

**City of Salem Massachusetts
Executive Session Meeting Minutes**

Board or Committee: Redevelopment Authority, Executive Session
Date and Time: Wednesday, October 26, 2020 at 6:00 PM
Meeting Location: Zoom Virtual Meeting
SRA Members Present: Chair Grace Napolitano, David Guarino, Cynthia Nina-Soto, Dean Rubin, Russ Vickers
SRA Members Absent: None
Others Present: Tom Daniel – Director of Planning and Community Development
Kathryn Newhall-Smith – Principal Planner
Mathieu Zahler – Consultant
Recorder: Colleen Brewster

Chair Napolitano calls the meeting to order. Roll call was taken.

Executive Session Meeting

To discuss the development proposals submitted in response to the Request for Proposals for the redevelopment of real property located at 32-34 Federal Street and 252 Bridge Street, Salem, MA, because an open meeting may have a detrimental effect on the negotiating position of the public body.

Rubin: Motion to move into Executive Session.
Seconded by: Vickers.
Guarino, Nina-Soto, Vickers, Rubin, Napolitano. 5-0 in favor.

Chair Napolitano states that Open Session will not reconvene at the conclusion of the Executive Session.

Executive Session began at 7:25 PM.

Chair Napolitano asks about how to handle comment letters during the meeting. Mr. Daniel said that noting the public comment is ok for now, but the department is developing a protocol for this. Posting public comments isn't necessary; public comments are for the benefit of the Board. The non-financial information can be shared. Mr. Zahler noted the financial information in the responses and does not see an issue with them being released. Chair Napolitano reiterates that public comments are for the Board; the Board needs to understand which comments receive recognition and how they receive it. Mr. Daniel states that comments can be shared after a formal meeting or before if requested. Entities can share their own letter with the public. Mr. Guarino is in favor of sharing comments but not financial information, to make this as transparent as possible.

The Board discussed sharing public comment letters and agreed to wait until there has been an internal review by the staff of the Planning Department.

Mr. Rubin suggests sharing them after a meeting, but the commenter should be able to request that the comments not be shared if that person so chooses. Ms. Nina-Soto agreed with Rubin, i.e. post after a public meeting. Mr. Vickers states that the public may want to hear the opinions of others, but he's not

compelled to send it out prior to a meeting. Mr. Daniel requests that the Board defer making a decision on this until after staff has reviewed it with department colleagues.

Mr. Daniel received an e-mail from Winn asking about the Registry and Chapter 30B requirements. The email stated that Register O'Brien was happy to speak to the team, but his concern was the lack of parking. Diamond spoke with Register O'Brien after the onset of the pandemic and had a letter from the Register stating that his opinion has changed, and they need less space. JHR found that out and had another discussion but Winn never directly pursued the Register. Mr. Daniel stated that the Registry is subject to 30B, but in this case, given the legislation, the relocation of the Registry does not have to follow 30B. He states that the MBTA is reviewing the SRA process as well. He confirms that Ms. Curran was incorrect in her question during the public comment session regarding asking each developer to do things the other was proposing.

Mr. Zahler stated that JHR can make the project feasible with an offset of taxes. It's good that they are willing to increase the affordability significantly. Each proposal has their own merits. JHR dodged the question on maintenance of the tunnel, and the MBTA or the City can't shoulder additional burdens. They did not fully answer the SSU question. Activation for the public realm was interesting – artists aren't the only one that can provide art. Positioning of tunnel was interesting and why it was feasible or not. The Board needs to determine what they want to pursue. He, personally, didn't think the tunnel was feasible. Regarding Winn and the Registry; they were told the Registry wasn't interested, so they didn't incorporate the tenant. But they did try to fit it into the building when the SRA asked them to consider it. Their responses in terms of reconfiguring the unit mix was good and played it safe in terms of increasing the number of units. Parking concerns continue. Winn proposed 50 spots. JHR and the proposed changes to the MBTA garage are interesting, but the changes to the garage will be hard to accomplish since it would require the MBTA to shift its operational model. Mr. Daniel had a discussion with MBTA Director of Real Estate last Friday, they are concerned with tunnel because they haven't evaluated it, it will take the MBTA time to figure it out. He told them the tunnel is a separate process that would be addressed and is not part of the current disposition. Their operations people did raise some concerns with the tunnel that had preliminary concerns as it relates to the MTBA's functional needs. They also don't have the finances to do it.

Mr. Vickers stated that JHR proposed a concept to be explored but isn't the basis for making this decision. Mr. Daniel referred to the letter from John Keenan, SSU President. He knows SSU is trying to raise money to construct a new laboratory which will take several years. Mr. Guarino and Ms. Nina-Soto agreed, SSU has enthusiasm but no firm commitment. Chair Napolitano questioned whether SSU is a realistic option due to the impacts of the pandemic. Mr. Vickers sees two competing goals -affordable housing versus public realm. He believes both teams can get the project done, but JHR is more flexible because they want the right long-term public uses in the courthouses.

Mr. Rubin suggested they request one developer consider the uses that the other developer has suggested.

Mr. Vickers asks if Park Towers would be the one doing the work if they are condominiums. Park Towers will be the owner of the commercial condos and responsible for seeking the tenancy in both properties since that's not what Winn does. That's not a good deal for the SRA in his opinion.

Mr. Daniel states that Winn as a team needs to have a conversation with the Register since the Register's plans have changed. JHR is also proposing a different square footage for the Registry, which may be a result of including the Sheriff's Office. Those entities have been together at Shetland Park, so they seem to be a package deal despite them not needing to be. Chair Napolitano questioned whether the long-term tenants were feasible. Ms. Nina-Soto believes the uses at the courthouses would only be during

traditional work hours. The Winn proposal is strong and addresses many issues of Salem while JHR has been evasive. Winn would most likely put the Registry there if they were asked and could include other areas of the public realm to meet other needs. Mr. Guarino agreed. He stated that this is one of the dark corners of Salem, as indicated in the public meetings that were held at the Community Life Center. JHR will provide steady tenants and keep the building occupied. Winn is proposing housing as well as some 18-hour uses. Winn is the safe choice but not the strongest. Mr. Rubin states that Winn provides 18-hour activity even on the weekends, which is a big deal, less concerned with the evening activity.

Mr. Daniel asks about the design of the crescent lot; some public commenters weren't in favor of the Winn concept. He's more focused on the team that can see this thing through, the design of either proposal can change. Mr. Rubin states that both are brick buildings with white trim; the SRA will be the first design comments the developer hears. Ms. Nina-Soto states that the JHR concept looks consistent with the other buildings nearby. Winn is more modern and has more color contrast. JHR has the building right up to the sidewalk but Winn is more setback and is more welcoming. She believes that the SRA can ask both to make changes. Mr. Daniel states he is selecting the deal because of the totality of the proposal and notes that there will be changes during permitting. Mr. Guarino states that JHR did appear to do some public lobbying for the meeting. He acknowledges Bill Tinti's emotional appeal. Mr. Rubin states that his thinking has evolved, and the affordable component meant more to him than he thought. Winn proved that more affordable housing can be achieved. The tunnel was appealing but there are safety and maintenance concerns. Chair Napolitano agreed with Rubin. The majority of public comment was in favor of JHR. Mr. Vickers states that if its affordable housing vs. public use of courthouses, the public use is the more important goal in his opinion. Affordability is proposed in both, although one is proposing more than the other. JHR is committed to the public use. Chair Napolitano believes the SRA can encourage Winn to seek other tenants.

Ms. Nina-Soto prefers Winn because of the more affordability, the team can be pushed to be more creative, they incorporated the historic components in the buildings. JHR proposed stairs and Winn proposed a ramp.

Ms. Guarino prefers Winn since it's a more exciting proposal, more activating the area and engaging the public because the use of the courthouses.

Mr. Daniel states the Board can select a preferred and a back-up development team. Mr. Zahler agreed with having an alternate. Mr. Daniel states that the Registry of Deeds could be incorporated into both projects. Mr. Zahler states that the Registry is an automatic tenant, but they may say it doesn't fit in their program space needs. A public tenant helps the underwriting.

Mr. Rubin believes that Winn should be the preferred developer but must reach out to the Registry to further refine their plans.

Motion: Guarino – WinnDevelopment will be designated the preferred developer with JHR Development being the back-up development team.

Rubin amendment – Winn should speak to the Registry to see if they can be incorporated.

Amended Motion: Guarino – WinnDevelopment will be designated the preferred developer but must reach out to the Registry of Deeds to discuss tenancy viability. JHR Development will be designated as the back-up development team.

Rubin seconded.

Motion carries, 4-1 (Napolitano, Guarino, Nina-Soto, Rubin in the affirmative, Vickers in the negative)

Mr. Daniel advises the Board to withhold communicating this vote until the MBTA has reviewed their designation and approved it.

Mr. Daniel will communicate with the MBTA tomorrow. He will encourage Winn to pursue the Registry without telling them they were selected as the primary developer, since they did include them in the plans. Mr. Zahler will continue to work with the SRA in the next phase of the project.

Mr. Zahler states that Winn is excellent at historic restoration so they will be a good partner to work with. Mr. Daniel stated that he has worked on housing policy for several years, but Winn will bring a deeper level of affordability to Salem.

Rubin: Motion to end executive session.

Seconded by: Vickers.

Guarino, Nina-Soto, Vickers, Rubin, Napolitano. 5-0 in favor.

Guarino: Motion to adjourn meeting.

Seconded by: Rubin.

Guarino, Nina-Soto, Vickers, Rubin, Napolitano. 5-0 in favor.

Meeting is adjourned at 9:00PM

Know your rights under the Open Meeting Law M.G.L. c. 30A §18-25 and City Ordinance Sections 2-028 through 2-2033.