

**ANNUAL REPORT  
OF THE  
SALEM REDEVELOPMENT AUTHORITY**

Fiscal Year 2018  
July 1, 2017 to June 30, 2018

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**November 2018**

# **SRA ANNUAL REPORT**

## **Fiscal Year 2018**

### **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 56 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 2018 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 Salem's Urban Renewal Area.

### **2018 SRA Goals**

At its February 14, 2018 meeting the SRA discussed setting goals for the year. In addition to the review of Urban Renewal Projects as they are received, there are specific projects managed by the SRA that the board will focus on in 2018. The Board also discussed periodically holding joint meetings with the Design Review Board and other downtown stakeholder groups and organizations as an effective way to share knowledge and address downtown initiatives holistically. The recently completed Downtown Salem Historic Survey Update is one opportunity to bring together the SRA, the Historic Commission and the broader preservation community. Joint meetings are one effective strategy to achieve another identified goal, to ensure downtown stakeholders feel involved in the SRA review process. At the March meeting members distilled the discussion down to the four goals below for the SRA in 2018.

1. Complete the sale of the District Court property by fall 2018.
2. Issue an RFP for Superior Court/County Commissioners buildings.
3. Invite members of the Historical Commission and broader preservation community to the May SRA meeting for a presentation on the Downtown Salem Historic Resource Survey Update project. (Coordinate with Preservation Planner Patti Kelleher.)
4. Ensure downtown stakeholders feel involved in the SRA review process.

### **REDEVELOPMENT AUTHORITY PROJECTS**

#### *District Court*

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 was submitted by developer Diamond Sinacori of Boston, called for a mixed-use building with 61 residential condominium units, of which six (6) would be affordable and 14 would be three-bedroom units, a building height of 69 feet, 71 on-site parking spaces, and 8,463 square feet of retail/restaurant space on the ground floor.

Since selection of the proposal, the SRA and Diamond Sinacori worked through the following major milestones:

- April 28, 2016: SRA and developer execute a final amended letter of intent outlining terms and details of a path forward for delivery of the project;
- October 24, 2016: The City, on behalf of the SRA, receives a memo from its environmental consultant Tighe & Bond, essentially substantiating the contention of Diamond Sinacori that approximately \$850,000 in removal of hazardous materials from the District Court building would need to occur prior to demolition of the building, which was discovered over several weeks of due diligence investigations coordinated by the developer;
- January 31, 2017: SRA and developer execute a land disposition agreement (LDA) that lays out all terms for the project up to closing on the property;
- April 13, 2017: City Council votes to approve a Housing Development Zone (HD) and Housing Development Incentive Program (HDIP) Plan for select parcels in downtown Salem, including the District Court parcel. The program allows the developer of the District Court project to enter into a tax increment exemption (TIE) agreement with the City and apply for up to \$2 million in tax credits from the Commonwealth for the production of market rate housing units;
- June 1, 2017: SRA and developer execute an amended LDA;
- August 9, 2017: Proposed project receives approval of its schematic design from the SRA.
- March 21, 2018: Execution of Tax Increment Exemption (TIE) Agreement between City of Salem and 65 Washington Street, LLC.
- March 30, 2018: 65 Washington Street, LLC submits HDIP Preliminary Certification Application.

- April 4, 2018: Planning Board grants Site Plan Review and a Planned Unit Development Special Permit approvals.
- June 13, 2018: With a DRB recommendation, the SRA approves the final design for the District Court redevelopment project at 65 Washington Street, with the condition that the final design of the Federal Street façade and artwork will be subject to a final review and approval by the SRA prior to issuance of a building permit.
- July 19, 2018: City Council approves granting of perpetual easement to the SRA to allow for encroachments identified on the “Ground Easement Plan” and “Air Rights Easement Plan”, both dated July 16, 2018. The easements reference a portion of the existing foundation of District Court that will be incorporated in the project that encroaches the Church Street right of way, in addition to the proposed entrance canopy, bay windows, and balcony for mixed use building approved by the Planning Board and Salem Redevelopment Authority.

During the first half of 2017, the original proponent of the project (Diamond Sinacori, LLC) joined with an additional financing partner (Urban Spaces, LLC of Cambridge). The two partners are now working cooperatively to complete the project.

The project has received Planning Board and SRA approval for 61 units with six affordable units, two levels of enclosed parking, and commercial space on the ground floor. The project team anticipates the project to cost \$27 million. Below is a summary table of the project.

	<u>Original Proposal</u>	<u>Approved Design</u>
Number of Units	61	61
1 Bedrooms	8	13
2 Bedrooms	39	38
3 Bedrooms	14	10
Total Parking spaces	71	88
Standard	71	61
Tandem		6
Stackers		21
Building height	64 ft.	69 ft.
Total Building Square Footage	125,410 s.f.	109,000 s.f.
Total Retail Space	8,463 s. f.	3,000 +/- s.f.

*Superior Court & County Commissioners Building*

In January of 2017, Governor Charlie Baker signed into law an Act that enables the Commonwealth's Division of Capital Asset Management and Maintenance (DCAMM) to convey the property on Federal Street in Salem that contains both the Superior Court and County Commissioners building, to the SRA. The legislation allows for a similar process that unfolded with respect to the District Court to occur for this property. The notable differences for this project include the need for these buildings to be effectively preserved and adaptively reused by an end owner, and per direction of the Secretary of State, that certain rooms specifically called out in the legislation be reserved and used for the relocation of the Southern Essex District Registry of Deeds. The legislation calls for the Registry to ultimately own this space as a condominium.

The SRA, Mayor Driscoll, and City staff moved swiftly to convene several stakeholders including DCAMM, the Executive Office of Administration and Finance, Senator Joan Lovely, Representative Paul Tucker, the Salem Partnership, and the Register of Deeds. Secretary of Administration and Finance Kristen Lepore authorized the development of a feasibility analysis to examine whether a potential project can support both the Registry of Deeds and a component of private development. On behalf of the SRA, DCAMM hired Stantec consulting to produce this analysis.

Stantec completed its analysis in November 2017. It includes several scenarios to determine the feasibility of the Registry of Deeds occupying a portion of the Salem Superior Court building and leave both the remainder of the space within the Superior Court and the County Commissioners Building available for private development, either office or residential use. Stantec's report concluded that the feasibility of either residential or office development in any scenario that included the Registry of Deeds is unlikely due to development costs, current market rents, and the unlikelihood that a developer would achieve a minimum reasonable return on investment to make the project viable. Stantec did conclude, however, that a residential project for both buildings that did not include the Registry of Deeds was feasible. In addition, Stantec's analysis estimated that the cost of any development of these buildings at approximately \$32 million. In May of 2018 Representative Tucker introduced legislation concerning the transfer of the court buildings to the SRA that would remove that the requirement that any redevelopment of the buildings include space for the relocation of the Registry of Deeds. SRA Chair Napolitano attended the Joint Hearing on June 13, 2018 and testified in support of the legislation, which ultimately passed on July 27, 2018. It calls for the SRA to consider allocating space for the Registry of Deeds but allows for the SRA to proceed with the disposition of the buildings for development without the Registry if it is determined that such an allocation is not feasible. Governor Baker subsequently signed the Act.

The SRA will continue to work with all stakeholders to ensure that appropriate steps are taken to see that an expeditious and effective process occurs for issuance of a request for proposals (RFP) and ultimate redevelopment of these properties. The SRA shares the desire of many in the Salem community to see these buildings preserved and brought back to life.

*Housing Development Incentive Program (HDIP) Plan and Housing Development (HD) Zone*

In April of 2017 the City of Salem, with the cooperation of the SRA, approved a Housing Development Incentive Program (HDIP) Plan and associated HD Zone for select downtown parcels, including the District Court and Superior Court / County Commissioners Building parcels. A property owner that proposes a multi-family housing development that contains at least 80% market rate units in an HD Zone parcel may enter into a tax increment exemption (TIE) agreement with the sponsor municipality, and then proceed to apply for state tax credits worth up to 25% of qualified construction costs or a maximum of \$2 million.

As mentioned, 65 Washington LLC and the City finalized a TIE agreement for the minimum abatement of taxes over the minimum allowable length of time as dictated by State statute. This amounts to a discount of 10% off the new property taxes owed as a result of the project being completed (the increment) over a period of five years. The City’s Assessor estimates that the City will collect approximately \$2.3 million of property taxes in the first six years after project completion, with a total exemption of approximately \$187,000. Below is a detailed table.

Term Year	Exemption	Incremental Assessed Value	Exempted Property Taxes	Estimated Property Taxes	Estimated Base Tax Bill	Total Annual Taxes Paid
1	10%	\$23,625,000	\$37,469.25	\$337,223.25	\$39,650.00	\$376,873.25
2	10%	\$23,625,000	\$37,469.25	\$337,223.25	\$39,650.00	\$376,873.25
3	10%	\$23,625,000	\$37,469.25	\$337,223.25	\$39,650.00	\$376,873.25
4	10%	\$23,625,000	\$37,469.25	\$337,223.25	\$39,650.00	\$376,873.25
5	10%	\$23,625,000	\$37,469.25	\$337,223.25	\$39,650.00	\$376,873.25
6	0%	\$23,625,000	\$0.00	\$374,692.50	\$39,650.00	\$414,342.50
		<b>Total</b>	<b>\$187,346.25</b>		<b>Total</b>	<b>\$2,298,708.75</b>

With the local TIE agreement executed, 65 Washington LLC now needs to receive approval from the Commonwealth’s Department of Housing and Community Development (DHCD) in order to receive state tax credits.

*Urban Land Institute Strategic Assistance Panel Report*

The City and the SRA worked with the Urban Land Institute (ULI) on a Strategic Advisory Panel (SAP) consisting of five real estate professionals to identify the approach to future downtown development in the most advantageous way that balances near term market opportunities with long term infrastructure needs. The City and SRA were interested in whether a master developer approach would make sense for several publicly owned properties with development potential. The panel convened on December 11, 2017 and met with representatives of City government, community interests, and residents during an intensive eight-hour day that focused on the issues, constraints, and opportunities presented by underutilized publicly-owned downtown properties. The

panel identified the desire for preservation of historic structures, the need for significant improvement of Museum Place, and the need to preface the development disposition processes with strategic planning and visioning for the downtown informed by an understanding of the nature of desired and realizable development and long-term parking needs and opportunities.

The panel recommended a clustered approach rather than a single master developer for disposing of properties for redevelopment. One cluster would be the Superior Court and County Commissioners building, as well as Tabernacle Church. The other cluster would be the Museum Place Garage and Church Street lot. The panel also recommended a two-stage disposition process for each cluster, first a soliciting qualifications and concept in the first stage, followed by detailed proposals from a short list of developers in the second stage.

#### *Old Salem Jail Phase II*

When the redevelopment of the Old Salem Jail was approved by local boards (including the SRA) in 2006, it included plans not only to redevelop existing buildings on-site, but also to build a new building with residential units in the courtyard area. That portion of the project had been on hold for some time. Moreover, it was redesigned two times, most recently by a new owner of the property.

The SRA approved the last revision of the final design of the project in June of 2016; the building will contain 14 residential rental units with 13 parking spaces underneath it. Construction began in early 2017 and was completed in summer 2018.

## **PRIVATE DEVELOPMENT PROJECTS**

### *Hotel Salem*

In 2015, luxury boutique hotel operator Lark Hotels purchased 209 Essex Street. The building had long served a commercial office function. The building is in need of significant repair and restoration and sits along a pedestrian way that could greatly benefit from private investment in surrounding properties.

In October of 2015 the SRA approved plans for Lark to convert the property into a 44 room luxury boutique hotel, with three dining establishments, a rooftop deck, outdoor seating, and additional amenities. The project called for a complete cleaning and restoration of the building's facade. The ground floor will feature a brand new glass storefront system, designed to better engage the street it faces. Lark Hotels is investing \$4,000,000 in property design and renovations, and approximately \$1,200,000 in personal property (furniture, fixtures, and equipment). The City's Assessor estimates that the property value will increase by \$3,800,000 due to this investment.

In October of 2015, the Salem City Council approved a tax increment financing agreement (TIF) for the project that exempts approximately \$350,000 in property taxes over a five year period of time. There is a strong sense that this project, in combination with the expansion of the Peabody Essex Museum, will galvanize a great deal of additional economic activity along the Essex Street Pedestrian Mall, and transform it in a positive way for many years to come.

The Salem Hotel officially opened its doors over the winter of fiscal year 2018.

In June 2018, the SRA agreed to a performance surety with the ownership team to complete all improvements to the façade required to be constructed by the SRA in their approval of the project in October 2016. This includes unfinished façade and building improvements, including zinc sign band installation, masonry restoration, cornice repair, and stone façade cleaning. It is anticipated this work will be completed by the end of September 2018.

*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 (at the time 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 calling for:

- 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
  - Includes 38 re-located publicly available spaces, to be regulated and managed by owner

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 SRA approved a revised final design of the project that included the reduction of a floor in January of 2017.



The City was awarded a \$2.535 million “Massworks” grant from the Commonwealth’s Office of Housing and Economic Development that facilitated the relocation of utilities from underneath the City’s parcel and made 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 \$3.3560 million. The utility work began in late 2015 and was completed in early spring of 2017.

The developer demolished the one-story building that lined most of its portion of the site. It closed on the property with the City in the fall of fiscal year 2017.

Since that time, the development team reorganized to allow the future builder and operator of the hotel portion of the project to manage the entire project. Due to cost constraints to construct the originally approved project, the applicant returned to the SRA in fall of 2017 with revisions to the final design of the project. The project now consists of a 113-room hotel, 56 residential units, 12,000 square feet of commercial space, and 212 parking spaces in a structured garage. The SRA approved the final design in January 2018. The applicant agreed to return to the DRB with 100% construction documents and to the SRA for a final design for the restaurant corner treatment.

The developer amended their special permit from the Planning Board in May 2018. They will be starting construction in the fall of 2018.

#### *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.

In October of 2015 the PEM presented to the SRA an initial schematic design of the proposed expansion produced by Ennead Architects of New York that proposed to add 33,565 gross square feet to the museum. It was proposed to be built atop space previously 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. The project received schematic design approval from the SRA in September of calendar year 2016. Construction activities have already begun, and general construction will be carried through to calendar year 2019.

#### *90 Washington Street – New City Hall Annex*

In summer of 2016 the City Council authorized the Mayor to enter into a 20-year lease with the new ownership group of 90 Washington Street for the purposes of it hosting the new City Hall Annex offices. The building is a three-story structure directly across from

City Hall that for several years has hosted the “Red Lion Smoke Shop” in a ground floor retail space.

In October of 2016 the SRA approved plans to renovate the exterior of the front and rear facades of the building, as well as to add an addition on the rear elevation. The full interior renovation will provide state-of-the-art public meeting rooms and office space for City staff.

Construction of the project began in summer of 2017 and was completed in early 2018. City Hall Annex employees moved into the renovated space in April 2018.

#### *120 Washington Street – Old City Hall Annex*

In the summer of 2017, RCG submitted plans to convert office space occupied by the City of Salem into residential rental units. Proposed changes include window replacement, the construction of a roof deck overlooking Lappin Park, and improvements to the entrance of the building. The SRA approved of these changes in July 2017. Construction was underway when the City Hall Annex offices were vacated in April 2018.

#### *30 Church Street – East Regiment Brewing*

In fiscal year 2018 the owners of 30 Church Street sought to establish a brewery with a tasting (tap) room. The basement will house the production facility. An outdoor deck/patio will serve as the tasting/tap room. The deck will measure 12’ wide by 69’ long will include a bar and seating for 36 and will be enclosed with a vinyl canopy. The owners intend for this tasting room to be used year-round. Since the tasting room will be constructed on SRA-owned land adjacent to the building, the applicant entered into a license agreement with the SRA for use of this area as a temporary decked tasting room, in addition to obtaining an Outdoor Café permit. The applicant received SRA project approvals in February 2018 and executed the license with the SRA in July 2018.

#### *Storefront Improvement Program*

The Department of Planning and Community Development manages a Storefront Improvement Program in Salem as part of the Mayor’s goal to continue the revitalization of 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. Two businesses recently participated in the program. Those businesses are “Witch City Wicks” and “Moon Baby – Hair and Wares,” which neighbor each other on Essex Street, and each utilized the program to support fabrication and installation of their respective blade signs. Both signs were approved by the SRA in fiscal year 2017 and the signs were installed in July 2017. 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 2018 the SRA and DRB approved new signage to be installed at the following businesses:

10 Derby Square, Unit NB (Derby Square Architects)  
10 Derby Square, Unit S1 (Sperling Interactive)  
55 Lafayette Street (Mark Your Spot)  
125 Washington Street (Ledger)  
5 Central Street (Aroma Sanctum)  
143 Washington Street (Oak + Moss)  
30 Church Street (East Regiment Brewing)  
2 New Liberty Street (Essex Heritage)  
26 Congress Street (Antique Table Restaurant)  
90–98 Washington Street  
173 Essex Street (Kakawa Chocolate House)  
217 Essex Street (Count Orlok’s Nightmare Gallery)  
226 Essex Street (Coon’s Card and Gift Shop)  
282 Derby Street Unit 2 Rear (Paprika Grill)  
401 Bridge Street (Levesque Community Life Center)  
131 Essex Street (Moody Interiors)  
83 Washington Street (Mr. Crepe)  
144 Washington Street (HausWitch Home and Healing)  
203–209 Essex Street (Hotel Salem)

*Café Permits*

The SRA and DRB review outdoor café permits in the Urban Renewal Area. The following projects were reviewed and approved by the SRA and DRB during fiscal year 2018:

213-217 Hotel Salem  
30 Church Street (East Regiment Brewing)  
83 Washington Street (Mr. Crepe)

*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 2018:

125 Washington Street (Ledger) – Dumpster enclosure  
1 Washington Street (Church Street Condos) - replacement of roof shingles, siding, decks, and windows  
75 Washington Street (Mr. Crepe) – installation of exhaust louvres  
120 Washington Street (Peabody Block LLC c/o RCG LLC) – deck and entryway  
5-7 Derby Square – stair repair and installation of hand rail  
283R Derby Street (Notch Brewing) – Brewery expansion

**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.

*289 Derby Street – “The Carnival Lot”*

In 2016 the Salem City Council approved a \$1.4M bond order to acquire property located at 289 Derby St., known to some as “the carnival lot,” to construct a downtown waterfront park. The City also applied for and received Community Preservation Act (CPA) funding for design/soft costs.

After going through a designer selection process, the City hired CBA Landscape Architects of Cambridge to produce the design of the project. CBA worked with Claudia Paraschiv of the Salem Public Spaces Project and Creative Salem to generate awareness about the project through events and workshops, and to receive feedback from the community.

After receiving a considerable amount of feedback from stakeholders, the public, and even the DRB and SRA at a joint meeting held in 2017, the park now has a final design and the project has gone out to bid. The City’s began construction in 2018.

*Downtown Market Retail Analysis, Strategy, and Action Plan 2017*

In 2007 the City of Salem commissioned Economic Development Consultant Karl Seidman to examine Salem’s trade area demographics and best practices in order to foster a better downtown retail environment. The resultant document and action plan has been a blueprint for the City and its partners (Salem Main Streets in particular) to recruit new businesses that have enhanced the vibrancy of the downtown and the city as a whole. Salem now has a farmers’ market, several annual festivals and street fairs, and it has become a dining destination on the north shore.

In summer of 2017 the City again retained Karl Seidman to expand on his previous work. Although the City has been successful in recruiting certain retail categories and dining establishments, challenges remain with respect to enlivening the Essex Street Pedestrian Mall and implementing new ways to support the overall retail environment. Seidman has worked with a stakeholder group comprised of City staff, retailers, Destination Salem, Salem Main Streets, the Chamber, and the Salem Partnership to gain feedback on these issues. He performed detailed demographic and statistical research, examined best practices in other cities that share some of Salem’s challenges, and researched national retail trends. A final document was completed in December 2017 that compiles all of this information and outlines a strategic plan for partners.

*Old Town Hall*

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), including:

- The Massachusetts Poetry Festival, which features local poets and lectures; and

- 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.
- Fezziwig's Ball, an event that features dancing and celebration that harkens back to the style of the 1800s. There is a lantern procession through the streets of Salem and singing of 19th century carols.

Having these regular events that draw large crowds at Old Town Hall helps to highlight the venue while driving foot traffic downtown. During fiscal year 2018, the building hosted over 50 events. They included private receptions, craft markets, weddings, fundraisers, concerts, theatrical performances, and art shows. Old Town Hall also continues to host live performances of Cry Innocent, an interactive performance about the witch trial of Bridget Bishop.

#### *Public Art*

##### *Higginson Square*

The Mayor and the Public Art Commission proposed to install decorative lighting over Higginson Square, the alleyway behind Rockefeller and Ledger restaurants, leading to the former Café Graziani outdoor dining area and beyond to Derby Square. The proposal includes a lighting layout like what exists now between Opus and City Hall and next to Hotel Salem. The lighting is scheduled to be installed in October 2018.

The Public Art Commission (PAC) and the Public Art Planner collaborate with organizations throughout the year bringing more art to public spaces. In 2018 the PAC and Public Art Planner collaborated with the art departments and teachers of local Salem schools for "When Art Speaks", an all-city art exhibit for the second year at Old Town Hall bringing in over 200 families.

##### *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. Three "creative entrepreneurs" (Boston Woodworking, Grace & Diggs, and Ceramics by Sibel) remained in their respective Artists' Row stalls from the previous season.

In 2017 the Public Art Planner worked with a group of graphic design students from Lesley University to re-brand Artists' Row. The students presented a scope that included changing the paint colors of the stalls, new doors and windows for better visibility and new graphics for signage on the walls to the entrance of Artists' Row. The project was presented and approved by the Design Review Board and the Salem Redevelopment Authority. It was completed in the fall of 2017.

To further enliven activity on Artists' Row, in 2017 the Public Art Commission (PAC) initiated an Artist in Residence Pilot Program and hired Claudia Paraschiv of the Public Art Salon. Ms. Paraschiv worked with the tenants to develop activities and programming that would appeal to the community and bring more visitors to the Row. Over a six-week

period in July and August Ms. Paraschiv invited the community into weekly creative placemaking activities resulting in a community tables and planted gardens.

The City hosted their third annual Mural Slam at Artists Row in June 2018 during the Salem Arts Festival. It is a two-day event where selected artists paint work on plywood boards mounted on the back of stalls at Salem's Artists Row. The pieces continue to be under exhibit.

#### *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 2018 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.

In fiscal year 2018 Salem Main Streets assisted three (3) new, 45 existing and four (4) prospective businesses (including 43 micro-enterprises and one (1) expanding businesses), leading to the creation of six new full-time jobs documented.

#### **BOARD/ADMINISTRATIVE CHANGES**

Christine Madore resigned from the Board in November 2017 after her election to Salem's Ward 2 City Councillor seat. In her place the Board welcomed the addition of Gary Barrett.

Andrew Shapiro resigned from his position as Economic Development Planner with the City of Salem in October 2017. Andrew had served as staff support for the SRA and DRB since 2013. Matt Coogan took over these roles in January 2018 when he was hired as Principal Planner for the City of Salem Department of Planning and Community Development. Ernie DeMaio, David Jaquith, and Glenn Kennedy were all reappointed to five-year terms on the Design Review Board.

## FINANCIALS

<b>Salem Redevelopment Authority</b>					
<b>FY 18 Financial Report (Receipts and Expenditures)</b>					
<b>Date</b>	<b>Description</b>	<b>Check Number</b>	<b>Deposits/Interest</b>	<b>Withdraws</b>	<b>Balance</b>
	<b>Balance Forward</b>				
7/31/2017	Interest - July 2017		\$ 1.10		\$ 25,846.95
8/31/2017	Interest - August 2017		\$ 1.10		\$ 25,848.05
9/30/2017	Interest - September 2017		\$ 1.06		\$ 25,849.11
10/31/2017	Interest - October 2017		\$ 1.10		\$ 25,850.21
11/30/2017	Interest - November 2017		\$ 1.06		\$ 25,851.27
12/14/2017	Sandra Castillo - ULI Beverages	1082		\$ 51.96	\$ 25,799.31
12/15/2017	Tom Daniel - ULI Binders	1084		\$ 59.09	\$ 25,740.22
12/27/2017	Periwinkles -ULI Food	1083		\$ 324.63	\$ 25,415.59
12/31/17	Interest - December 2017		\$ 5.52		\$ 25,421.11
1/31/2018	Interest - January 2018		\$ 8.64		\$ 25,429.75
2/28/2018	Interest - February 2018		\$ 7.80		\$ 25,437.55
3/31/2018	Interest - March 2018		\$ 8.64		\$ 25,446.19
4/20/2018	Interest - April 2018		\$ 8.37		\$ 25,454.56
5/31/2018	Interest - May 2018		\$ 8.65		\$ 25,463.21
6/18/2018	Urban Land Institute - SAP Fee	1101		\$ 2,500.00	\$ 22,963.21
6/30/2018	Interest - June 2018		\$ 8.01		\$ 22,971.22
7/31/2018	Interest - July 2018		\$ 7.81		\$ 22,979.03
8/31/2018	Interest - August 2018		\$ 7.80		\$ 22,986.83

## 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.