

**City of Salem Massachusetts  
Public Meeting Minutes**

<b>Board or Committee:</b>	<b>Redevelopment Authority, Special Meeting – Development Team Presentations: Day 2 of 2</b>
<b>Date and Time:</b>	<b>Thursday, September 17, 2020 at 5:00 PM</b>
<b>Meeting Location:</b>	<b>Zoom Virtual Meeting</b>
<b>SRA Members Present:</b>	<b>Chair Grace Napolitano, David Guarino, Cynthia Nina-Soto, Dean Rubin, Russ Vickers</b>
<b>SRA Members Absent:</b>	<b>None</b>
<b>Others Present:</b>	<b>Tom Daniel – Director of Planning and Community Development Kathryn Newhall-Smith – Principal Planner Matt Zahler – Development Consultant</b>
<b>Recorder:</b>	<b>Colleen Brewster</b>

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

**Development Team Presentations: Day 1 of 2**

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Chair Napolitano stated:

“Good evening. Before we get started with the interviews, we wanted to take a few minutes to provide some background and context for how we got to where we are today. We’ll adjust the schedule so that no team will lose presentation time.

We’re very excited to have presentations tonight and Thursday. I want to thank the three development teams for all of their work in getting to this point. The three teams that are being interviewed were selected last year from eight teams that had submitted qualifications. The SRA qualified a fourth team, but the team decided in late June not to continue in the process due to uncertainties resulting from the pandemic.

The three current teams have been thinking and working on the courthouses and crescent lot for over 18 months. However, as many in the community know, the courthouse project goes back many, many more years.

It goes back 20 years to work to keep the court functions in Salem, there have been many acts of legislation. There has been extensive public engagement (SRA meetings, Urban Land Institute workshop, community meeting, discussions with the City Council.) The SRA is grateful for all of the partners who have been supporting this work at the local and state level; Mayor, City Council, Senator Lovely, Representative Tucker, Secretary of Administration and Finance, Division of Capital Asset Management and Maintenance, MBTA, local preservation partners, Mass Historic, Salem Partnership, residents, etc.

The priority community goal was/is to preserve the court buildings. The SRA is doing everything it can to set the buildings up for successful reuse. Based on numerous studies from the State (DCAMM), SRA knew adaptive reuse of court buildings was complicated and would be extremely

difficult to find a financially feasible proposal. Including the crescent lot was thought to be an opportunity to make the court building reuse more feasible. This proved to be true—all of the applicants indicated they would not be interested in just the court buildings because they could not create a financially feasible proposal.

I want to note the SRA is doing more than selecting a developer. We are selecting a partner. It is going to take several more years to get through permitting and financing. All of the teams need some form of public subsidy—at the local, state, and/or federal levels. This is a complicated project, and we're in this for the long haul.

To assist us, the SRA is working with a development consultant, Matt Zahler. I'd like to give Matt a couple of minutes to comment on the challenges on this type of project.

Mr. Zahler stated:

“It has been an honor to work with the SRA on this incredible opportunity. The Board is dedicated to seeing this project through and making it the best it can be. A partnership is being created but it will take time to do that. The Courthouses are beautiful but need to be restored and preserved which will be a costly endeavor. Preservation Restrictions have been placed on these buildings which create a challenge, and the crescent lot was added which will be beneficial to the City of Salem through taxes, jobs, a functional intersection, activation and the creation of something new on the crescent lot. These items have a price tag, with lots of input and one output that needs to be financially engineered to create value for the investors and the community its in. The proposals must be financially feasible, and he will ensure that that is the case. There will be some complicated permitting, but other public agencies, DCAMM and the MBTA that need consideration. The public also needs to know what is being proposed and to have their own needs and desires, such as urban space and affordable housing incorporated.”

Chair Napolitano stated that each team has 90 minutes with a break in between. The presentation will last 30-minutes followed by discussion, questions, and public comment possibly limited to 2 minutes. Comments can be submitted in writing and sent to Ms. Newhall-Smith. The SRA interviewed the first two teams, North River Partnerships and Winn Companies sat 5:00 on Tuesday. After the interview tonight, the SRA will convene in Executive Session to discuss the proposals. The SRA will reconvene in Executive Session on Thursday, September 24. The SRA may also hold a special meeting on Wednesday, October 7. The next regularly scheduled SRA meeting is Wednesday, October 14. The SRA hopes to have a preferred developer selected in October but will take the time it needs.

Chair Napolitano welcomed the third team, JHR. It's now 5:00PM. Your time will end at 6:35PM.

**JHR**

**Thursday, September 17, 2020, 5:00-6:30PM**

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Development Team: J. Hilary Rockett (JHR Development), Bob Clifford (Goedecke), Bill Tinti of Tinti & Navins, PC (Not present), Douglas Kelleher (Epsilon Associates), David Hark (Drumlin Group), John Rufo – (Form and Place), John Keenan (President of Salem State University), Peter Pitman (Pitman & Wardley Architects), and Michael Wang (Form and Place)

Mr. Rockett states that the courthouses must be feasible and viable; he believes he has the most creative project. His team has worked on this for 18 months and he knows the property well. He wants to create a sense of arrival coming over the bridge into downtown Salem. When he was looking for potential tenants President Keenan expressed interest in the Superior Court addition and Law Library. He confirms that the Registry of Deeds is interested in moving back downtown. He wants to lease the entire County Comm building to these types of tenants including the Essex County Bar Association and Essex County Sheriff who have both expressed interest.

Michael Wang wants to celebrate the historic architecture and preserve public access. It is important to the preservation of character defining features. Placemaking is important, as is the gateway component and connectivity to downtown and waterfront and creating a useable public realm. With the interiors, he wants to celebrate the spaces, and uses will be compatible with the high-quality details and keeping it intact. The intersection of Washington and Bridge Streets presents opportunities to bump out and improve the pedestrian connection and create a usable public space. His company is comfortable with large scale mixed-use projects; he worked on the Brunswick, ME at Bowdoin College property at Maine Street Station and extension of rail system with Mr. Rockett. This project was a mix of uses with historic restoration. He believes Mr. Rockett is the perfect partner for this project, he negotiated between needs to town, the college, etc. He worked on the MGM Springfield at the State Armory, which celebrated historic access. This casino has a main street environment and an outdoor entertainment pavilion. This project's public realm concept has evolved in recent weeks with a courthouse green to give it a quad-like feel, creating a new entrance to the superior court addition. The curved granite curb could record the history of the past. The public realm master plan includes a path from the downtown to the waterfront, pedestrian use, embellishment of the streetscape and adding secondary connections. The building on the crescent lot will be respectful of the neighborhood and fit into the larger context of the area. There is a covered pavilion to the MBTA tunnel under Bridge Street. There will be a bicycle ramp access to the tunnel, an exhibition space inside it that can have displays about Salem. Collection of deeds could be on display too. There can also be outdoor seating at the lower MBTA level.

Larry Beals reviews the site engineering, site planning and land use planning. Will be mostly historic and architectural. Two unique opportunities with this project – the waterfront and the tunnel. The tunnel is a large space with an arched ceiling. It doesn't feel claustrophobic and can be reclaimed to provide a pedestrian connection so people don't have to cross the busy intersection. The sheltered tunnel can provide a space for art or even a coffee stand. The waterfront is at the perimeter of the study area. The North River connection is weak and needs to catch up with the harbor plans and made safer. He wants to connect these projects to the water. He has attended Harbor Plan meetings where the mayor said there is no major highway frontage; the harbor and water is their highway. The area would benefit from added access and passive recreational areas. He is proposing a kayak launch, citing the one in Cambridge at Board Canal where there was skepticism, but it's become a great but busy amenity. Add terraced seating of the water view. Existing bike and walking trails nearby come together in this and can be utilized.

Bob Clifford wants courthouse access from both Bridge and Federal Street sides. He reviews three options for the uses in the courthouses. The building on the crescent lot is aligned with the street edge to create a gateway and place outdoor spaces along the riverside. Bridge Street will be primary entry as well as the lower plaza. There is parking on the lower two levels with five levels of a mix of 1- and 2-bedroom units. The architecture is an appropriate vernacular and techniques of architectural treatments including bays and pushouts to create a rhythm to break up the façade. The new building will be a LEED certifiable building. The public realm is a large part of this concept with multiple methods of connection across Bridge Street. If the tunnel isn't viable, they could construct a grand stair and tired landscape for a performance space and reduce the distance of the pedestrian crossing.

Mr. Rockett states that the public realm changes would be transformational. The tunnel will be clean and will keep people out of the elements. The SRA is picking a plan and a partner and he is excited to be selected to be a part of this project. He would want a temporary office space in the Superior Court building to have their meetings with the project team. He has allocated money for funding, planning, and permitting and could begin that process. He has met with John O'Brian from the Registry of Deeds who has stated that he wants to be in the County Commissioners Building. He is concerned with timing and wants to move quickly. He reiterates that Salem State has been around as long as the courthouses and would be a great tenant for the space. It will take a couple of years for permitting and many are interested in moving into the building. Like the Maine project, he has a connection to the area and has a connection to Salem. He wants to be involved in projects that make a difference and that he has a personal connection with. He could change this part of Salem for the good since he knows the property and the community.

#### Board Questions:

Mr. Daniel asks about Salem State University and its financial pressures before Covid-19. He is concerned with their ability for this to move forward. He asks when the team would pivot and make another decision? Mr. Rockett replies that he has time with the permitting and leasing the other areas so he can wait on SSU to occupy the space. His project will work in both the short- and long-term. Mr. Daniel asks about the financing structure and if it can proceed without Salem State occupying the space for an extended period of time. Mr. Rockett confirms that it can.

Mr. Rubin asks why President Keenan sees this as a good fit as well as potential obstacles. President Keenan responds that SSU has long stated that it wants to have a presence downtown and to be by the train station. The vision for a long time has been to get SSU back downtown. As a former prosecutor he'd tried cases there, so he is personally connected to the site. It can work with their criminal justice programs. SSU is working on their South Campus project and other projects at Horace Mann. He can't make a commitment today, but they are extremely interested. He is also working with the Mayor to get a train stop closer to their main campus.

Mr. Rubin states that the SRA wants to keep the Law Library open to the public. He asks how will it be inviting to the public? President Keenan states that he understands the importance of keeping it public, like the Salem Jail. The Law Library will be open to the public, he envisions a speaker series for lectures and presentations, and other public uses. He also envisions partnering with other institutions to provide it as a small event space.

Mr. Daniel asks about the train tunnel and what it would take to make it a reality, funding sources, make it work? Mr. Beals states that he has had initial discussions with the MBTA to explain the design and proposal. Many people are needed to make that decision. He asked the MBTA if it was an impossible idea. They thought it was a good idea, but there's a 3+ year process. They didn't say no. The tunnel requires a stairway to go through the ceiling and up onto the sidewalk at Washington Street. It's in their budget but would require financing, public financing. It's likely to be just under \$2M but it's not in the current project budget. Mr. Vickers asks if the team is proposing it be a public project and a public owned space and confirms that the development team will only provide the seed money for it. Mr. Zahler asks about the mechanisms to allow for that? Mr. Beals states that they haven't figured that detail out since they are still in the RFP process, but will flush it out if they were selected. They are aware of the rough costs and if selected would pursue additional funding avenues.

Mr. Vickers asks about financing. Mr. Rockett states that the funding of the tunnel project will be public, and the tunnel will be publicly owned. Mr. Zahler stated that the team can get a public funding expert to determine the details of it.

Mr. Daniel asks who would be responsible for the tunnel project. Mr. Rockett states that it would be a public project and through collaborations with entities like the Salem Partnership it would be managed. He confirms that he would handle the permitting and the MBTA discussions.

Ms. Nina-Soto asks about the City of Salem's role for the tunnel? Mr. Rockett states that in other cities the town/city was the applicant. He will work together as a partner, as he's done in the past.

Mr. Daniel discusses affordable housing policy in Salem. Mr. Rockett states that he has proposed affordability that matches the draft inclusionary zoning ordinance. Mr. Daniel asks if it can be increased or provide a deeper level of affordability? Mr. Rockett is open to that. Mr. Zahler asks how increased affordability would be financed? Mr. Rockett states that the project includes bank financing, and tax credits for the historic work, but didn't include low-income financing in their model but there's room in the pro-forma and budget to accommodate it. He won't need to rely on various public programs.

Mr. Rubin asks how high of an affordability percentage can be accomplished. Mr. Rockett will explore other options. He is currently working on 100% work-force housing for 60-units in Portland, ME. He will figure out what works for Salem. Mr. Clifford states that moving forward, with better control over costs and know the income levels, they can further define the amount. Mr. Rubin states that it's become a challenge in the City and the residents are interested in maximizing the affordable units. They own the land, which could assist in the affordable unit number.

Mr. Daniel asks about the public realm at North River and kayak launch. He states that the area is not 100% under public control. Mr. Beals states that there are many factors to be considered for this proposal. He would need Conservation Commission approval, permission from the private landowner. The site has some constraints due to it being a resource area – Chapter 91 and the 100 year flood plains. It's a great use of the land given those constraints, especially since it's not buildable. Need to start discussions with the land owner, Conservation Commission (informally), will want to have some input on the municipal harbor plan, need City support to determine if it's a right use. It's a natural spot for a kayak launch with its mud flats to access the water. Some unknowns but the concept is worth pursuing. Mr. Daniel asks if the launch is to help with Chapter 91 compliance for the open space requirements? Mr. Beals states that Chapter 91 is concerned with public access to the water. He asks if the Harbor Plan has height restrictions? He is optimistic that it will get approved. Mr. Zahler asks if the public accommodations need to be within the walls of the building or can it be in the addition to the public access provided on the site? Mr. Beals sees it as an appendage to the project.

Mr. Daniel asks the design team about siting the building along Bridge Street when others moved it away from Bridge. Mr. Wong responds that it's helpful to define the gateway, grades undulate long the frontage. The MBTA end would become the main entry with the potential for tenant spaces at that level. He wants to engage the plaza, have an outdoor terrace at the first level to take advantage of the water view, creating a nice experience on both sides. The street wall makes sense to him.

Ms. Nina-Soto asks if there is commercial space in the crescent lot plan. Mr. Wang states that the Bridge Street level at end of MBTA station has a small potential space on the lower level of the plaza with tables and chairs – café opportunity. He wants a level of public engagement on both main floors of the building.

Mr. Rubin asks about the residential unit ownership. Mr. Beals states that Crowninshield will manage the units and they will be rentals. Crowninshield has numerous properties in the New England region.

Public Comment:

Emily Udy, HSI – Submitted a letter about the use feasibility asking for a commitment from each team to keep the unique spaces open to the public permanently. Appreciates the mix of tenants. Ownership, funding and permitting of the tunnel are new concerns. She is concerned with the new construction and wants the site design to create a sense of arrival that is tied to Salem, not something that could be anywhere.

Mr. Rubin states that it is extremely innovative to use the tunnel; it is a dynamic they hadn't thought of; it's very creative.

Matt Kirchman, 9 Naples Road, Salem, MA. – Agreed with Mr. Rubin's comment to resurrect the tunnel and eliminate the dangers of the pedestrian crossing.

Polly Wilburt, 7 Cedar Street. 40 year resident, drawn to Salem's history. The Arabella arrived in 1630 with the poet Anne Broadstreet. The North River was their arrival point. This proud history is to have these relationship architectural features. The courts one block away; the new structure should relate to those buildings. Salem is special new England community and we should always value that essence of the City. New and modern structures should always have a sense of Salem in their architecture.

Vickers made a motion to begin executive session.

Seconded by: Rubin.

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

Vickers: Motion to end executive session.

Seconded by: Guarino.

Roll Call Vote: Guarino, Nina-Soto, Rubin, Vickers, Napolitano. 5 in favor.

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

Rubin: Motion to adjourn.

Seconded by: Vickers

Roll Call Vote: Guarino, Nina-Soto, Rubin, Vickers, Napolitano. 5 in favor.

Meeting adjourned at 7:00PM