historic tax credits were being sought and raised concern over the original storefront being different than what is being proposed. Mr. Alexander replied that the original has multiple columns that he doesn’t think he could replicate. Interior lighting will filter out to the street through the glass and there is a current first-floor tenant. The lower level entrance will remain recessed and the rear egress will also be recessed. They will provide a new entry lobby, egress stair, elevator, and corridor that will lead to the new rear entrance.

Mr. Daniel asked for the proposed color of the cast iron. Mr. Alexander replied that the existing is white, Salem Historic Commission (SHC) reviewed it, they suggested adding some warm grey to make the detail stand-out. They will scrap off some of the layers of paint before it gets repainted. Mr. Daniel noted that the quality of the restoration is important to the SRA.

Mr. Daniel asked what was proposed with the digital clock. Mr. Alexander replied that it is a large element that detracts from the building and suggested removal.

Mr. Daniel stated that the PB will ask about trash. Mr. Alexander replied that the basement houses a large trash bin and other equipment that will be removed. They are considering adding a recess at the rear façade for trash. Mr. Rubin noted that it would require access from both the interior and exterior.

Mr. Daniel asked about the proposed unit count. Mr. Alexander replied that a range of 18-24 units is being considered. They will need to determine the structural design first that is still to be discovered. Mr. Rubin asked if the units will be rental or condominium. Mr. Alexander replied rental.

Atty. Correnti stated that the owner wanted micro-units, but they are transitions to 1-2 bedrooms units, so a total of 18-20 units are possible with 4-5 units per floor.

Mr. Alexander stated that there will be construction challenges and staging concerns and they will need guidance for where to place a dumpster. Mr. Rubin noted that the PEM used barricades during construction which worked well. Mr. Daniel added that the Building Inspector can be consulted. Mr. Alexander suggested the planter area be used and added that they would redevelop the landscaping afterwards.

Mr. Rubin noted his excitement for this project.

Chair Napolitano opens public comment.

No one in the assembly wished to speak.

Chair Napolitano closes public comment.

Barrett: Motion to refer to the DRB.
Seconded by: Guarino. Passes: 5-0

6. 30 Federal Street: Discussion of construction of an addition

Applicant previously requested a continuation.

Guarino: Motion to approve the applicants request to continue to the regular July SRA meeting.
Seconded by: Rubin. Passes: 5-0

Old Business

1. Superior Court and Crescent Lot: Update

Daniel stated that 55 people attended the walk -through on the 16th and the RFQ was downloaded 160 times. An addendum was sent out on the questions they've received. There were many familiar faces, some were already in teams and others were on their own. Proposals are due June 28th and they will be delivered to the Board members ASAP. The Board shall evaluate the proposals on; experience, concept, financial resources, proposed schedule, their ability to complete the project, Ch. 91 requirements at the Crescent lot, and their concept of the City's Goals. People asked questions and their goal of having public access to the space was communicated to them. The City wants to learn from this process.

Crescent lot: Mr. Daniel stated that some did say the deal only works with the crescent lot, development with this parcel only works with Ch. 91, and that jurisdiction ends at Bridge Street. He and Kate will meet with DEP on this parcel and they encouraged them to be creative. Ms. Newhall-Smith noted Ch. 91 dictates that 50% of the project site must be open to the air, and there needs to be public accommodations. Mr. Daniel noted the parcel is not connected to the water either. Mr. Vickers asked if conceptional development was included in this phase. Mr. Daniel replied that there may be a site plan with some renderings.

Mr. Rubin asked if there any feedback on the two-step process being asked of the applicants. Mr. Daniel replied that no one comments on that and Sandy Silk, from the ULI panel discussion, critiqued a draft of the RFQ and said that this wasn't asking for too much to ask for. The original version was asking for additional financial information and that would have gone too far. Mr. Vickers asked if after the SRA Board selects a shortlist of 3 developers whether there would be some latitude to negotiate and work with the developers to optimize the concept. Mr. Daniel agreed that they can learn from the developers to help shape the requirements of the RFP. The developers will also benefit from that dialog, and when the City puts together the RFP, they can clarify goals and public objectives. The project concept will be well thought through but could still change even once a developer is selected. This will be a partnership/collaboration between the SRA, the City, and the Developer. Mr. Vickers stated that they will begin ranking with the RFP's. This is SRA property and they have more latitude with this property than they did with 5 Broad Street.

Mr. Daniel read through the resume of their potential Development Consultant Matt Zahler, and stated that the SRA may want a consultant to help with this process, analyzing, vetting, etc. He contacted MassDevelopment while seeking assistance with this process and Matt Zahler was one of the names they provided. Mr. Zahler originally wanted to bid on the project himself but decided against it. He was formerly with Trinity who attended the site visit, has a background in development, and has worked on the policy side development. His company has a development arm and a consulting arm.

Mr. Vickers asked when the consultant's involvement would begin. Mr. Daniel replied that it's flexible, he may not need to sit through the RFQ interviews but could be consulted after and suggested items for them to consider. Mr. Vickers noted that they may want the developer's perspective on the RFP since they can be very prescriptive when it comes to what they are looking for. Mr. Rubin questions if all the shortlisted developers have the same vision, they will do it their own way, and a consultant might not be necessary at that point.

Mr. Vickers asked about the consultant contract requirements and how to structure the contract to get him on board. Mr. Daniel replied that the consultant can be used hourly or on a project basis. He wants to meet the SRA board members and would want to be present for the finalist interviews. Mr. Rubin noted that the 5 Board Street review went well so he is unsure if a consultant will be necessary. Mr. Guarino suggested the consultant provide their expertise in the beginning and provide feedback or attend a meeting during the review process and estimate his hours. Chair Napolitano stated that she was unsure of how much a consultant would be needed until they get their initial RFP responses. Mr. Rubin suggested the consultant commit to a minimum number of hours and attend one meeting at the end of June to provide a critique of the RFP. He also questioned whether he was the right consultant and if he has more project management experience which wasn't included in the resume.

Chair Napolitano asked when a decision needed to be made. Mr. Daniel replied that he can meet with him this week with a couple board members. While expressing earlier reservations about the need for a consultant, Mr. Rubin noted that the Board agreed in principal to engage one.

Mr. Daniel stated that an appraisal of the crescent lot will be needed, to inform the SRA of the value of the property, and to decide on the minimum purchase price. There will be no minimal bid like with 5 Broad Street. Mr. Vickers noted that on the Salem Jail they went with the lowest price because the idea/concepts should govern the decision not the monetary value. It was a controversial decision, but he feels it was the right approach. Mr. Guarino noted that the 5 Broad Street bid prices still came in below the appraisal. Mr. Daniel stated that the appraisal amount can be just for the SRA's knowledge and doesn't need to be included in the RFP. The crescent lot does have value on its own, because it has potential. Mr. Vickers stated that the most valid appraisals will come from the developers who are taking the time to study their proposed building. The Board agreed to obtaining an appraisal for the crescent lot. Mr. Daniel noted that he feels a responsibility that it needs a clear number since it could be more valuable than the other sites.

Mr. Daniel stated that the SRA has \$9,000 and grant funds to cover the Consultant, appraisal, etc. A CPA request was also made for \$40,000 for pre-development assistance. He noted that Ms. Newhall-Smith will set up a ranking sheet to help to Board with the RFQ review process.

2. New Business:

2 East India Square (Witch City Mall): Mr. Rubin stated that this building receives constant negativity from the public and asked what mechanisms are in place to incent the owner to improve it so it's no longer the blight of downtown. Mr. Daniel replied that some tenants have been there for decades and there are no vacancies. The public spaces are abysmal and the restrooms a nightmare; however, it provides a livelihood for many and the City is a tenant there too. The City has a complicated relationship with the owner because the City owns the garage above it. The retail roof isn't a true roof, drains were added between the retail roof and underside of the first parking level but there are leaking and floods. There are no incentives to make the owner change. The City has spoken to developers about the property, that are interested in it, and they could try to tie the owner to a developer. The property could be taken through eminent domain, but there needs to be a political will, financial wherewithal to see it through and a legal basis. The businesses are well-maintained and cleaned but not the public spaces. Mr. Rubin questions the use of a health and safety mechanism. Mr. Daniel replied that the bathrooms are the biggest issues because they should be open during October; however, the owner will lock them instead and not all repairs are OSHA compliant. Mr. Guarino stated that the City is partially responsible for this problem and it can be fixed but at what cost. Mr. Daniel noted that another package is being sent to try and stop the leaking, that have had numerous minor fixes over the years that last for a year or so. Elevator still is old and has graffiti and the stairs aren't being cleaned. Mr. Guarino suggested the SRA play a role to prompt action or a discussion to get the City or Owner to act on this property. Mr. Vickers noted

that the owner said they have other properties, but Salem doesn't seem to be a priority for them. Mr. Daniel replied that he wants this to be a legacy for his family.

Chair Napolitano suggested they engage an attorney as a course of action to take in the future for this property. Mr. Guarino noted that the SRA is not bound in the same way as the City and questioned what is required to make a case. Mr. Rubin replied health and safety concerns. Mr. Daniel noted that the SRA owns some pathways on the surface of the land. Mr. Rubin suggested a private meeting with the owner to discuss the issues and try to make this work. Mr. Guarino added that the owner most likely wouldn't want a public meeting.

3. Approval Enforcement:

Mr. Rubin stated that there should be some enforcement mechanism for their approvals. Boston Burger was given an approval to use umbrellas without logos, but they and Casa Tequila had umbrella's with logos. He also noticed that the seasonal vestibule at Adriatic was still up when it was supposed to only be up in winter, and after he commented on it to the owner it was removed in two days. There should be dates associated with "seasonal approvals." There should be another position within the City for enforcement. Trees? Home owners have noticed these items. Ms. Newhall-Smith replied that Casa Tequila didn't include umbrellas in their proposal and they also added an extra wall on the terrace. They will resubmit plans for review. Mr. Daniel added that some replacement umbrellas become logo umbrella's when the solid color one's break. There is an annual liquor licenses review and the SRA approvals should be tied to it.

Mr. Guarino stated that these are City wide issues, and suggested the SRA revisit their previous decisions, and re-review their approval since they are no longer in compliance. Mr. Daniel replied that that is a work-load capacity issue. The approvals need to be tied to something the business owners really want. He sees the same violations and alerts people to the issue. Chair Napolitano suggested a template letter be the first warning, and then add a note that ties it to their liquor license review. Mr. Barrett asked who the agent would be responsible for sending the letters. Mr. Daniel replied that Ms. Newhall-Smith lead the process for developing rules and regulations for outdoor vending. Many businesses were angered and there is a lot of follow-up and guidance needed, but it can't all be dealt with. Mr. Rubin stated that the City stands for what it tolerates and without enforcement why put it into consideration, for example, Boston Burger is not securing their rear patio furniture where they said they would.

Minutes

The Board reviewed the minutes from the regular May 8, 2019 meeting.

Rubin: Motion to approve the May 8, 2019 regular meeting minutes with Rubin's edits.
(*Guarino was not present at the May 8, 2019 meeting and could not vote.*)

Seconded by: Chair Napolitano. Passes: 4-0

Adjournment

Guarino: Motion to adjourn the meeting.
Seconded by: Barrett. Passes 5-0.

Meeting is adjourned at 8:00PM.

Know your rights under the Open Meeting Law M.G.L. c. 30A §18-25 and City
Ordinance Sections 2-028 through 2-2033.