

**City of Salem Massachusetts
Public Meeting Minutes**

Board or Committee:	Redevelopment Authority, Regular Meeting
Date and Time:	Wednesday, March 10, 2021 at 6:00 pm
Meeting Location:	Virtual Zoom Meeting
SRA Members Present:	Chair Grace Napolitano, David Guarino, Dean Rubin, Russ Vickers, Cynthia Nina-Soto
SRA Members Absent:	None
Others Present:	Tom Daniel – Director of Planning and Community Development Kate Newhall-Smith – Principal Planner
Recorder:	Colleen Brewster

Regular Meeting

Executive Director's Report

Mr. Daniel stated;

1. 38 Norman Street will be continued to a future meeting.
2. It has been nearly one year since City meetings became virtual.
3. The Economic Development Recovery and Revitalization Task Force had a wellness webinar to work with businesses and set support goals for the year ahead. The newsletters are still sent out regularly. Resources from the new stimulus bill and additional funds from the CDBG programs are expected as well as the help of many great partners through the City with a focus on the downtown. Some restaurants that closed during winter are beginning to open and Ms. Newhall-Smith is working with Creative Collective to take advantage of outdoor space for dining and commerce to begin that next month.

Ms. Newhall-Smith stated that the Mayor is partnering with the neighboring communities, Beverly, Lynn, Marblehead, Swampscott, and Peabody to create a North Shore diversity catalog, that was inspired by Somerville. They are asking minority owned, LGBTQ, veteran owned, etc. business owners to include their businesses for an online catalog for municipalities to use for outreach for contracts and it will also encourage purchasing from within the community. The participating communities will link to the catalog from their own websites. Mr. Guarino stated that this is a great initiative.

Projects in the Urban Renewal Area

1. **32 Lynde Street:** Small Project Review – Review of DRB recommendation for window replacement on a portion of the building's windows

Ms. Newhall-Smith stated that the homeowner applied to replace 12 windows. The owner worked with the DRB, site visits were made, and it was determined that the windows could not be

repaired. DRB recommended approval with the condition that the muntins be placed on the exterior and the pattern to be 6 over 6 to match the other windows in the house.

Mr. Guarino asked if HSI provided comment on this project. Ms. Newhall-Smith replied no.

Mr. Rubin left the meeting.

Public Comment:

No one in the assembly wished to speak.

Guarino: Motion to approve per the DRB's recommendations.

Seconded by: Nina-Soto.

Roll Call: Guarino, Nina-Soto, Vickers, Napolitano. 4-0 in favor.

Mr. Rubin returned.

2. **38 Norman Street:** Schematic Design Review – Construction of a new mixed-use building with commercial uses on the ground floor and residential uses above

Continued as requested by the applicant to April 14, 2021.

3. **37 Lafayette Street:** Small Project Review – Redevelopment of 73 Lafayette Street and 9 Peabody Street through the construction of mixed-use structures for affordable elderly supportive housing, compact residential units, the North Shore Health Center, and additional space for non-profit organizations

Attorney Scott Grover of Tinti & Navins, Mickey Northcutt of Northshore CDC, Johnathan Evans (Principal) and Patricia Gruits (Senior Principal & Managing Director of Mass Design Group), and Margaret Brennan (CEO of North Shore Community Health), were present for the discussion.

Mr. Northcutt stated that they have been working on the concept for 8 months but wanted to do a project of this type for 10 years. The Northshore CDC has a history of renovating and constructing affordable housing both in and outside of Salem so that people can have access to healthcare, food, and housing from within their community. They have a Point Vision and Action Plan for stable housing and private-public investment to reduce the stigma for residents of the neighborhood.

Ms. Brennan stated that their network of community health centers has 145 staff members serving 13,000 patients that provide comprehensive high-quality care regardless of economic background. With 74 Salem staff working remotely, they estimate that 98 staff will be on site post-pandemic. The services they provide are family medicine, preventative, dental, behavioral, public health, and assistance for obtaining other services. They provide COVID testing and vaccinations.

Atty. Grover stated that the larger site is at the end of the South River canal, on the corner of Lafayette and New Derby Streets. This is a B5 zone at the outer edge of the Urban Renewal District and there are three components to renovate the property, 1) a new building constructed

above the Derby Street side of the existing structure and the bank will remain at ground floor along with commercial and retail uses wrapping around onto Lafayette Street, 2) a new building constructed on a vacant parking lot on Peabody Street with office space, communal meeting space, residences, and ground floor commercial space, and 3) the construction of additional floors above the Lafayette Street building for 50 elderly low-income residential units. Parcels 2, 3 & 5 will be purchased from the bank by the new joint venture entity – North Shore CDC and the Health Center. Parcel 7 is the vacant parking lot. Parcel 1 is owned by the City and has an easement the applicant wants to modify for this new development. Parcel 4 is owned by National Grid and has a ground lease granted to Northshore Bank in 2001 that the applicant wants assigned to the joint venture. Parcel 6 is the Peabody Street Park, and they hope to collaborate with the City to improve and reactivate the space. The permitting will be extensive, and they will go before multiple Salem Boards as well as state permitting by MassDEP and modifications of the Ch. 91 license.

Ms. Gruits stated that the South River has been culverted for 100 years, it is the core of their site and they see significant needs and opportunities. This is a critical juncture between two neighborhoods in Salem but there is historic, racial, and economic divide. They have worked with community stakeholders to understand the needs so this site can become an asset for the entire community and connect the two neighborhoods. This will create a dynamic mixed-use development and provide age-restricted affordable housing, community health center and more and create a sustainable public realm with outdoor programming.

Mr. Evans stated that the housing that comes later in the project will be primarily on the Lafayette Street side of the building. They want to combine the new and old façades to create a welcome and porous façade with glass to activate the area and enhance the harbor walk with a covered connection at the rear of the ground floor. There will be a health hub at the corner, with a pharmacy next to the bank, a residential lobby and new commercial spaces using the urban design at the street wall. The bank drive-through and rear parking lot will remain although it will be slightly more enclosed. The proposed height is 70-feet, slightly lower than Derby Street Lofts. The new structure on Peabody Street is proposed at 55-feet. With two one-story buildings nearby, Flatbread and Wendy's, they would step back the façade.

Mr. Rubin stated that several abutters' letters raised concerns with parking in relation to the health center attendance and residences and he asked how they would operate with those parking concerns. Atty. Grover replied that B5 zone is for commercial uses has no parking requirement so they are zoning compliant for parking for the health center use although vehicles will need a parking spot. The South Harbor parking garage is heaviest in the evening and should have some availability during the daytime, although many patients arrive on foot from the adjacent Point Neighborhood. The residential units will be for 100% affordable elderly housing which tells them the demand for parking will be minimal for the population they are serving. The PUD process includes a parking analysis by the Planning Board to determine the parking demands and traffic impacts.

Ms. Newhall-Smith noted that the health center use will be reviewed by the ZBA the following week for a Special Permit and asked if the ZBA can require parking as a condition of an approval. Atty. Grover replied not for commercial retail uses, which is any use other than residential. The ZBA will determine whether the benefits of having the health center in that location outweigh the negative impacts. Mr. Northcutt noted that when they considered including residential they wanted to offer it to a demographic that would most benefit from the health center. The Point

Neighborhood has no age-restricted housing or studio or one-bedroom units, only multi-family 2- and 3-bedroom units, however, many of the older demographic want to stay in the neighborhood. A family unit at 60% of median income is different than an elderly at 30% median income and the rest would be at 50% of median income. There are not many market rate options for this category and there is a difference between what's required and what's practical. There are other affordable housing options, but many residents have a preference. They constructed a similar building on Cabot Street in Beverly with 43 units with 26 parking spaces and an average of 12-14 spaces are used. Between the two parcels they estimate needing approximately 30 parking spaces total and they are looking into off-site parking at private lots. They had a productive meeting with approximately 30 households from Derby Lofts so the few negative letters the Board received should not be the focus of the discussion. MassDesign has maximized the parking design and meetings were held with other business owners and residents on Peabody Street where they had an opportunity to present their concerns. Future meetings are also scheduled with their non-profit partners.

Mr. Northcutt added that climate change and sustainability are also concerns that they are exploring with Salem Sound Coast Watch. They met with the HSI Preservation Committee and met with the Planning Department in December. They also spoke with the state having these discussions during a pandemic indicate that this is the perfect time for this project. He noted that new market tax credit is giving this project a sense of urgency because the funds get awarded in May.

Mr. Guarino thanked the applicant and design team for their presentation and noted that the design will knit together the area and open the waterfront. He noted that his concerns with the parking and the flood zone which they noted was being researched. He requested the operating hours and services offered by the health center. Ms. Brennan replied that the hours of operation are unknown, and many visits are telehealth visits. They will add urgent care to the site and make the health center and pharmacy open 7 days a week with dental visits available on Saturdays. All other services will be during the week and likely evening hours.

Mr. Guarino commended the retaining of the existing façade. Mr. Evans replied that they are excited to create a layered story, to make it feel like a gateway to the project, and they took queues from the existing building in a meaningful way when designing the façade. Ms. Gruits added that they are looking for opportunity to reflect some of the existing cultural contexts from The Point and bringing it downtown, in terms of sustainable materiality, local artisans and public art. Mr. Northcutt noted their internal discussions on preserving the existing façade. Although not in the Point neighborhood, it's an iconic and distinct building, so they wanted to keep the essence of it but achieve more scale by opening the corner to create a double height entry. They are thinking of opportunities for public art at both the interior and exterior by adding two galleries for artists of color and permanent exhibitions, so people can learn about the culture and history of the neighborhood. Mr. Evans noted that healthy buildings and healthy landscapes are as much a part of their focus as the potential for flooding.

Mr. Rubin asked what the new center would provide that is motivating them to want to move out of Shetland Park. Ms. Brennan replied that the current facility is sub-par, not well designed and an inefficient space they outgrew 10-years ago. Their architect told them they should be in 17,000 SF space, so they expanded their hours to increase availability and have doctors sharing offices. They have designed a high-quality space that reflects the care they provide. Mr. Northcutt noted that their offices are currently in difference spaces and this will put them all in

one location. This will provide 28,000 SF of medical space and access for patients, which gives people an option for health care other than costly trips to the Emergency Room.

Ms. Nina-Soto stated that she is from the Point Neighborhood and is excited for the revitalization and bridging the two parts of the city to break down the stigma and perceived differences between the communities.

Mr. Daniel requested clarification on how the project will be phased. Mr. Evans replied it's phased due to their two different revenue streams and financing structures; however, the design will be cohesive in the end. Mr. Daniel requested that a phasing plan be submitted. Mr. Northcutt noted that their best-case scenario puts a start of construction in the first quarter of 2022 for the Peabody Street building and health center. The residential portion will occur later and will use traditional affordable housing funding sources. The time difference is also due to the process for each and the queue that each will need to enter and reapply for funds 2 or 3 times. They could open in early 2024 and begin construction on the housing above within 1 year of the health center's completion. Mr. Daniel noted that construction of new housing over recently constructed commercial space doesn't seem efficient. Mr. Northcutt replied that the constricted site is contributing factor to their construction phasing. The project will also be financially viable with additional funding for housing while also utilizing their allowable height. Mr. Evans added that their difficulties will be manageable.

Mr. Daniel requested clarification on the Americore units proposed at the Peabody Street building. Mr. Northcutt replied that 6 micro-apartments are proposed for two groups that can not be housed in income restricted housing, Americore members (American based Peace Corps) and for hosting artists that are invited to work with the Punta Urban Art Museum. In the past they've either paid for AirBnB's and hotels or received donated hotel rooms although in the past that has involved artists moving multiple times during their stay.

Mr. Daniel asked how their Chapter 91 process is going and if they foresee any issues with their site plan. Mr. Evan replied that the process has been going well, the Environmental Impact Report is being filed to notify the abutters and their strategy on resiliency will be their biggest hurdle.

Public Comment

Ms. Newhall-Smith stated that the following people have submitted comment letters as of 4PM on March 10, 2021.

1. Richard Egan and Luis Oyanedel, 51 Lafayette St Unit #211, submitted March 4, 2021
2. Deborah Perrotti, Derby Lofts, 51 Lafayette, submitted March 4, 2021
3. 2 comment letters from Dr. Brian J. Rachmaciej, 51 Lafayette St Unit 302, submitted March 4, 2021
4. Jone Sienkiewicz, 51 Lafayette Street, Unit 402, submitted March 4, 2021
5. Sophie Soman, 51 Lafayette street unit 306, submitted March 4, 2021
6. Laurie Buchanan, 51 Lafayette St Unit 508, submitted March 5, 2021
7. James Howarth, 51 Lafayette St., submitted March 5, 2021
8. Beth Arnold and Janis Cotter, 51 Lafayette Street Unit 509, submitted March 8, 2021
9. Caroline Watson-Felt, President, Historic Salem Inc., submitted March 10, 2021

10. James Howarth, 51 Lafayette Street, submitted March 10, 2021

Emily Udy of Historic Salem, Inc. HSI submitted a letter addressing issues relating to design, the Peabody Street building being which may be overshadowed by the Lafayette Street project, the Peabody Street building being within the Urban Renewal District and commending the Northshore CDC on the importance of urban design on the site and wholistically. She requested clarification on the SRA's review process as it relates to the other Boards and Commissions that will also review this project, since there can sometimes be a disconnect between each entity, their focus, and proposed/suggested changes that may impact how another entity will review it. Atty. Grover replied that they hope to finish schematic design review with the SRA and DRB in April/May and go before the PB between April and June, then immediately file for final review while they are still meeting with the PB and Conservation Commission. Adjustments will be made as they go back and forth between the Boards to avoid have a permitted project while one Board is still reviewing it. Ms. Udy asked if the DRB approved a major change would the SRA need to re-review the schematic design. Mr. Daniel replied that any major changes will be incorporated into the SRA's final review and the plan is for a short timeframe between the schematic and final review.

Ms. Nina-Soto left the meeting.

Polly Wilbert, 7 Cedar Street. The review seems to be disintegrated between various Boards and Commissions which is problematic for those that want to follow the process. The viability of smaller commercial establishments used by residents of the neighborhood on lower Lafayette Street is concerning without short-term on street parking, particularly with a 28,000 square-foot 'Big Foot' type structure across the street. This use will have large growth and patients coming and going throughout the day and night despite the commendable proposed use of the health clinic. The harbor walk benches were removed due to homeless congregating and loitering and the size of the structures creates a visual barrier which will discourage even more from walking along the harbor. Non-profit organization may struggle to maintain their properties or be a benefit to the public space despite their aspirations. The community needs to be careful when these permits are reviewed by so many entities that the project is no longer one entity's responsibility, and the SRA needs to be careful about how it come together in the end. This project will have an enormous impact and all Board members need to be engaged in the process. Lastly, permanent structures that need permanent parking capacity with potentially temporary parking off-site is not a successful formula. The continual displacement of parking stresses the parking needs will be regretful decision if not done right.

Jone Sienkiewicz, 51 Lafayette Street. Many Derby Lofts residents are not happy with the project because of parking and her interpretation of the zoning regulations for professional offices, medical and dental clinics require one parking space for each professional person and one space for every two employees. She assumed this would apply within the B5 district but even if it does, a 28,000 square-foot structure with 15 parking spaces, because many people over 70 still drive and need a place to park their vehicle. Not everyone can afford the parking rates in Salem's garages. There have also been problems with solicitation and harassment for people walking down Peabody Street making it unsafe and this project will contribute to the problem. Eliminating parking lots to construct buildings without providing parking is irresponsible as well as approving something that does not meet the demands of the neighborhood. She supports low-income housing and the convenience of walking to amenities downtown, but a 28,000 square-foot

health center is not necessary. The Derby Lofts residents will speak with the ZBA about this and continue to monitor the progress of the project.

James Howarth, 51 Lafayette Street. Finds the negative reviews of Northshore Community Health concerning, it does not appear as though the quality of care they provide is at the level that was stated, and he does not believe people in the community will want to use their services. The premise is great, but this may attract more homeless people to the neighborhood as an unforeseen consequence. There could be a mix of uses such as luxury condominiums and not primarily by non-profit, it could provide more income tax to the city. A mix of elderly housing and substance abuse treatment at a busy downtown intersection may not be the best use at this facility and this location may not be the best fit for Northshore Health. Salem small businesses are struggling, and this will not invigorate the local economy.

Stacia Kraft, 140 Federal Street. Concerned with placing elderly people in flood plains. The ordinances are old and need to be updated and there is new mapping and information regarding flood plains and the recommendations are to not place people, particularly vulnerable ones, in these areas. She asked if they have changed their plans since this new information came out in September/October and are they hoping the new ordinance isn't passed so they can construct the buildings. Mr. Evans replied they take resiliency and flooding seriously, they are looking at 100- and 500-year flood data. They want to construct the best in-class resilient building following all the best practices with back-up systems in place, so the threat is well mitigated.

Mr. Rubin asked what percent of their current patient ratio that walks to the facility versus drives. Ms. Brennan estimated 65-75% although they are still waiting for data, and the remainder come from elsewhere in Salem and Beverly.

Mr. Daniel noted that if the Board is comfortable with the project as described it can be referred to the DRB for thorough schematic design review. Mr. Rubin stated his concerns with parking and missing data as well as their design to create an even bigger facility to welcome more patients when parking in Salem is already problematic and there is not sufficient parking for staff. Mr. Vickers agreed with Mr. Rubin and added that the concerns voiced tonight deal less with the charter of the SRA than with the complexity of the project and its appropriateness in the neighborhood and he does not support it until those issues are reconciled or thoroughly vetted.

Mr. Rubin believed more information is needed with the parking plan at a minimum before moving the project forward and raised concerns with what the PB would feel about this project. Mr. Vickers noted that the discussions have gone beyond the authority of the SRA and advancing the project is a milestone and premature at this time. More information and details are needed, particularly regarding parking.

Mr. Guarino asked which Salem board deals with parking as well as the timing of that review. Mr. Daniel replied that in-depth analysis of parking demand and traffic is reviewed by the Planning Board under the PUD Special Permit as well as peer reviewed. The project goes before the ZBA next week for a permit regarding the health center use and they may consider the impact of the parking demand. The SRA's focus is less specific but to understand the plan, approach, and the balance. More information and analysis are needed, such as alternatives for parking solutions.

The Board discussed the tight timeline that the North Shore CDC is under for funding and whether their concerns can be approved with the recommendation that the DRB shall address those concerns, rather than slow the review process. Chair Napolitano and Mr. Guarino believed the review can be referred to the DRB. Mr. Vickers believed pushing the project ahead is premature for their role as the SRA because they need to look at the future of the SRA and he is as concerned as the public that has voiced their concern and trouble with abutters has slowed other projects for good reason. Mr. Rubin agreed. Atty. Grover stated that waiting pushes them to June to get through Planning Board review of their analysis and no issues will be resolved until they completed their work with that board. Going to the DRB will allow them to advance the design process and they will return to the SRA for schematic design review and final review. Mr. Rubin stated that while their ideas are wonderful, he is unsure about the project in this location due to the issues raised. Mr. Vickers added that many are seeing this for the first time and other projects have been delayed for this same reason, but they need to determine appropriateness.

Guarino: Motion to refer the project to the DRB for schematic design review with the SRA's comments and concerns noted for the board members, particularly as it relates to parking. Seconded by: Rubin (for schematic design review only, noting that regardless of that review he will remain opposed to the project until the larger issue of parking is addressed satisfactorily) Roll Call: Guarino, Rubin, Napolitano in favor and Vickers not in favor. 3-1 in favor.

New/Old Business

1. Redevelopment of the Historic Courthouses and the Crescent Lot:

a. Update on project status

Mr. Daniel stated work is progressing with the development team lead by Winn and they have weekly project meetings. They have an upcoming working group meeting to discuss the crescent lot that Mr. Rubin, two DRB members, and one Planning Board member are on, so they can advance some aspects of the design before they get feedback and begin permitting. The LOI is being finalized and they are meeting with DCAMM twice a month. Winn is also reaching out to the MBTA. Ms. Newhall-Smith noted that the draft of the Preservation Restriction was sent to MHC and it will require some minor edits and inclusions before being sent back to MHC for final approval.

Mr. Daniel noted that tenancy by the Registry of Deeds is being explored and there was a site visit with the Registry staff, but another meeting is scheduled for later in the month. Some geotechnical work and boring samples have been taken on the crescent lot. Ms. Newhall-Smith noted that Winn is seeking \$200,000 in Community Preservation funds for affordable housing from the Community Preservation Committee. Their application was deemed eligible for funding, and they were invited to submit a full application. The committee will review eligible applications in April. Mr. Daniel added that low-income tax credit deal with 57% of the units being income restricted and 34% will be affordable at 60% AMI or below. These types of housing developments usually pull funds from a variety of sources.

2. 289 Derby Street: Invoice for Approval of Easement

Mr. Daniel stated that when the property was conveyed to the SRA the appraisal was meant to be paid for with the easement payment and the bill was never paid. They are seeking authorization to pay the bill. The park is meant to support community engagements and there is a separate account for this work.

Rubin: Motion to approve the use of the funds.
Seconded by: Guarino.
Roll Call: Guarino, Rubin, Vickers, Napolitano. 4-0 in favor.

3. Abutter Notification Discussion

Mr. Daniel stated that they wanted to do it last year, but it was deferred. This will provide consistency and efficiency across the boards and commissions in terms of notification. Ms. Newhall-Smith noted that notifications are linked to development review that add square-footage, height, or outdoor seating for restaurants and the abutter radius will be 150-feet from the parcel. Cost is a concern, so they recommend a proof of mailing for the applicant that allows the post office to certify that notification was sent to residents on the certified list of abutters. Having the applicant complete this task would extend the timeline and application process from 10 days to slightly longer. Mr. Rubin and Mr. Guarino commended Ms. Newhall-Smith on her analysis and presentation. Mr. Rubin asked what the Historic Commission uses for abutter notification. Ms. Newhall-Smith replied post-card notifications. Mr. Rubin noted that while not a fan of creating another hurdle, this has added value without a financial burden so the proponent will know the audience they will impact and could hear from. Ms. Newhall-Smith noted that if the process can be altered if problems arise.

Rubin: motion to approve the recommendation for the abutter notification as written
Seconded by: Guarino.
Roll Call: Guarino, Rubin, Vickers, Napolitano. 4-0 in favor.

Approval of Minutes

Guarino: Motion to approve the December 9, 2021 open session meeting minutes with Rubin's edits.
Seconded by: Rubin.
Roll Call: Guarino, Rubin, Vickers, Napolitano. 4-0 in favor.

Guarino: Motion to approve the December 9, 2021 executive session meeting minutes.
Seconded by: Rubin.
Roll Call: Guarino, Rubin, Vickers, Napolitano. 4-0 in favor.

Guarino: Motion to approve the January 13, 2021 open session meeting minutes with Rubin's edits.
Seconded by: Rubin.
Roll Call: Guarino, Rubin, Vickers, Napolitano. 4-0 in favor.

Adjournment

Guarino: Motion to adjourn the regular meeting.
Seconded by: Rubin.
Roll Call: Guarino, Rubin, Vickers, Napolitano. 4-0 in favor.

Regular Meeting ended at 8:50PM