



## CITY OF SALEM, MASSACHUSETTS

Kimberley Driscoll  
Mayor

February 23, 2017

Honorable Salem City Council  
Salem City Hall  
Salem, Massachusetts 01970

Ladies and Gentlemen of the City Council:

I reappoint, subject to City Council confirmation, the following member and alternate of the Zoning Board of Appeals.

First Name	Last Name	Address	Term	Term Expiration
James	Hacker	4 Mayflower Lane	2 years	3/1/2019
Paul	Viccica	35 Broad Street	Alternate - 1 year	3/1/2018

I enthusiastically recommend confirmation of their reappointment to the Board of Appeals and ask that you join me in thanking them for their continued dedicated service and commitment to our community.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Kim Driscoll", is written over a faint, larger version of the same signature.

Kimberley Driscoll  
Mayor  
City of Salem



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Salem, Massachusetts 01970

Ladies and Gentlemen of the City Council:

I reappoint, subject to City Council confirmation, the following member of the Board of Registrars of Voters.

First Name	Last Name	Address	Term	Term Expiration
Charles	Barton	26 Marlborough Road	3 years	3/1/2020

I enthusiastically recommend confirmation of his reappointment to Registrars of Voters board and ask that you join me in thanking him for his continued dedicated service and commitment to our community.

Very truly yours,

A handwritten signature in blue ink, reading "Kim Driscoll".

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Ladies and Gentlemen of the City Council:

I reappoint, subject to City Council confirmation, the following members of the Disabilities Commission.

First Name	Last Name	Address	Term	Term Expiration
Jean	Harrison	1 Orne Square	3 years	3/1/2020
Debra	Lobsitz	11 Forest Avenue	3 years	3/1/2020

I enthusiastically recommend confirmation of their reappointment to the Disabilities Commission and ask that you join me in thanking them for their continued dedicated service and commitment to our community.

Very truly yours,

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Ladies and Gentlemen of the City Council:

I reappoint, subject to City Council confirmation, the following members of the Design Review Board. These reappointments come with the recommendation of the Salem Redevelopment Authority.

First Name	Last Name	Address	Term	Term Expiration
Christopher	Dynia	25 Dearborn Street	3 years	3/1/2020
Helen	Sides	35 Broad Street	3 years	3/1/2020

I enthusiastically recommend confirmation of their reappointment to the Design Review Board and ask that you join me in thanking them for their continued dedicated service and commitment to our community.

Very truly yours,

A handwritten signature in blue ink, reading "Kim Driscoll".

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Mayor  
City of Salem



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February 23, 2017

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Salem, Massachusetts 01970

Ladies and Gentlemen of the City Council:

I reappoint, subject to City Council confirmation, the following members and alternate of the Salem Historical Commission.

First Name	Last Name	Address	Term	Term Expiration
F. Reed	Cutting	14 Clifton Avenue	2 years - alternate	3/1/2019
David	Hart	104 Federal Street	3 years	3/1/2020
Joanne	McCrea	386 Essex Street	3 years	3/1/2020

I enthusiastically recommend confirmation of their reappointment to the Salem Historical Commission and ask that you join me in thanking them for their continued dedicated service and commitment to our community.

Very truly yours,

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February 23, 2017

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Salem, Massachusetts 01970

Ladies and Gentlemen of the City Council:

I reappoint, subject to City Council confirmation, the following members of the Council on Aging Board.

First Name	Last Name	Address	Term	Term Expiration
Abigail	Butt	11 South Street	3 years	3/1/2020
Julie	Carver	190 Bridge Street #1303	3 years	3/1/2020

I enthusiastically recommend confirmation of their reappointment to the Salem Council on Aging Board and ask that you join me in thanking them for their continued dedicated service and commitment to our community.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Kim Driscoll", with a stylized flourish at the end.

Kimberley Driscoll  
Mayor  
City of Salem



## CITY OF SALEM, MASSACHUSETTS

Kimberley Driscoll  
Mayor

February 23, 2017

Honorable Salem City Council  
Salem City Hall  
Salem, Massachusetts 01970

Ladies and Gentlemen of the City Council:

I reappoint, subject to City Council confirmation, the following member of the Board of Health.

First Name	Last Name	Address	Term	Term Expiration
Paul	Kirby	8 ½ Daniels Street #3	3 years	3/1/2020

I enthusiastically recommend confirmation of his reappointment to the Salem Board of Health and ask that you join me in thanking him for his continued dedicated service and commitment to our community.

Very truly yours,

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Mayor  
City of Salem



## CITY OF SALEM, MASSACHUSETTS

Kimberley Driscoll  
Mayor

February 23, 2017

Honorable Salem City Council  
Salem City Hall  
Salem, Massachusetts 01970

Ladies and Gentlemen of the City Council:

I reappoint, subject to City Council confirmation, the following member of the Board of Assessors.

First Name	Last Name	Address	Term	Term Expiration
Robert	Millerick	4 Gallows Circle	3 years	3/1/2020

I enthusiastically recommend confirmation of his reappointment to the Salem Board of Assessors and ask that you join me in thanking him for his continued dedicated service and commitment to our community.

Very truly yours,

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Kimberley Driscoll  
Mayor  
City of Salem





## CITY OF SALEM, MASSACHUSETTS

Kimberley Driscoll  
Mayor

February 23, 2017

Honorable Salem City Council  
Salem City Hall  
Salem, Massachusetts 01970

Ladies and Gentlemen of the City Council:

I reappoint, subject to City Council confirmation, the following members of the Beautification Committee.

First Name	Last Name	Address	Term	Term Expiration
Mary Ellen	Halliwell	81 Orchard Street	3 years	3/1/2020
Marcia	Lambert	26 Charles Street	3 years	3/1/2020
Sandra	Power	18 Loring Avenue	3 years	3/1/2020

I enthusiastically recommend confirmation of their reappointment to the Salem Beautification Committee and ask that you join me in thanking them for their continued dedicated service and commitment to our community.

Very truly yours,

A handwritten signature in blue ink, reading "Kim Driscoll".

Kimberley Driscoll  
Mayor  
City of Salem



## **CITY OF SALEM, MASSACHUSETTS**

Kimberley Driscoll  
Mayor

February 23, 2017

Salem City Council  
Salem City Hall  
93 Washington Street  
Salem, MA 01970

Ladies and Gentlemen of the Council:

I am very pleased to submit the enclosed request to authorize tax increment financing (TIF) for Naumkeag, LLC, which owns 131-135 Boston Street. The company is preparing a build out the property to lease to A&J King Artisan Bakers of Salem, to conduct an expansion of their thriving business.

As you know, A&J King opened on Central Street in June 2006 and quickly became one of the most popular eateries and small businesses in Salem, with fresh baked goods using locally sourced ingredients. As Andy and Jackie King looked to expand their bakery operations, I am happy that they decided to remain here in Salem. The Kings' intention is to utilize the 131-135 Boston Street facility primarily for baking activities and to keep their smaller current storefront at 48 Central Street as an exclusively retail/dining location. A small amount of retail sales will also take place at the new location on Boston Street, to serve the Boston Street neighborhood and the growing neighborhood in the North River Canal Corridor, and the company's offices will be located there, as well. The Boston Street facility, however, will be larger than their current baking facility connected to 48 Central Street, allowing the company to grow the variety and quantity of what they create, which will enable them to expand and fulfill commercial contracts with restaurants, institutions, and other large accounts that they currently must decline.

As you are aware, TIF is an economic development tool used to create jobs and encourage business expansion, precisely as is being proposed by A&J King. With a TIF, the City grants property tax exemptions of up to 100 percent of the increased property value, or increment, due to investment in the property for a specific period of time. In this case, it is proposed that the TIF be for a period of five years. Again, the applicant is still responsible for the base tax amount – the current tax before their investment is made – and only receives a reduction in the taxes due on the improved value of the property. The current base tax amount collected by the City for this property is \$13,795.40 annually.

A&J King intends to lease 7,447 square feet of the building. The total investment in the improvements to the building is projected to be approximately \$862,000. Today, A&J King has approximately 31 employees in Salem: 15 full-time and 16 part-time. The company plans to increase that by 16 total jobs, 8 full-time and 8 part-time, as a result of this project, bringing their total number of employees to 47 in all: 23 full-time and 24 part-time.

The Assessor estimates that the anticipated investment in the building will increase the property value by \$460,000. The TIF, over five years, would provide a tax exemption of a projected \$84,121.95 on this incremental assessed value according to the following schedule:

Term Year	Exemption	Incremental Assessed Value	Exempted Property Taxes on Increased Value	Estimated Property Taxes on Incremental Assessed Value	Estimated Base Tax Bill	Total Annual Taxes Paid
1	100%	\$0.00	\$28,040.65	\$0.00	\$13,795.40	\$13,795.40
2	80%	\$187,000	\$22,432.52	\$5,608.13	\$13,795.40	\$19,403.53
3	60%	\$374,000	\$16,824.39	\$11,216.26	\$13,795.40	\$25,011.66
4	40%	\$561,000	\$11,216.26	\$16,824.39	\$13,795.40	\$30,619.79
5	20%	\$748,000	\$5,608.13	\$22,432.52	\$13,795.40	\$36,227.92
6	0%	\$935,000	\$0.00	\$28,040.65	\$13,795.40	\$41,836.05
		Total	\$84,121.95			

The TIF would begin during the first fiscal year after the project is completed. And, again, the property owner would continue to pay property taxes at 100% of the full base value of the property throughout the life of the TIF.

Andy and Jackie's planned investment will do much to strengthen and broaden Salem's economy, adding jobs and allowing an existing business that has been thriving here for over a decade to grow and expand right here in Salem. The building improvements proposed by A&J King will also provide additional tax revenue to the City as the TIF expires. For these reasons, I ask that you support this proposed TIF and authorize the execution of the enclosed TIF agreement.

Sincerely,



Kimberley Driscoll  
Mayor  
City of Salem



## RESOLUTION

**WHEREAS**, Naumkeag, LLC (hereinafter "Naumkeag") wishes to renovate a +/- 8,500 square foot portion of the building located at 131-135 Boston Street, Salem, MA, known as Assessor's Parcel ID 16-0128-0 for the purpose of leasing it to A&J King Artisan Bakers (hereinafter A&J);

**WHEREAS**, A&J will use the renovated space for a new office, production, and retail facility as part of its planned expansion; and

**WHEREAS**, the City of Salem (hereafter "CITY") is willing to grant tax concessions in return for a guarantee of the renovation of this portion of 131-135 Boston Street for the purposes of leasing it to A&J for its business expansion activities;

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

- Endorses the use of Tax Increment Financing as a tool to encourage economic development at 131-135 Boston Street, and;
- provides for a tax exemption at 131-135 Boston Street for a period of five (5) years, beginning the first full fiscal tax year after Certificate of Occupancy is issued for the new building at 131-135 Boston Street in Salem in accordance with the schedule below:

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

Said exemption being in accordance with M.G.L. Chapter 23A, Section 3E, Chapter 40, Section 59, Section 5.

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

TAX INCREMENT FINANCING AGREEMENT  
CITY OF SALEM, MASSACHUSETTS  
and  
NAUMKEAG, LLC

This agreement is made this \_\_\_\_ day of \_\_\_\_\_, 2017 by and between the CITY OF SALEM, a municipal corporation duly organized under the laws of the Commonwealth of Massachusetts, having a principal place of business at City Hall, 93 Washington Street, Salem, Massachusetts, 01970, acting through the Mayor Kimberley Driscoll (hereinafter called "the CITY") and Naumkeag, LLC, a Massachusetts limited liability corporation with a principal place of business at 135 Boston Street, Salem, MA 01970 (hereinafter called "the COMPANY"). The base year for this Agreement will be FY2017. The exemptions associated with this Agreement will take effect upon the COMPANY's receipt of a permanent certificate of occupancy for improvements made to the BUILDING. For exact location of site, refer to Attachment "Exhibit A."

WHEREAS, the COMPANY wishes to lease space to Salem based business A&J King Artisan Bakers and redevelop +/- 8,500 square feet of its building to accommodate said business' expansion activities; and

WHEREAS, the CITY is willing to grant tax concession in return for guarantee of the renovation of the +/- 8,500 square foot portion of a light industrial building into a new production, retail and office facility for A&J King Artisan Bakers, and the creation of employment opportunities for local workers; and

WHEREAS, the Salem City Council resolved on \_\_\_\_\_, 2017, to allow the use of Tax Increment Financing as a tool to encourage economic development at 131-135 Boston Street in Salem; and

NOW, THEREFORE, in consideration of the mutual promises contained herein, the parties do mutually agree as follows:

A. THE COMPANY'S OBLIGATIONS

1. The COMPANY shall renovate a +/- 8,500 sq. ft. portion of a building at 131-135 Boston Street in Salem (herein after "the BUILDING"). The BUILDING is identified as Salem Assessor's Parcel ID 16-0128-0. For an exact location of the BUILDING, refer to Attachment, "EXHIBIT A."
2. During the life of the Agreement, if the COMPANY decides to sell the BUILDING or the business or to otherwise transfer control of the BUILDING or business and/or operations thereof, the COMPANY shall give the CITY at least three months written notice of said sale or transfer. Said notice shall be given by certified mail, return receipt requested, to the Mayor, City Hall, 93 Washington Street, Salem, Massachusetts, 01970.

B. THE CITY'S OBLIGATIONS

1. The CITY shall grant a tax increment financing exemption to the COMPANY in accordance with Massachusetts General Laws, Chapter 23A, Section 3E, Chapter 40, Section 59, and Chapter 59, Section 5. Said exemption shall be granted on the improvements to the BUILDING. Said exemption shall be valid for a period of Five (5) years, beginning with the first fiscal year that the COMPANY receives a permanent certificate of occupancy for the improvements made to the BUILDING. For the purposes of this AGREEMENT, the base value of the TIF will be the FY2017 assessed value of the +/- 8,500 sq. ft. portion of the BUILDING. The FY2017 assessed value of the portion of the BUILDING undergoing the forthcoming renovations at 131-135 Boston Street in Salem is \$465,000. During each year of this Agreement, the COMPANY will pay taxes based on the portion of the value of the BUILDING which is not exempt under this Agreement.
2. The exemption schedule on the value of the BUILDING works as follows: for each of the Five (5) years of this AGREEMENT, the COMPANY will pay taxes on a percentage of the value of the BUILDING and be granted an



exemption of a percentage of the full value of the BUILDING. In Year six (6), the COMPANY will pay taxes on the full value of the BUILDING.

<u>YEAR</u>	<u>EXEMPTION</u>
Year 1	100%
Year 2	80%
Year 3	60%
Year 4	40%
Year 5	20%

#### C. OTHER CONSIDERATIONS

1. This Tax Increment Financing Agreement shall be binding on all subsequent owners of the property. The CITY reserves the right to review and negotiate the Tax Increment Financing Agreement if the business activity ceases to be fully operational during the life of the Tax Increment Financing Agreement.
2. If the COMPANY decides to expand the BUILDING at any time during the life of the Tax Increment Financing Agreement, the CITY and the COMPANY may renegotiate the Tax Increment Financing Agreement to exempt all or part of the expansion from property taxes. The exact amount of that exemption will be determined at the time of the expansion.

Executed as sealed instrument on the day and year first above written.

CITY OF SALEM

NAUMKEAG, LLC

\_\_\_\_\_  
Kimberley Driscoll, Mayor

\_\_\_\_\_  
Peter A. Copelas, Manager

# EXHIBIT A

Parcels w/ Other  
 Town Boundary  
 MA Highways  
 Interstate  
 US Highway  
 Non-Improved Routes  
 Abutting Town Labels  
 Bathymetry  
 0-5 ft  
 5-10 ft  
 10-15 ft  
 15-20 ft  
 20-30 ft  
 30-40 ft  
 40-50 ft  
 50-60 ft  
 60-70 ft  
 70+ ft



The data shown on this site are  
 provided for informational and  
 planning purposes only. The  
 Town and its consultants are not  
 responsible for the misuse or  
 misrepresentation of the data.

Card 1 of 1

Location 131 135 BOSTON STREET	Property Account Number	Parcel ID 16-0128-0
		Old Parcel ID --

Current Property Mailing Address

Owner SIGMA REALTY TRUST  
COPELAS PETER JR TRS ET ALI  
Address 135 BOSTON STREET

City SALEM  
State MA  
Zip 01970  
Zoning B2

Current Property Sales Information

Sale Date 7/19/2002  
Sale Price 0

Legal Reference 18955-570  
Grantor(Seller) SIGMA REALTY TRUST,

Current Property Assessment

Year 2017

Land Area 0.961 acres

Card 1 Value

Building Value 1,010,500

Xtra Features Value 20,900

Land Value 466,200

Total Value 1,497,600

Narrative Description

This property contains 0.961 acres of land mainly classified as Comm. / Res. with a(n) Mixed Use style building, built about 1950 , having Brick exterior and Tar+Gravel roof cover, with 9 unit(s), 16 total room(s), 8 total bedroom(s), 4 total bath(s), 5 total half bath(s), 0 total 3/4 bath(s).

Legal Description

Property Images

