



CITY OF SALEM

In City Council, August 4, 2021

RESOLUTION

WHEREAS, Tropical Products, Inc. (hereinafter “Tropical Products”) wishes to purchase the properties at 2, 3-5, 6, 10 Cedar Road and 355, 373 Highland Avenue, Salem, MA, (herein after “the Properties”) known as the Assessor’s Parcels ID as follows

Address	Parcel Number
2 Cedar Road	07-0057-0
3 Cedar Road	07-0047-0
5 Cedar Road	07-0048-0
6 Cedar Road	07-0056-0
10 Cedar Road	07-0055-0
355 Highland Avenue	07-0046-0
373 Highland Avenue	07-0058-0

and

WHEREAS, Tropical Products intends to construct an estimated +/- 100,000 square foot industrial/manufacturing building to accommodate current business activities, to increase its production capacity, and to create new employment opportunities for local workers (hereinafter “the Project”); and

WHEREAS, the City of Salem (hereafter “CITY”) is willing to grant tax concessions in return for a guarantee of the purchase of the Properties and realization of the Project;

NOW, THEREFORE, BE IT RESOLVED that the Salem City Council hereby

- Endorses the use of Tax Increment Financing as a tool to encourage economic development at the Properties, and;
- provides for a tax exemption at the Properties for a period of five (5) years, beginning the first full fiscal tax year after Certificate of Occupancy is issued for the new building at the Properties in accordance with the schedule below:

Term	Exemption %
1	100%
2	80%
3	60%
4	40%
5	20%

Said exemption being in accordance with M.G.L. Chapter 23A, Section 3E and Chapter 40, Section 59.

BE IT FURTHER RESOLVED that the Mayor is hereby authorized, on behalf of the City, to enter into a Tax Increment Financing Agreement, a copy of which is attached hereto, with Tropical Products, Inc.

BE IT FURTHER RESOLVED that the City of Salem is hereby authorized to submit an application to The Economic Assistance Coordinating Council (EACC) for approval of the Tax Increment Financing Agreement.

TAX INCREMENT FINANCING AGREEMENT

(Alternatively, the "Agreement")

BETWEEN

THE CITY OF SALEM

(Alternatively, the "City")

AND

TROPICAL PRODUCTS, INC.

(Alternatively, the "Company")

This agreement is made as of this _____ day of _____, 2021 by and between the City and the Company.

WHEREAS the Company is a Massachusetts corporation having its principal office at 220 Highland Avenue, Salem, Massachusetts 01970 and is authorized to do business in Massachusetts; and

WHEREAS the City is a Massachusetts municipal corporation acting through its Mayor and City Council, having its principal office at 93 Washington Street, Salem, Massachusetts 01970; and

WHEREAS the Company will be purchasing property at 2, 3-5, 6, 10 Cedar Road and 355, 373 Highland Avenue, Salem, Massachusetts, 01970 (hereinafter referred collectively as the "Property"), which Property is shown on the map attached to this agreement as Exhibit A; and

WHEREAS the Company intends to construct an estimated +/- 100,000 square foot industrial/manufacturing building to accommodate the Company's current business activities, to increase its production capacity, and to create new employment opportunities for local workers (herein after the "Project"); and

WHEREAS the Project investment at the Property is an estimated \$19 million, including \$3 million to purchase the land, \$13 million for construction costs, \$1,750,00 for soft costs, and \$1,250,000 for machinery and equipment; and

WHEREAS the Company plans to retain 10 full-time jobs and create 123 new, permanent, full-time jobs at the Property within a five (5) year period; and

WHEREAS the City strongly supports increased economic development to provide additional jobs, expand business within Salem, and to develop a healthy economy and stronger tax base; and

WHEREAS, on _____, 2021, the Salem City Council voted to recommend approval of this Agreement.

NOW THEREFORE, in consideration of the mutual promises of the parties contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

A. THE CITY'S OBLIGATIONS

1. A Tax Increment Financing ("TIF") exemption (the "Exemption") is hereby granted to the Company by the City in accordance with Massachusetts General Laws Chapter 23A, Section 3A to 3F; Chapter 40, section 59; and Chapter 59, Section 5, Clause 51, and the applicable regulations thereunder. The Exemption for real estate taxes shall be for a period of five (5) years (the "Exemption Term"), commencing in the fiscal year for which the City has increased the assessed value at the Property to the full assessed value of the Project at the Property (the first day of such fiscal year in which said full assessed valuation occurs is hereinafter referred to as the "State Date", which date shall be no earlier than the first day of the fiscal year following the date a certificate of occupancy has been issued to allow the Company to use and occupy the Project); and shall provide an exemption from real estate taxation of

the new incremental value of the property resulting from the Project, as determined by the City assessor, as follows:

Year	Exemption Percentage
Year 1	100%
Year 2	80%
Year 3	60%
Year 4	40%
Year 5	20%
Year 6	0%

2. The anticipated base assessed valuation of the Property, pursuant to this Agreement shall be \$2,767,000.
3. The base assessed valuation shall be adjusted annually by an adjustment factor which reflects increased commercial and industrial property values within the community, as provided in Massachusetts General laws Chapter 40, Section 59.
4. The increased value or “increment” created by improvements to the Property will be the amount eligible for exemption from taxation, in accordance with the Exemption applicable to each year in the schedule in Section A.1, hereof.
5. The Company is a registered manufacturer by the Massachusetts Department of Revenue and is exempt from paying municipal personal property taxes.

B. THE COMPANY’S OBLIGATIONS

1. The Company shall construct an estimated +/- 100,000 square foot structure on the Property for its manufacturing operations.
2. The Project investment at the Property shall be an estimated \$19 million, including \$3 million to purchase the land, \$13 million for construction costs, \$1,750,00 for soft costs, and \$1,250,000 for machinery and equipment; and
3. The Company shall retain 10 full-time jobs in the City, and create 123 new, permanent, full-time jobs at the Property within a five (5) year period. The Company will target new hires from demographics that traditionally have difficulty finding employment, including but not limited to veterans, disabled people, homeless, and formerly incarcerated people.
4. The Company’s job retention and creation plans are outlined in the Employment & Job Creation section of the EDIP Application to be submitted to the State in connection with the request for the TIF Exemption.
5. In addition to the Property improvements and job retention and creation, the Company shall provide the following community benefits:
 - a. **Renewable Energy Generation:** The Company shall install solar panels on the roof of the new building, which will supply solar energy to the power grid.
 - b. **Community Meeting Space:** The Company will make available its cafeteria space for community meetings. The cafeteria is anticipated to hold up to sixty (60) people and can be available after-hours Monday through Thursday evenings.
 - c. **Employee Training Opportunities:** In addition to the retained and new employment opportunities, the Company will offer a comprehensive training program that allows existing and new employees the opportunity to progress and develop into supervisory positions.

6. The Company shall submit an annual report pursuant to Massachusetts General Laws Chapter 23A, Section 3F to the Massachusetts Economic Assistance Coordinating Council (“EACC”) through the Commonwealth’s online portal for each year of the Application designation. The annual report shall include the number of jobs retained and created, and the value of the Property capital investments and other related items with respect to the Property annually and on a cumulative basis. The Company shall also submit a report as required by Massachusetts General Laws Chapter 40, Section 59(viii) to the City and the EACC.
7. The Company plans to use reasonable efforts, to the extent permitted by law and assuming equal qualifications, to give priority to qualified Salem residents in its hiring of new employees for the Project.
8. The Company plans to use reasonable efforts, to the extent permitted by law and assuming equal qualifications, to give priority to qualified local vendors for the Project.
9. If the Company fails to meet the obligations specified in Section B.1 through B.6 above, the City, acting by and through its Mayor and City Council, may take action to notify the EACC and/or request the EACC to revoke approval of this Agreement. Upon the EACC revocation of its approval of this Agreement, the City shall discontinue the Tax Increment Financing benefits provided to the Company commencing with the first fiscal year in which the Project is decertified, or if such benefits have already been received by the Company for the fiscal year in which the Project has been decertified, commencing as of the fiscal year immediately following that fiscal year.
10. Prior to taking any action to request revocation of this Agreement by the EACC pursuant to Paragraph B.8, the City shall give written notice of the alleged material default to the Company and provide the Company an opportunity to meet with Salem officials having the relevant authority under this Agreement to discuss a remedy for the alleged default. The Company shall have sixty (60) days from the receipt of such written notice to respond to the City regarding any alleged default and one hundred twenty (120) days from the receipt of such written notice to remedy such alleged default, or, with respect to alleged defaults which by mutual agreement of the Parties cannot be remedied within such one-hundred-twenty (120) day period, within such additional period of time as is required to reasonably remedy such alleged default, provided the Company exercises due diligence in the remedying of such alleged default.
11. If the Company plans to move from the Property during the Exemption Term, the Company shall give the city thirty (30) days advance written notice, to the attention of its Mayor and City Council.

C. OTHER CONSIDERATIONS

1. Pursuant to Massachusetts General Laws Chapter 40, Section 59 (v), this Agreement shall be binding upon the Company, its successors and assigns and subsequent owners of the Property.
2. The matters described above as obligations of the Company are only conditions to the eligibility for tax exemptions under this Agreement and do not create any other enforceable obligation or covenants of the Company. The City’s sole remedy for failure by the Company to satisfy any of its respective obligations and conditions are set forth in Paragraphs B.9 through B.11 of this Agreement.
3. This Agreement is subject to Massachusetts General Laws Chapter 23A, Section 3A to 3F, Chapter 40, Section 59, and Chapter 59, Section 5, Clause 51, and the applicable regulations thereunder.
4. Should any provision of this Agreement be declared or determined by a court of competent jurisdiction to be illegal or invalid, the validity of the remaining parts, terms, and provisions shall not be affected thereby and said illegal or invalid part, term, or provision shall be deemed not to be a part of the Agreement.

5. The time within which the Company shall be required to perform any of the respective acts or obligations under the Agreement shall be extended to the extent that the performance of such acts or obligations shall be delayed by a Force Majeure Event and only for so long as said Force Majeure Event has continued. A Force Majeure Event means any supervening events or occurrences, such as acts of God, earthquakes, fire, acts of terrorism, pandemic, war, labor disputes, delays or restrictions by government bodies, or other causes that are beyond the reasonable control of the Company.
6. This Agreement is subject for approval by the EACC pursuant to Section 3E of Chapter 23A and the applicable regulations thereunder and this Agreement cannot be modified unless approved by the EACC.
7. Each person executing this Agreement represents and warrants that he or she has been duly authorized to execute and deliver this Agreement by the entity for which he, she, or they is signing, and this Agreement is the valid and binding agreement of such entity, enforceable in accordance with its terms.
8. This Agreement may be executed in separate counterparts, each of which when so executed shall be an original; but all of such counterparts shall together constitute but one and the same instrument.

Signatures Follow on Next Page

WITNESSETH the execution and delivery of this Agreement by the City and the Company, as an instrument under seal, as of the date first above written.

AGREED TO:

Tropical Products, Inc.

City of Salem

Name: Edward Berman
President

Name: Kimberley Driscoll
Mayor

Date of Signature

Date of Signature

**Exhibit A
Property Map**

Address	Parcel Number
2 Cedar Road	07-0057-0
3 Cedar Road	07-0047-0
5 Cedar Road	07-0048-0
6 Cedar Road	07-0056-0
10 Cedar Road	07-0055-0
355 Highland Avenue	07-0046-0
373 Highland Avenue	07-0058-0





CITY OF SALEM, MASSACHUSETTS

Kimberley Driscoll
Mayor

Office of the Mayor

August 4, 2021

Honorable Salem City Council
Salem City Hall
Salem, Massachusetts 01970

Ladies and Gentlemen of the City Council:

The enclosed Order authorizes a Tax Increment Finance (TIF) agreement with Tropical Products for their planned relocation and expansion project on Highland Avenue.

Tropical Products anticipates that as a result of their project they will create 123 new, fulltime jobs. In addition to the new jobs, Tropical Products is proposing other community benefits from their project, including:

- Installation of rooftop solar panels that are projected to supply the full amount of energy necessary to operate the new facility.
- Use of the new building's cafeteria space for small community and neighborhood meetings.
- Targeting new hires from demographics that traditionally have difficulty finding employment, including veterans, individuals living with disabilities, homeless persons, and formerly incarcerated individuals.

As you know, a TIF provides a short-term reduction in the tax liability for a commercial property on the value of new growth or improvements made. The company continues to be responsible for the entire base amount of their tax bill and, over a period of time – in this case, five years – the tax liability for the new value is gradually added until the owner is paying the full amount.

The current base tax bill for the project property is \$76,377 per year and the anticipated final tax bill, at the end of the TIF is \$234,600 per year. The proposed TIF scales the tax bill upward in 20% increments each year for five years, resulting in a total exempted tax amount of \$474,669.

Year (after C.O.)	Exemption of New Value	Base Tax	Taxes Paid Per TIF	Exempted Taxes
1	100%	\$76,377	\$76,377	\$158,223
2	80%	\$76,377	\$108,022	\$126,578
3	60%	\$76,377	\$139,666	\$94,934
4	40%	\$76,377	\$171,311	\$63,289
5	20%	\$76,377	\$202,955	\$31,645
6	0%	\$76,377	\$234,600	\$0

If the proposed project did not proceed, the City would be collecting approximately \$458,262 in property tax revenues over six years ($\$76,377 \times 6 = \$458,262$) on this site, assuming no one else came on board to invest/redevelop the site and there was not a large increase in vacant land values. Assuming the project moves forward as anticipated, even with the proposed exemptions, we would collect approximately \$932,931 over six years – an increase of \$474,669 over the current base property taxes (in addition to the increased jobs benefit to our community).

Tropical Products is a sizable and established employer in our community. During the COVID-19 pandemic they were an exceptional partner in our response efforts, manufacturing and donating a very large volume of sanitizer to Salem Public Schools, municipal offices, the Salem Police Department, and the Salem Fire Department. We are so pleased that they want to remain and grow here in Salem and welcome the opportunity to work with them in making that expansion possible.

To meet the state's filing deadlines for the TIF and maintain their own construction schedule, which aims to commence early in the 2022 construction season, we are requesting the City Council take a vote on the enclosed Order no later than your September 9, 2021 meeting.

I wholeheartedly recommend adoption of the enclosed Order and invite you to contact Tom Daniel with any questions.

With best regards,



Kimberley Driscoll
Mayor
City of Salem



CITY OF SALEM

In City Council, August 4, 2021

Ordered:

That the meetings of the qualified voters of the City of Salem be held in all precincts in the city at the polling places designated hereinafter on Tuesday, September 14, 2021 for the purpose of casting votes in the City Preliminary Election for the nomination of candidates for the following offices:

Mayor: for the term of four (4) years

Councillor of Ward One: for the term of two (2) years

Councillor of Ward Two: for the term of two (2) years

Councillor of Ward Four: for the term of two (2) years

Councillor of Ward Seven: for the term of two (2) years

AND BE IT FURTHER ORDERED: That the following places be and hereby are designated as polling places for said meetings:

PRECINCT ONE	WARD ONE
PRECINCT TWO	Bentley School, Memorial Drive
	Community Room, 135 Lafayette Street
PRECINCT ONE	WARD TWO
PRECINCT TWO	St. Peter's Episcopal Parish Hall, St. Peter Street
	St. Peter's Episcopal Parish Hall, St. Peter Street
PRECINCT ONE	WARD THREE
PRECINCT TWO	Salem High School Auditorium, 77 Willson Street
	Salem High School Auditorium, 77 Willson Street
PRECINCT ONE	WARD FOUR
PRECINCT TWO	Witchcraft Heights School Gymnasium, 1 Frederick Street
	Witchcraft Heights School Gymnasium, 1 Frederick Street
PRECINCT ONE	WARD FIVE
PRECINCT TWO	Saltonstall School Auditorium, 211 Lafayette Street
	Saltonstall School Auditorium, 211 Lafayette Street
PRECINCT ONE	WARD SIX
PRECINCT TWO	Bates School, Liberty Hill Avenue
	Bates School, Liberty Hill Avenue
PRECINCT ONE	WARD SEVEN
PRECINCT TWO	Salem State Enterprise Center, 121 Loring Avenue
	Salem State Enterprise Center, 121 Loring Avenue

AND BE IT FURTHER ORDERED: That the polls at said meetings be opened at 7:00 a.m. and closed at 8:00 p.m. and that the City Clerk be instructed to post this notice as required by law.

President

City of Salem

In the year Two Thousand Twenty-one

An Ordinance to amend an ordinance relative to demolition delay.

Be it ordained by the City Council of the City of Salem, as follows:

Section I. The Salem Code of Ordinances is hereby amended by deleting in its entirety Section 2-1572 of Chapter 2 entitled *Review process for granting demolition permits for historic buildings or structures* and inserting the following new Division within Article II. *Maintenance of Structures and Property* of Chapter 12 Building, Electricity and Plumbing Regulations:

“Division 4. Demolition Review for Historically Significant Buildings

Sec. 12-76. INTENT AND PURPOSE

This Demolition Delay Ordinance is intended to establish a uniform process for preserving and protecting significant buildings and structures in the City that constitute or reflect distinctive features of the architectural, cultural, political, or social history of the City; to encourage owners of these buildings to actively seek out alternatives that preserve, rehabilitate, relocate or restore these buildings rather than demolish them; and to provide a reasonable time period for public discussion before a historic building is lost. The ordinance further seeks to document those buildings that cannot be saved through photographic, video and/or written materials and to preserve those materials as part of the public record.

The intent of this ordinance is not to permanently prevent demolition, but rather to provide an opportunity to develop preservation solutions for properties threatened with demolition.

Sec. 12-77. DEFINITIONS

“APPLICANT” - Any person or entity who files an Application for a Demolition Permit. If the Applicant is not the owner of the premises upon which the Building is situated, the owner must indicate on or with the Application his/her assent to the filing of the Application.

“APPLICATION” - An application for the Demolition of a Building.

“BUILDING” – Any combination of materials forming a shelter for persons, animals, or property.

“BUILDING COMMISSIONER” - The person occupying the office of Director of Inspectional Services or otherwise authorized to issue demolition permits.

“BUSINESS DAY” – A day which is not a legal municipal holiday, Saturday or Sunday.

“CHARACTER DEFINING ELEMENTS” - Character-defining elements include the overall shape of the building, its materials, craftsmanship, decorative details, interior spaces and features, as well as the various aspects of its site and environment.

“COMMISSION” – The Salem Historical Commission or its designee.

“COMMISSION STAFF” – The person regularly providing staff services for the Commission whom the Commission has designated Commission Staff for the purposes of this ordinance.

“DEMOLITION” - Any act of pulling down, destroying, removing, or razing any of the following: 50% of all exterior walls of a Building including framing, windows, doors, exterior finishes and details; or 50% of exterior walls of a Building that are viewable from a public way; or 50% of all roof structures of a Building; or 50% of roof assemblies of a Building that are viewable from a public way; or enclosure or alteration of more than 50% of the exterior walls of a Building so that they no longer function as exterior walls. Any combination of the above that occurs within a five year time period shall be included in the calculation.

“DEMOLITION PERMIT” - The building permit issued by the Building Commissioner for a Demolition of a Building, excluding a building permit issued solely for the demolition of the interior of a building.

“LOCAL HISTORIC DISTRICT” – Derby Street Local Historic District, Lafayette Street Local Historic District, McIntire Local Historic District, Washington Square Local Historic District or any other historic district which from time to time may be established under M.G.L. Ch. 40C.

“PREFERABLY PRESERVED” - Any Significant Building that the Commission determines, following a public hearing, that it is in the public interest to be preserved rather than demolished. A Preferably Preserved Building is subject to the applicable twelve or eighteen month demolition delay period of this ordinance. The delay period begins with the close of the public hearing.

“SIGNIFICANT BUILDING” – Any building within the city that is in whole or in part fifty years or more old and which has been determined by the Commission or its designee to be in the public interest to be significant based on any of the following criteria:

- The Building is listed in, or is within an area listed in, the National Register of Historic Places; or
- The Building has been found eligible for the National Register of Historic Places; or
- The Building is importantly associated with one or more historic persons or events, or with the broad architectural, cultural, political, economic or social history of the City of the Commonwealth; or
- The Building is historically or architecturally important (in terms of period, style, method of building construction or association with a recognized architect or builder) either by itself or as one of a series of like buildings that document an historical period.
- The Building is the subject of a Massachusetts Cultural Resource Information System Form B that indicates historic or architectural significance.

Sec. 12-78. PROCEDURE AND ADMINISTRATION

a) **Applicability.** No Demolition Permit for a Building that is in whole or in part 50 years or more old shall be issued without following the provisions of this ordinance. If a building is of undetermined age, it shall be assumed that the building is over 50 years old for the purposes of this ordinance.

For a residential garage or storage shed, but excluding carriage houses as defined in the zoning ordinance, section II.B, the Building Commissioner shall forward an application for Demolition of such a structure to the Commission. Within 21 days of the receipt of such a request, the Commission shall make a determination of the historical or architectural significance of the garage or shed. If the structure is deemed significant, the application shall be forwarded to the full Commission for review as outlined in this section. If the structure is deemed to possess no historic or architectural significance or if no action is taken within the 21-day period, a demolition permit shall be issued.

b) **Administration.** The Commission may adopt such rules and regulations as are necessary to administer the terms of this ordinance; adopt a schedule of reasonable fees to cover the costs associated with the administration of this ordinance; and may delegate authority to make initial investigations of significance to one or more members of the Commission and to a Historical Commission staff person.

Sec. 12-79. APPLICATION

An Applicant proposing to undertake Demolition of a Building subject to this ordinance shall file an Application with the Historical Commission. The Application shall be made or co-signed by the owner of record at the time of Application and shall contain or be accompanied by the following information:

- The address of the Building where the proposed Demolition is to take place.
- The owner's name, address, and telephone number.
- Existing conditions photographs of all street façade elevations of the Building.
- A description of the Building to be demolished.
- The reason for requesting a Demolition Permit.
- If the Application for Demolition is based on a claim of structural deficiency, the applicant may be required by the Commission to submit a structural report on the structure's soundness that is prepared by a licensed professional structural engineer.
- A brief description of the proposed reuse, reconstruction, or replacement.
- Site plan and/or map of property.

Sec. 12-80. PUBLIC HEARING

Within thirty (30) days of the receipt of the Application by the Commission, the Commission shall hold a public hearing. Public notice of the time, place and purpose of the hearing shall be posted in a conspicuous place in City Hall for a period of not less than 14 days prior to the date of said hearing and the Applicant and the Building Commissioner shall be notified in writing of the meeting time and place. The notice shall also be placed on the City's online meeting calendar 14 days prior to the hearing. A copy of said notice shall be mailed to the Applicant and to all abutters and abutters to abutters, including those across the street of the lot on which the building is located.

Following the close of the public hearing, the Commission shall decide whether the Building is a Significant Building. If agreed to in writing by the Applicant, the determination of the Commission may be postponed to a subsequent meeting.

Upon determination by the Commission that the Building is not a Significant Building, the Commission shall so notify the Building Commissioner and the applicant in writing. The Building Commissioner may then issue the Demolition Permit.

Upon determination by the Commission that the Building is a Significant Building, the Commission shall determine whether the building should be Preferably Preserved.

If the Commission determines that the Building is not Preferably Preserved, the Commission shall so notify the Building Commissioner and Applicant in writing. The Building Commissioner may then issue the Demolition Permit.

If the Commission determines that the Building is Preferably Preserved, the Commission shall notify the Building Commissioner and Applicant in writing. No Demolition Permit may then be issued for a period of 12 months from the date of the close of the public hearing for buildings between 50 and 99 years of age from construction as of date of the Application or 18 months from the date of the close of the public hearing for buildings 100 years and older as of date of Application, unless otherwise agreed to by the Commission. If the Commission does not so notify the Building Commissioner in writing within 21 days of the close of the public hearing, the Building Commissioner may issue the Demolition Permit.

Upon determination by the Commission that any Building which is the subject of an Application is a Preferably Preserved building, no building permit for new construction or alterations on the premises shall be issued for a period of the applicable twelve or eighteen months from the date of the close of the public hearing unless otherwise agreed to by the Commission.

The Building Commissioner may issue a Demolition Permit or a building permit for a Preferably Preserved building within the applicable 12 or 18 months if the Commission notifies the Building Commissioner in writing that the Commission finds that the intent and purpose of this ordinance is served even with the issuance of the Demolition Permit or the building permit. This may include that the Commission is satisfied that the Applicant for the Demolition Permit has made a bona fide, reasonable and unsuccessful effort to identify alternative plans for Demolition, or the Applicant has agreed to accept a Demolition Permit on specified conditions approved by the Commission. Such conditions may include the review and approval by the Commission of a revised set of submitted development plans. The Commission may take into consideration preservation and treatment of exterior and interior Character Defining Elements as part of development plans.

The owner shall be responsible for properly securing the Building, if vacant, to the satisfaction of the Building Commissioner. Should the owner fail to secure the Building, and as a result, such building is lost through fire or other cause, this shall be considered voluntary Demolition for the purposes of this ordinance.

Following the applicable twelve or eighteen month delay period, the Building Commissioner may issue the Demolition Permit.

Sec. 12-81. EXPIRATION TIMES FOR DEMOLITION AUTHORIZED BY COMMISSION

Where the Commission has determined that the Demolition of a Building *would not* be detrimental to the historical or architectural heritage or resources of Salem, or where 21 days have passed after the date of the close of the Commission’s public hearing on a Demolition Application without Commission notification of its determination to the Building Commissioner, thereby in either case permitting the Building Commissioner to issue a Demolition Permit in accordance with procedures set forth in these regulations, any request to extend such Demolition Permit or a renewed permit application shall be reviewed *de novo* if the Demolition previously authorized is not substantially concluded within one year of the issuance of the Demolition Permit, or, if no permit has been issued, within one year of the Commission’s initial determination

Where the Commission has determined that the Demolition of a Building *would* be detrimental to the historical or architectural heritage or resources of Salem, hereby preventing the Building Commissioner from issuing a Demolition Permit in accordance with the procedures set forth in these regulations, such determination shall be reviewed *de novo* if:

- a) A Demolition Permit Application is not submitted to the Building Commissioner within six months of the expiration of the applicable twelve or eighteen month delay period, or
- b) Application for Demolition is so made within six months of the expiration of the applicable twelve or eighteen month delay period, but actual Demolition is not substantially concluded within six months of the issuance of the Demolition Permit.

Transfer of Ownership – The time limits set forth above apply only to the original owner requesting a Demolition Permit. Any subsequent owner of the property shall be required to apply *de novo* pursuant to the procedures set forth above and should demolition be delayed, be subject to the time periods set forth herein from the date such new demolition delay is imposed, unless otherwise determined by the Commission.

In implementation of this section, the Commission shall include the applicable expiration date for authorization of the demolition in any notification to the Building Commissioner with a copy to the Demolition Permit Applicant, provided that the Commission Chair may, for cause, grant in writing one or more extensions of time of such authorization for periods not exceeding six months each.

Sec. 12-82. EMERGENCY DEMOLITION

If after an inspection, the Building Commissioner finds that a Building subject to this ordinance is found to pose an immediate threat to public health or safety due to its deteriorated condition and that there is no reasonable alternative to the immediate Demolition of the Building or structure, nothing in this Ordinance shall prevent the Building Commissioner from issuing, pursuant to statutory authority, an emergency Demolition Permit to the owner of the building or structure. The Building Commissioner shall then prepare a report explaining the condition of the building and the basis for his decision which shall be immediately forwarded to the Commission.

Sec. 12-83. ENFORCEMENT AND REMEDIES

The Commission and/or the Building Commissioner are each specifically authorized to institute any and all actions and proceedings, in law or equity, as they may deem necessary and appropriate to obtain compliance with the requirements of this ordinance or to prevent a threatened violation thereof.

Any owner of a building subject to this ordinance that undertakes Demolition of a Building without first obtaining a Demolition Permit in accordance with the provisions of this ordinance shall be subject to a fine of not more than Three Hundred Dollars. Each day the violation exists shall constitute a separate offense until a faithful recreation of the demolished building is completed or unless otherwise agreed to by the Commission.

Sec. 12-84. HISTORIC DISTRICT ACT

Following a determination that the Building is a Significant Building and Preferably Preserved, the Commission may recommend to the City Council that the Building be protected through the provisions of Massachusetts General Law, Chapter 40C, the Historic Districts Act. The steps required under M.G.L. Chapter 40C shall be followed prior to the establishment of a local historic district. Nothing in this ordinance shall be deemed to conflict with the provisions of the Historic District Act, Massachusetts General Laws Chapter 40C. If any of the provisions of this ordinance do so conflict, that act shall prevail.

Sec. 12-85. SEVERABILITY

In case any section, paragraph or part of this ordinance be for any reason declared invalid or unconstitutional by any court, every other section, paragraph, and part shall continue in full force and effect.”

Section II. This ordinance shall take effect as provided by City Charter.

In City Council July 15, 2021

Adopted for first passage by roll call vote of 11 yeas, 0 nays and 0 absent

ATTEST:

ILENE SIMONS
CITY CLERK