

**City of Salem Massachusetts
Public Meeting Minutes**

Board or Committee: Redevelopment Authority, Regular Meeting
Date and Time: Wednesday, January 10, 2024, at 6:00 pm
Meeting Location: Virtual Zoom Meeting
SRA Members Present: Christopher Dunn, Chair Grace Napolitano, Cynthia Nina-Soto, Dean Rubin
SRA Members Absent: Christine Madore
Others Present: Tom Daniel – Director of Planning and Community Development
Recorder: Colleen Brewster

Executive Director’s Report

Mr. Daniel stated:

1. City Council at Large Kyle Davis is the new SRA liaison. Both Mr. Daniel and Ms. Newhall-Smith will brief him about the history of the SRA.
2. Tonight, the SRA will look at its financial systems.
3. The Downtown Parking Study was conducted with the help of Traffic & Parking and the Planning Department. It paused over the summer but will resume later this month. The Engineering Department is short-staffed, and Traffic & Parking have been helping with roadway projects. There is not enough bandwidth, and the consultant is aware, after having completed their research. Several workshops will occur soon.
4. Charolette Forten Park – The Frozen Fire Festival occurred this year. Ms. Newhall-Smith noted that Shelby Elwell from the Anthem Group provided notes from the event. The Anthem Group used SRA funding, the event was a success, and it was scaled up from last year, with visitors from all 50 states and 12 countries. They supported several local vendors, there were other points of sale, and they increased their talent from all over the world and locally. There were daily youth activities, meet and greets, activities with locals, and local businesses reported having their busiest week that week. The festival also drove overnight stays to many local hotels. The challenges were power. They lost power at half the park, along the river, for the entire New Year’s holiday weekend. No one had access to the box to flip the breaker, so they used generator power, making their gasoline budgets higher than anticipated, and every power source they could. There was personal and asset security during overnights, after some property damage and other issues. There was also a lot of rain that week.

Ms. Rubin requested staff ask Shelby about next year’s event and how much she would ask for, since they may have lost a lot of revenue due to the cost of security, etc.

Ms. Newhall-Smith noted that the proposed shade structure at the center area of the park would be cantilevered, and plans would be provided for SRA review in February. The filing will include renderings to determine anticipated views through the park and towards the river.

Ms. Newhall-Smith noted that regarding park management, they haven’t told the respondent that they have been awarded the contract; she will share an update in February.

Design Review Board Membership

Appointee for Consideration: Leeann Leftwich

Ms. Newhall-Smith stated that she met with Ms. Leftwich, who was recommended by Julie Barry. Ms. Leftwich stated that she is a graphic designer that moved to Salem in 1997 and has been a freelancer since 1999. Her focus has been on museum work, for the PEM and Wadsworth Museum. She has a deep passion for history and signage that is respectful of its surroundings.

Mr. Rubin thanked her for volunteering and asked for her thoughts about the better signage designs in the last 5-10 years downtown or if she would have done anything differently. Ms. Leftwich replied that she loved the signage for Mercy Tavern, Ledger, along Front Street, and the quaint but informative signage for Vampire Lounge. She is interested to see what will occur at Pickering Wharf and loved Dire Wolf which is keeping their corporate but using respectful signage.

Mr. Daniel noted that Ms. Leftwich is replacing Glenn Kennedy whose term expires on March 1st noting that he served for 18-years. Her on-boarding orientation session will occur. Ms. Newhall-Smith added that she will also include Elizabeth, new DRB member, in the on boarding session.

VOTE: Rubin made a motion to appoint her to serve Glenn Kennedy's remaining 2 month and to reappoint Ms. Leftwich for a 3-year term. Second by: Nina-Soto.
Roll Call: Dunn, Nina-Soto, Napolitano, Rubin. All in favor.

Projects in the Urban Renewal Area

1. **278-282 Derby Street: Small Project Review** – Review of DRB Recommendation for façade painting at Funhouse Donuts.

Wren Werner of Funhouse Donuts was present to discuss the project.

Ms. Newhall-Smith stated that Ms. Warner went before the DRB for signage and painting and received positive recommendation. Ms. Werner noted that she used the DRB suggestion to remove color from the columns and to only paint the stripes within panels above the upper windows and below the lower windows. The projecting sign will remain above the entry door.

Mr. Rubin noted that this is a big aesthetic change for this stretch of businesses, it is bold and will be a dramatic change. Ms. Werner stated that the existing panels needed to be cleaned and repainted, it is a dark section of the block, and this will bring brightness and attract the eye. By not painting the columns it shouldn't take too much away from the building, but shade and light will change the appearance and tone down the color. Mr. Dunn noted that the color will attract customers.

Ms. Nina-Soto asked if the signage above upper windows would be mounted or painted. Ms. Warner replied mounted.

Mr. Daniel asked when the business will open. Ms. Warner hoped by Valentine's Day.

Mr. Daniel noted that Ms. Werner used the small business loan that the city offered businesses.

Public Comment:

No one in the assembly wished to speak.

VOTE: Rubin made a motion to approve as approved by the DRB. Seconded by: Dunn.
Roll Call: Dunn, Nina-Soto, Rubin, Napolitano. 4-0 in favor.

New / Old Business

Review and Consideration of Draft Financial Policy:

Ms. Newhall-Smith stated that the SRA reviewed the by-laws last year and they didn't have a financial control document to monitor and track SRA funds. Salem is unique, the SRA doesn't have income generating properties and paid staff. Anna Freedman, the city's Finance Director reviewed it along with the city's outside auditor, and they provided feedback. There are outstanding items to determine. They need insurance for signatories on the bank account and Anna is looking into it. They are seeking feedback from the SRA.

Mr. Dunn suggested the City Solicitor review it and asked if the SRA was too small to audit. Ms. Newhall-Smith replied that they don't have their own audit, but are included in the city's annual audit. She noted that June and July statements are submitted every year. Mr. Dunn suggested that the SRA is included as a full audit in the city's process. Ms. Newhall-Smith mentioned that the SRA would need a separate tax ID number, not one shared by the city. Ms. Nina-Soto suggested someone in the mayor's office request the ID number, since they required personal information, or Tom Daniel, as the SRA's Executive Director.

Chair Napolitano noted that the city carries the SRA liability insurance, so it may make sense to stay with the city, for consistency. Ms. Newhall-Smith replied that she will review the options, discuss with the City Solicitor, and report back to the SRA. There is no deadline to complete the policy, but she would like it cross it off the list when the SRA reviews its 2025 goals.

Mr. Rubin noted that the Executive Director can only approve \$500 in the general fund and \$5,000 for Charolette Forten Park, which is a striking difference. Mr. Daniel replied that at the park, they wanted to be able to respond within a timely manner. Mr. Daniel added that the SRA money is rarely spent and when used, it's usually several thousand dollars, so there hasn't been an issue. The city pays for some things that the SRA would normally pay for and there have been instances when funding was requested and could be approved easily. Mr. Dunn suggested adding that the Chair could approve amounts in-between meetings.

Mr. Rubin asked who approved the different levels of expense reports, since the city may have a protocol for senior members to expense items that accompany others. Mr. Daniel responded that the City doesn't have expense reports, so this is not applicable at this time.

Mr. Rubin suggested creating a list of SRA assets. Ms. Newhall-Smith replied that there is a master list. Mr. Rubin suggested including the list in the annual report as a reminder to the Board. Mr. Daniel agreed.

Redevelopment of the Historic Courthouses and the Crescent Lot: Update on Project Status

Mr. Daniel stated:

Courthouses: They met with WinnDevelopment, and they are still on the dual track. Track #1 is the museum concept, and they are meeting later this month to hopefully make a decision that will lead to an MOU. Track #2 is for the County Commissioner Building to become housing and the Superior Court building mix use. The building's exterior will not change, but the connector will. For schematic review, they encouraged having that change reviewed. They also need a program set for a future Planning Board review and to size infrastructure elements. The site will have minor changes including new utilities and it will return to the SRA for a final review. They are working through the historic tax credit process, investigating windows and flooring, to inform their application. They will apply for federal funding and then the state funding in April. The UPP funding of \$600,000 has been helpful.

Crescent Lot: They applied for low-income housing tax credits and hope to hear back this month. The Affordable Housing Trust Board is evaluating proposals using ARPA funds. The city has awarded the project previously, but this is another opportunity that may be decided by them tonight. There is an investigation into the MBTA sliver parcel with the Engineering Department. They've talked several times about Tax Increment Financing for the entire project and Ms. Newhall-Smith is exploring the Urban Center Housing Tax Increment Financing program (UCH TIF), which this project didn't initially conform to. There are new staff at the HLC that understand that it is one project despite being on two sides of the street. Ms. Newhall-Smith is also investigating a commercial TIF for the museum concept at the court building, which brings potential tax credits. The next document to draft is the LDA, which governs what happens post-closing on the project. Ms. Newhall-Smith noted that because Winn and MassDevelopment figured out how to use the UPP funds, the preservation at the courthouses will soon ramp up.

Ms. Nina-Soto asked if the allocation of rental unit on the crescent lot has changed. Mr. Daniel replied yes, the affordability range shifted, and there are more affordable units than what the state wanted to see. There will be more units at 30% AMI, 60% and 110%, and the remainder will be market rate housing. The overall percentage of below 60% hasn't changed. Ms. Nina-Soto asked if there will be a local preference for local residents. Mr. Daniel replied that they typically request a local preference using a lottery to ensure appropriately qualified applicants for those units. That preference ends after 3-years, and it is not a requirement.

Mr. Rubin stated that this is the lengthiest project he's been involved with while on the SRA. It's very complex and he thanks the city staff for all their efforts.

Ms. Nina-Soto stated that it is great to know that Councillor Kyle Davis will spread the word about this project.

SRA Financials:

Ms. Newhall-Smith stated that the electrical issues at Charolette Forten Park have long been a concern. The existing capacity is 100 amps, and they are requesting funding to upgrade the existing electrical cabinet to 200 amps. The electrician will install various plugs of different wattages and determined this upgrade by estimating various activities happening at the park with help from The Anthem Group. The electricians suggested adding a second box at the harbor side which involves trenching. As that was judged too costly, Ms. Newhall-Smith requested three quotes just for upgrading the current box; one was

non-responsive, Sanibel Electric quoted approximately \$10,000, and Talbot quoted them \$11,000. They decided to use Sanibel, who Julie Barry has had a good experience working with them.

Mr. Rubin asked how they run the current electrical power. Ms. Newhall-Smith replied by using cords with non-tripping attachments around the park. Mr. Rubin noted that the more the SRA enables the greater the liability and he is in favor of providing the most amperage for maximum event success. He asked if the new box can be added onto first. Ms. Newhall-Smith did not know if the box could be enlarged and suggested they may be maxing out the available space. Mr. Rubin noted that adding more could be money well spent and trenching could be better alternative at some point. Ms. Newhall-Smith noted that the quote for trenching was between \$30,000-35,000.

Ms. Nina-Soto questions what other parks have and how it works when they are activated. If generators are used, how much power did they consume, and what if 200 amps isn't enough. She doesn't want to need to upgrade this in less than 5-years. Ms. Newhall-Smith agreed to determine that information and report back to the SRA.

Mr. Dunn asked why the funding for the park was coming from this special fund. Ms. Newhall-Smith replied that the property is owned by the SRA but is managed by the city. The SRA created an easement at the sidewalk of the building next door and the sale of that went to support funding for the park. People can request grant funds, and the SRA is using those funds to maintain the landscaping and planting beds.

Mr. Rubin suggested a conditional approval depending upon what information Ms. Newhall-Smith receives.

VOTE: Rubin made a motion to conditionally approve the spending of \$10,000 to increase the amperage at Charlotte Forten Park from 100 to 200 amps, upon determining that the recent use of generator didn't go beyond 200 amps and that 200 amps will meet the future needs at the park. Seconded by: Nina-Soto.

Rubin amended the motion to include the amount quoted by Sanibel Electric and any additional related expenses.

Nina-Soto amended the motion to include approving contingency funds. Nina-Soto seconded the motion.

Roll Call: Dunn, Nina-Soto, Rubin, and Napolitano. 4-0 in favor.

Other:

Approval of Minutes

1. Review of December 13, 2023, Regular Meeting Minutes

VOTE: Nina-Soto made a motion to approve the minutes from December 13, 2023. Seconded by: Rubin.

Roll Call: Dunn, Nina-Soto, Rubin, Napolitano. 4-0 in favor.

Other

Ms. Nina-Soto requested any new information regarding 38 Norman Street project, particularly if they have lost funding. Mr. Daniel replied that the development has been waiting to use the Housing Development Incentive Program (HDIP), they were approved by the City Council last September for the Tax Increment Exemption Agreement. This past week, Housing Secretary Ed Augustus announced that another round was recapitalized with \$50M to address backlog and \$30 million annually. There will be a rolling admission in February, and first up is 5 Broad Street, but there is a lot of competition only available to gateway cities and several communities have also been hanging in limbo.

Adjournment

VOTE: Rubin made a motion to adjourn the regular meeting. Seconded by: Nina-Soto.
Roll Call: Dunn, Nina-Soto, Rubin, and Napolitano. 4-0 in favor.

The meeting was adjourned at 7:20PM.

Know your rights under the Open Meeting Law M.G.L. c. 39 §23B and City Ordinance Sections 2-028 through 2-2033