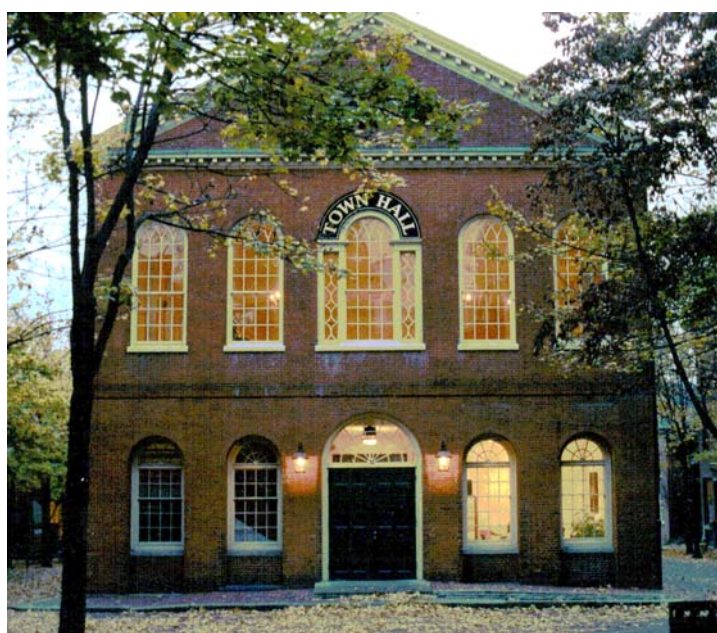


# **ANNUAL REPORT OF THE SALEM REDEVELOPMENT AUTHORITY**

Fiscal Year 2003  
July 1, 2002 to June 30, 2003



## **BOARD OF DIRECTORS:**

**Robert Curran, Chairman**  
**Conrad Baldini**  
**Michael Brennan**  
**Michael Connelly**  
**Russell Vickers**

## **EXECUTIVE DIRECTOR:**

**Joseph P. Walsh, Jr.**

October 2003

# **SRA ANNUAL REPORT**

## **Fiscal Year 2003**

### **INTRODUCTION**

The Salem Redevelopment Authority (SRA) and its Design Review Board (DRB) have played an active role in the redevelopment of downtown Salem since it was created in 1962. Over the past 41 years, the SRA has made significant contributions to the revitalization of the Central Business District in downtown Salem. Critical to this success is its commitment to preserving the social fabric and architectural heritage of the City.

The SRA saw more development activity this year than in years past. During fiscal year 2003, the SRA reviewed redevelopment proposals for nine major projects in the Urban Renewal Areas representing approximately \$150 million worth of private development. On a further note, the downtown, with the guidance of the SRA, saw an increase in mixed-use developments with upper floor residential and first floor retail, which will create nearly 100 new units of housing in the downtown over the next few years. In addition, the expansion of the Peabody Essex Museum was completed and reopened in the spring bringing nationwide attention to downtown Salem.

The SRA Annual Report for FY03 provides an overview of the projects that the SRA reviewed during the year, those in construction, and those that were completed. It also includes the public projects and initiatives that impact the downtown. Overall, the report is a reflection of the high volume of activity and the quality of development projects being constructed in the Urban Renewal Areas

### **PRIVATE DEVELOPMENT PROJECTS**

Downtown Salem has seen an unprecedented burst of redevelopment that is bringing a renewed energy to the area. Within the past three years, all 12 of the major vacant and underutilized parcels downtown have been redeveloped or have plans to begin construction within the next year. During fiscal year 2003, the SRA reviewed redevelopment proposals for nine major projects in the Urban Renewal Areas representing approximately \$150 million worth of private development and added nearly 100 units of downtown housing.

#### *Old Police Station*

During FY03, the SRA finalized the design review for the redevelopment of the Old Police Station ensuring that the property would be restored by requiring the use of historically appropriate building materials and detailing. The SRA also entered into a Land Disposition Agreement with their designated developer, Heritage Plaza Enterprises, LLC. The project will include 14 residential condominium units with 2 dedicated to artists for live-work space, which will provide a more publicly accessible, retail-oriented development. The project is estimated to cost \$3 million. Remediation work to clean up the subsurface oil on the site is currently underway and construction is expected to be completed next year.

#### *Peabody Essex Museum Expansion*

The \$125 million Peabody Essex Museum expansion was completed in June 2003. The expansion consisted of the construction of a 100,000 square foot wing, a new public park and pedestrian esplanade and improvements to Salem Armory Park. Throughout the project, the SRA and DRB have worked with the museum to ensure that the project is architecturally compatible with the downtown. The SRA also did a review of the comprehensive signage package proposed by the Museum. The SRA will continue to seek a solution to the outstanding issue of the Marine Arts Gallery Wall and public access to the interior walkway.

#### *Townhouse Square*

The Townhouse Square project included the complete interior and exterior renovation of the former Shribman Building located at 228 Essex Street. Recently completed in the heart of the downtown, this redeveloped historic building has 9 luxury condominiums units on the upper floors and 4 first floor retail spaces; estimated \$1.7 million in private investment. During FY03, the SRA completed the review of the design for the restoration of the ground-level storefronts. We are happy to report that the storefronts are currently all leased to quality retail tenants.

#### *Daniel Low Building*

During the past fiscal year, the building was sold to Digital Bungalow, a technology based company that moved from the Cummings Center in Beverly. Digital Bungalow took over occupancy of the second floor space and leased the first floor to Rockafellas, a new restaurant. The change creates an active use in a historic, landmark building on a major corner in the downtown.

#### *Bowman's Bakery*

The former Bowmen's Bakery building is currently undergoing a renovation that will include 4 residential units, 2,300 square feet of active retail and 4 parking spaces. The project is estimated to cost \$350,000. In the winter of 2003, the SRA approved a provision that the first floor space be dedicated for active retail use with a more contextual storefront design. Presently, the project has completed interior work and is now finishing the exterior work.

#### *Beverly Cooperative Bank*

The Beverly Cooperative Bank will begin the redevelopment of this parcel located on the corner of Derby and Lafayette Street to use as a branch bank and commercial rental space. In addition, the project includes a community room. In the summer of 2003, Beverly Cooperative Bank completed all the appropriate permitting, and construction is expected in the fall of 2003.

#### *Lawrence Place*

The Lawrence Place project will redevelop the building at the corner of Washington and Front Streets (former Beef & Oyster House and most recently home to "Bleachers") to include 10 residential condominium units with 5,000 square feet of first floor retail. It is estimated that the project will cost \$1.8 million. In July 2003, the SRA reviewed the final submission for the mixed-use development and it is presently under construction.

#### *Derby Lofts*

The Derby Lofts project will renovate the 100 year old, four-story industrial building, known as the Laundry Building, into a mixed-use residential and retail development. The project was permitted in the summer of 2003 and construction should begin in fall 2003. The renovated building will consist of 54 residential condominium units and 14,000 square feet of first floor retail. It is estimated to cost \$14 million.

#### *Hess Gas Station*

The redevelopment of this existing gas station will include the construction of four multiple product dispensers and a convenience store. The project will also include the construction of a portion of the South River Harbor Walk. It is estimated to cost \$500,000.

#### *Salem Evening News Building*

During FY03, the SRA reviewed plans for the redevelopment of a portion of the former Salem Evening News Building to include the Edgewater Café, Liberty Tax, and will be reviewing plans for a new Indian restaurant.

### **REDEVELOPMENT AUTHORITY PROJECTS**

#### *Market Place/Former Salem Evening News Building Concept Plan*

The SRA obtained the design services of a local firm to design a Concept Plan for the Market Place and Former Salem Evening News Block. The approved Concept Plan is designed to encourage development that enlivens the area, finishes the streetscape on Front Street, and adds much-needed parking downtown.

#### *Coastal Gas Station Concept Plan*

The SRA obtained the design services of a local firm to design a Concept Plan for 289 Derby Street, currently the Coastal Gas Station. The approved Concept Plan is designed to encourage a mixed-use development on the site that steps back from the street and incorporates residential on the upper floors and retail uses on the first floors.

#### *18 Crombie Street*

The SRA has successfully prevented the demolition of the historic structure located at 18 Crombie Street. The SRA is now actively working with the City, the developer, and the neighborhood to ensure that this building, along with other historic resources, are preserved and maintained.

### **OTHER 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 Urban Renewal Areas.

#### *Old Town Hall*

The revitalization of Old Town Hall is a symbol of the proactive approach that the City and the SRA have taken in their efforts to promote a successful downtown. Based on the vision established by Mayor Stanley J. Usovich, Jr., the City completed extensive interior renovations, provided space for public art and community activities, and adopted policies for

rental of the Hall that encourage the continued use by groups such as “Cry Innocent” and public gatherings. Old Town Hall has also become the home to the Salem Main Streets Downtown Program.

#### *Salem Main Street Program*

The establishment of the Salem Main Street Program in 2000 has had a significant impact on public and private development in the downtown. The Salem Main Street Program assists with the recruitment of new businesses, provides design and financial assistance for storefront improvements, coordinates promotional events and serves as a leading advocate for a strong commercial-retail environment. Since its inception, the program has seen a net increase of 16 new businesses and 200 new jobs. The Salem Main Street Program will continue to work with the SRA and the City to promote a vibrant, retail-oriented downtown.

#### *Storefront Improvement Program*

The Salem Main Street Program and the Department of Planning and Community Development manage the Storefront Improvement Program in downtown Salem as part of the Mayor’s goal to revitalize the downtown commercial area. The program offers a one-to-one matching grant up to \$2,500 for exterior storefront improvements including signs, awnings, painting and lighting. During the past fiscal year, five downtown storefronts were improved through this program totaling just over \$3,000 in public investment. The program has helped increase the number of quality signs and storefront proposals being presented to the SRA by giving business owners an incentive to improve their storefronts.

#### *Salem-Beverly Transportation Project/ Bridge Street Bypass Road*

The Salem-Beverly Transportation Project is a multi-phase roadway project that will provide improved vehicular access between Salem and Beverly. This long-awaited transportation project has been fully designed and has been publicly bid for construction starting in 2003. Significant changes have been made to the project to improve the appearance of this critical corridor and provide a strong pedestrian connection to the downtown.

#### *City Hall Restoration*

During the past fiscal year, the restoration of the interior of Salem City Hall has been very successful. The SRA reviewed two projects connected with the restoration: construction of a small addition at the rear of the building to accommodate an elevator and new decorative iron window boxes to be installed along the Washington Street façade.

#### *City of Salem Business Loan Program*

The City of Salem was more aggressive during the past fiscal year in issuing loans through its Business Loan Program. The program provided five loans totaling \$255,000 which are expected to create 105 new jobs and retain nearly 50 jobs. Of the five loans, four were to businesses located within the downtown. The program targets businesses wishing to make capital improvements to their buildings and those looking to expand their enterprise.

#### *Citywide Signage Program*

The City of Salem worked with a design consultant to come up with a design for vehicular and pedestrian directional signage along the City’s entrance corridors and downtown. Specific sign types include: Trail Blazer, City Gateway, Vehicular Directional, Parking Directional, Historic District, Pedestrian Directional and Pedestrian Maps. During FY03,

the SRA approved the design of the signs and the City hopes to install them in the near future as funds are available. The Peabody Essex Museum has installed some of their signage as part of this program.

#### *Courthouse/ MBTA Station*

A joint effort has been made by DCAM, MBTA and Mass Highway to construct a new, multi-modal transit station in Salem, including a 1,000 space parking garage and a major courthouse expansion at the existing commuter rail station. During FY03, the SRA reviewed the addition of a handicap accessible ramp for the Courthouse. The SRA will continue to work with representatives from each organization to ensure that the facility is compatible with the downtown.

#### *South River Harbor Walk*

The South River Harbor Walk will include a fully accessible public walkway, pedestrian amenities and landscaping on both public and private property. During its review of the project, the SRA and DRB made several changes to the design such as removing the wood planked walkway and replacing it with concrete, adding more lighting, and installing bollards and chains instead of wood fencing. The SRA and DRB will continue to review updated plans for the project as they are completed.

### **CONCLUSION**

The SRA has had great success over the past year in its efforts to promote appropriate private and public development in Downtown Salem. In addition to the development projects that were reviewed, the SRA and DRB reviewed a number of sign applications that have resulted in better designed signs throughout the downtown. Over the next year, the SRA will continue to support commercial and retail development while promoting the values and cultural heritage of Downtown Salem.