

**Bringing business back to Salem.**



**Community Insights**



**JGSC GROUP, LLC**

PHASE TWO REPORT  
STRATEGIC RECOMMENDATIONS  
FEBRUARY 9, 2009

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Quinn Evans Architects prepared a redevelopment plan for the city of Salem that JGSC Group evaluated as a part of the Phase 1 Market Analysis & Retail Assessment we conducted for the city, which was completed in 2008. In addition to finding their work to be particularly well suited to a scheme for revitalization of Salem's downtown commercial district—our recommendations herein are consistent with the plan they proposed—we found their introductory statement on land use planning to be eloquent and apt. They explained how it was that the adoption of modern land use code after World War II substituted suburban models for the more traditional downtown grid that Salem had been established upon. Ever since that time, Salem's Code has been in conflict with its own infrastructure. This has not been helpful to business on Broadway.

Over the past year, JGSC Group has evaluated the various conditions that impact upon commerce in the city's business district. We reported our findings and conclusions last month in a Market Analysis and Retail Assessment Report (December 2008).

Now that we understand the marketplace and its circumstances, we are taking the more important step forward in this report to set Salem's goals for revitalization, prescribe strategies to achieve those goals, and outline the tactics in sequence that should be undertaken to accomplish each strategy.

It will cost money for the city to take action on our recommendations, and as a post-script, we have appended a discussion on funding. Many of the strategies proposed in this document require significant funding to implement; JGSC Group can assist with the implementation of these strategies, and our participation would also require a funding commitment.

In all of this, we wish to emphasize the following thought for Salem: begin by thinking small. Rather than viewing massive redevelopment projects as the answer, we believe that it is necessary for Salem to think in terms of small neighborhoods, and the social fabric of the community. Suburban solutions won't work in Salem's urban model. The city discovered this with the failure of the suburban-styled

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shopping center that was created behind Broadway, on 5<sup>th</sup> Street. Our approach will restore a self-supporting way of life for the city, by addressing the wants and needs of the people who live there.

Instead of injecting massive amounts of economic development into small neighborhoods, let's take a course of action that saves, rather than alters, the community. Build upon the existing stores and shops, businesses and residences to create a small local economy that can be sustained over the long term. By creating local economies that serve local neighborhoods, we can create a foundation for further economic growth and stability. Let this be the new pathway to Salem's revitalization.

The strategies set forth in the pages that follow are designed to accomplish the following goals, which are essential to the revitalization of commerce on Broadway. The first two are immediate goals; the last three are longer-term objectives to be pursued after the first two have been accomplished. The steps you take, and the order in which you take them will be crucial to the success of your revitalization efforts.

**Immediate Goals:**

**1. *Address the perception of crime, and convey a sense of security in downtown Salem.***

Whether crime is actual or merely perceived on Broadway is irrelevant; in either case, shoppers are deterred from visiting a commercial district if their first concern is that they may be unsafe there.

**2. *Re-build the local economy based upon local wants and needs.***

People who live and work in the city of Salem have told us, both by their direct comments, survey responses, and by the data we obtained about their consumption habits, that there is insufficient retail to support their basic needs in downtown Salem. We have identified the local retail demand that is unmet, and consider this to be the easiest to begin to address with retail recruitment.

**Longer-term Goals:**

**3. *Create more market-rate housing in the downtown, to increase both population density and average household income within the marketplace.***

Although obvious, this point is nonetheless true: retail business cannot exist without patronage, and the more diverse the patronage, the more diverse the retail offerings can be. Downtown Salem has both a historic appeal to its architecture as well as the convenience of an urban layout that are recognized as desirable features to empty-nesters who no longer need suburban detached homes. Salem could attract higher-income residents into the downtown with appropriate high-quality housing. This would diversify the current concentration of low-income households in

and around downtown Salem, and support a larger amount of more diverse retail offerings than are currently available on Broadway.

**4. *Expand the market to become a destination.***

Once the marketplace has become successful at addressing the needs of its residents and has begun to diversify to appeal to newer residents, then it will be in better position to support the steps necessary to grow into a regional destination. Key among those steps are determination of a destination identity for Salem, creation of events consistent with that identity to begin attracting visitors, recruitment of new retail consistent with that identity, and implementation of a marketing program to present the destination to target shopper groups.

**5. *Re-capture the waterfront and incorporate it into the downtown.***

Henry David Thoreau once wrote: “It is pleasant to have been to a place the way a river went.” The appeal that we all sense from a river is undeniable, and the City of Salem is blessed with access to the Salem River near the downtown, at the western end of Broadway, the northern end of Market Street, and at other points that loop around the northern half of the city. The waterfront itself could become an attraction in the future, with better public access, marina, promenade, and shops and restaurants facing the water. Planned well, this could eventually become an integral feature of the downtown, rather than competing with it. Connecting your downtown to its riverfront would provide a basis not only for increased shopping visits, but also inspire more interest for people to live and work in downtown Salem.

**1. *Create a safe and comfortable environment for shopping and dining.***

Respondents to our survey told us that there is a perception that Salem is not a safe place to come to shop. Whether Salem is truly unsafe or merely perceived so is of no import. So long as shoppers sense that it is not safe, they will not visit to shop or dine here.

There is a course of action that Salem must take in order to reverse the negative perception and provide shoppers with the degree of comfort that they need in order to allow downtown Salem to become their shopping preference. The steps are very specific, but the results are certain: we can communicate to shoppers that they are welcome in Salem, where it is safe to shop and dine.

**2. *Renovate the infrastructure to make it retail-ready.***

Before you can market your community or the buildings in it, you need to have everything in order and “retail-ready.” For the sake of attracting both new shoppers and new retailers, this is important. When retail prospects visit Salem’s downtown, they will compare it to other locations they’re considering. To convince prospects that Salem is the right location for them, you’ll need to compare favorably on a broad range of issues, from safety and security, to traffic counts, ease of doing business with the local government, rental rates, physical conditions of the properties, and more. First and foremost, the commercial buildings must be suitable for retail: clean; well-maintained; appropriately lighted; effectively signed; adequately visible through display windows; floor space configured to accommodate retail; and more. Most of Salem’s downtown commercial spaces are not retail ready and, as a result, are more difficult to lease.

**3. *Address the needs of everyday neighborhood commerce.***

Our analysis disclosed that current retail offerings in downtown Salem are inadequate to meet the daily needs of city residents. To obtain the newspapers, foodstuffs, household hardware, and other basics, it is necessary to leave town. Merchants that are already in place on Broadway and Market Street would do better business if downtown residents stayed and regularly shopped for their needs in the downtown.

**4. *Protect and strengthen (retain) existing businesses.***

The cost to recruit new businesses can be several times greater than that to retain the businesses you already have. Efforts need to be made to support the businesses that Salem already has in place, so that they can survive and participate in the economic growth that will follow. This effort is particularly necessary now, as the country passes through a period of recession that is causing the failure of major national retailers.

**5. *Recruit pre-qualified new businesses in targeted categories.***

JGSC Group determined that demand for retail goods and services within the primary trade area outstrips local supply by \$75 million per year. This opportunity expands to \$177 million per year within the wider secondary trade area. There is a demonstrated need for more goods and services in downtown Salem, and a common awareness that Salem's business district does not now have an adequate retail and dining offering to encourage shoppers to visit. A pro-active effort is needed to attract new retailers and restaurants in the categories that JGSC has found to be sustainable for Salem.

**6. *Increase visitor awareness by marketing downtown Salem.***

Visitors can't come to Salem if they can't find its downtown, and they certainly won't come if they don't know Salem exists as a shopping/dining alternative. Our review of physical conditions in and around the downtown revealed a critical lack of signage guiding visitors to the downtown, announcing their arrival, and guiding them to public parking. Equally important is the need to create a "buzz" that will attract visitors to come to Salem. We need to create a message that will effectively communicate Salem's charm, its invitation to visit, and its suggestion of local places to shop and dine. This communication needs to take many forms: public relations stories, advertisements, internet, and even billboards to attract new visitors from our primary and (later) secondary trade areas.

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**7. *Generate trial visits.***

In order to recruit desired restaurants and retailers into Salem's downtown to make it a regional destination, it will be necessary to demonstrate that the city can attract outside visitors. One way to do this in the absence of appropriate retail mix is with events and activities. Sixty-five percent of Salem's shoppers indicated that they would attend a monthly event in your downtown, so there is a ready base interested in coming to Salem regularly if we offer them the opportunity. We recommend the expansion/promotion of already popular existing events and the addition of new ones to attract more visitors more frequently into downtown Salem.

**8. *Address downtown development (and redevelopment), including market-rate housing.***

Salem is in the midst of a several decades-long population decline. Since 1950, when the population hit its peak of over 9,000 people, the number of residents has been steadily dropping; it is now below 6,000. The loss of residents has made it difficult for local businesses to be sustained. Part of the solution for local business is to stabilize the local population and encourage its growth. The time may be ripe for Salem's rebound, as the suburban residential preference is reversing and national demand for downtown living is growing. By planning for market-rate housing that is upscale and distinctive (consider brownstone townhomes, for example), Salem could regain (and possibly surpass) the former population peak, and double the local economy. This would have the salutary effects of expanding the downtown population, creating perpetual foot traffic on Broadway and Market Streets, enabling greater diversity of retail offerings, and helping to establish downtown Salem as a destination. Of course, the housing market is down at present all across the country, but we recognize that demand cannot be suppressed forever. Once mortgage money is readily available again, well-planned projects will be the first to be funded and built.

**9. *Capture summer shore-bound visitors.***

In just a few years, commercial storefronts in downtown Salem can be fully occupied with merchants supporting the demand for everyday commerce. The local economy will be growing, new housing will be under construction in the downtown, and improved investment will make the physical environment visually appealing and inviting. By adding summer weekend events to

this scenario, you can envision an active, attractive downtown Salem that will confront travelers on the way east to Cape May. So attractive, in fact, that many of the travelers will be encouraged to stop, shop, and dine in Salem. To facilitate that reaction, we recommend a program of public relations, advertising, and signage so that these travelers will be thinking about Salem long before they arrive.

***10. Connect the downtown with the riverfront; create appropriate development there.***

Create riverfront access to the Salem River that will allow for recreational activities and scenic views to be linked with downtown commerce. In addition to planned activities, some retail/dining frontage should be considered for the riverbank, to provide a riverside shopping and dining experience. A walkway flanking the river could connect with commerce on West Broadway, and/or on North Market Street. Public recreational activities (rental kayaks, canoes, paddle boats, gondolas, etc.) should be accessible from this location, and viewable to pedestrians on the riverfront walkway, or diners in the riverfront restaurants. Ultimately, the location should be considered for mixed-use development that will provide waterfront housing above retail that will be a part of the downtown mix.

***1. Create a safe and comfortable environment for shopping and dining.***

- 1.01 Pursue a CPTED (Crime Prevention Through Environmental Design) analysis of the Broadway and Market Street district to address appropriate lighting, landscaping, signage, obstructions, visibility, and other issues pertinent to shopper safety in the downtown environment.
- 1.02 Randomly park unused police vehicles along the corridor to enhance the sense of police presence.
- 1.03 Arrange for all non-emergent police patrols to start and end their tours by passing through Broadway and/or Market Street, and possibly add additional times during patrol circulation for passage through the downtown commercial district.
- 1.04 Consider the creation of a security team, or “downtown ambassador” corps, wearing brightly-colored identifiable jackets or vests, whose duty it is to patrol the district sidewalks, greet shoppers on the street, and report (not respond to) incidents of disturbance or crime.
- 1.05 Consider installation of security video cameras that are identified with prominent signage.
- 1.06 Create an attractive barricade program to diminish the impact of storefront vacancies.
- 1.07 Maintain downtown cleanliness by:
  - 1.07.1 establishing clear guidelines for property owners and merchants, and enforcing their responsibility for the proper maintenance and appearance of their properties and storefronts;
  - 1.07.2 maintaining streets and sidewalks clean and free of trash, debris, and graffiti;
  - 1.07.3 cut grass and remove all weeds in public areas; and maintain/water any public planters and landscaping.

## **2. *Renovate the infrastructure to make it retail-ready.***

- 2.01 Conduct a visual audit of the properties in your target area. As needed, recommend that the property owner make repairs to present the property in the best possible light. Among the exterior areas you should consider are overall cleanliness, paint, siding, roofing, cracked or broken sidewalks or steps, and signage. Interior considerations should include removing fixtures, furniture or debris left by previous occupants, lighting, and overall cleanliness. Most retail businesses want to begin with a “plain vanilla shell” and do their own improvements.
- 2.02 One exception to the above rule will be restaurants. Properties that have up-to-date cooking and kitchen fixtures in place will be significantly more appealing to prospective restaurant operators. Fixtures such as Class 90 ventilation assemblies, fire-suppression systems, commercial kitchens and refrigeration units all add value to a property, provided they are in place and functioning properly. These spaces should be identified and targeted for new restaurant tenants, with any cleaning, painting or maintenance work done as necessary to make the space as attractive as possible.
- 2.03 Prospective tenants will have questions about the regulatory process for opening a business. Salem should convert their concern into a selling point by creating a one-stop approval process for retail prospects. To do this, you will need to identify and articulate the necessary approvals and the process for achieving them. Understanding the steps that new businesses need to go through and being able to guide them through it can be a significant competitive advantage. In compiling a one-stop kit, make sure you seek guidance and direction from all of the parties that will be involved including construction and code officials, appropriate county authorities, zoning and planning boards, even the local power company. It might even be a good idea to ask local code and construction officials to preview properties to identify potential obstacles in advance.

## **3. *Address the needs of everyday neighborhood commerce:***

- 3.01 Target the properties you want to fill. We recommend that this tactic focus on all vacant buildings located within Salem’s downtown area. It would be useful to create a detailed listing of the properties and buildings which should provide: street address; owner’s contact

information; total floor area (gross leasable area, or GLA) of the retail space of the building; and the occupant at the time the inventory was conducted (or whether the space is vacant). This information should be updated so you know which properties are occupied, which are not, and what types of retail goods and services are currently present or absent from the area.

3.02 Identify the types of businesses you want to recruit. We recommend a mix of stores that provides basic retail goods and services. For example, the following types of retail stores are all appropriate and, based on the findings of the Community Insights™ analysis, are underserved. JGSC Group can assist in developing an appropriate list of retail prospects.

- Grocery store, fresh produce store, butcher shop, bakery, seafood market, wine and spirits store.
- Clothing and footwear
- Bookstore, newsstand
- Cards and gifts, other specialty retail
- Pharmacy, vitamins and nutritional supplements
- Hardware store, locksmith, paint and wallpaper store, home furnishings (housewares),
- Office supplies; fax/photocopy; express mail/package service
- Eateries: full-service restaurants (casual/upscale), taverns/pubs, coffee shop, delicatessen/sandwich shop, diners, donut/bagel shop, ice cream store, fast food and carry-out restaurant, pizzeria.

3.03 Focus on the needs of the local community. More than 3,600 people live within a half-mile radius of the intersection of Broadway and Market Street. That is more than enough consumers to support a cluster of stores to provide basic retail goods and services.

This is the audience most likely to visit Salem's downtown area on a frequent and consistent basis, so it makes sense to target this audience and communicate with them regularly. Moreover, this audience segment is most likely to want to support the recommended retail mix because it will enhance their quality of life by providing them with a greater selection of goods and services in a more convenient setting.

3.04 Gain the support of property owners. In order to recruit new stores and businesses to the community, you must have the cooperation of local property owners. Therefore it is essential that you meet with each property owner within the Salem downtown area to fully

explain your goals and strategies, gather a detailed understanding of their leasing needs, and gain their approval and support of your efforts.

Among other things, you will need to understand the type of businesses a property owner would consider as tenants, the rental rate and lease terms they will want, an understanding of their willingness to make improvements for the tenant, and any other special considerations they want. In exchange for providing this information to you, the property owner deserves your commitment that this information will be kept strictly confidential.

In other cases, you will need to work with the property owner to help them see the potential that lies within their property. Many property owners don't recognize or understand what they can do to make their properties more attractive to retail prospects. To win the support of local property owners, you'll want to help them understand your plan and the process for revitalizing the Main Street area. Most of all, make sure you explain the role you'd like each property owner to play in the process and discuss the potential benefits from participating.

Don't expect every property owner to share your level of enthusiasm. Some property owners will be anxiously seeking an opportunity to change their fortunes, others will be more risk adverse, and still others simply won't be able to reach a conclusion about the next steps. You'll be most successful if you begin by working with the property owners that are most eager to work with you. As this group achieves success, others will be encouraged to take part.

- 3.05 Target one or two blocks as the starting point. As you visit each of the property owners, you will develop a sense for which property owners will be most cooperative and what challenges or peculiarities will face you on each block. We recommend that you target the block, or blocks, likely to offer least resistance to the goals.

There are approximately eight blocks on Broadway, and four more on Market Street that fall within the Salem downtown marketplace. Each of the blocks along these corridors offers its own strengths and weaknesses as a target block. Ideally, your assessment of the physical advantages and/or disadvantages of each property along with the outcome of your efforts to meet with the property owners will help determine which block or two you should target.

**4. *Protect and strengthen (retain) existing businesses.***

- 4.01 Identify retailers at risk that can be helped. Most retailers are experiencing difficulty in the present commercial environment, and signs of that difficulty are abundant (cut-backs in personnel, failure to fully stock shelves with merchandise, lack of store maintenance). Poorly operated businesses cannot be saved, but good operators that are in difficulty ought to be encouraged to participate in the programs below.
- 4.02 Create a cooperative advertising campaign in *Today's Sunbeam* to attract shoppers to participating stores in downtown Salem. Tie the campaign to selling events (i.e., Super Bowl Sunday, Valentine's Day, St. Patrick's Day), and promote special offers of each participating merchant. The campaign would work best if subsidized by economic development funds, to induce participation of the merchants and achieve a result that they could not achieve on their own.
- 4.03 Seek cooperation of local merchants to share their customer contact information for a cooperative direct mail campaign to shoppers that use Salem's downtown, but may now only be visiting one merchant.
- 4.04 Attempt to structure a rent relief program with the cooperation of commercial property owners, so that struggling merchants may reduce their current rent burden in order to keep their businesses open. Restructuring possibilities include deferral of all or a portion of current rent until a later period on the lease and, in some cases, extending the length of the lease in order to accommodate the later, higher period of rent. This program would work better with subsidy, but if funding is not available to make that possible, then the facilitation of private rent restructuring should be attempted.
- 4.05 Sponsor instruction/direct assistance for local merchants with the creation of their own websites (to be linked with the Stand Up For Salem website) so that they may reach new shoppers, pursue email advertising campaigns, and even offer sales of products or services via their website.

4.06 Plan for retirement/succession. At the same time that new retailers are moving their businesses to Salem, some existing retailers may decide to retire or sell their businesses and/or properties. The BBB should assert its vested interest in the area by proactively working with existing retailers to ensure they have a succession plan in place for their businesses. Doing so will help guarantee that, as the retail operators come and go, the retail business will remain sustainable.

**5. *Recruit pre-qualified new businesses in targeted categories.***

5.01 Gain the support of property owners. In order to recruit new stores and businesses to the community, you must have the cooperation of local property owners. Therefore it is essential that you meet with each property owner within the Main Street area to fully explain your goals and strategies, gather a detailed understanding of their leasing needs, and gain their approval and support of your efforts.

Among other things, you will need to understand the type of businesses a property owner would consider as a tenant, the rental rate and lease terms they will want, an understanding of their willingness to make improvements for the tenant, and any other special considerations they want. In exchange for providing this information to you, the property owner deserves your commitment that this information will be kept strictly confidential.

In other cases, you will need to work with the property owners to help them see the potential that lies within their properties. Many property owners don't recognize or understand what they can do to make their properties more attractive to retail prospects. To win the support of local property owners, you'll want to help them understand your plan and the process for revitalizing the Main Street area. Most of all, make sure you explain the role you'd like each property owner to play in the process and discuss the potential benefits from participating.

Don't expect every property owner to share your level of enthusiasm. Some property owners will be anxiously seeking an opportunity to change their fortunes, others will be more risk adverse, and still others simply won't be able to reach a conclusion about the next steps. You'll be most successful if you begin by working with the property owners that are

most eager to work with you. As this group achieves success, others will be encouraged to take part.

- 5.02 Consider the creation of a set of incentives that may be offered by the City of Salem or the Stand Up For Salem group, as an inducement to attract desired retailers to come to Salem to lease space. Cash-fueled incentives typically include rent subsidies, signage grants, or façade improvement grants. In the absence of funding to support cash-fueled incentives, determine what other unfunded incentives or owner-funded incentives may be offered to attract commercial tenants to Salem.
- 5.03 Suggest that each property owner pre-determine what rates and terms they will seek, (including any rent incentives). Include this information on a fact sheet (known as a “sell sheet”) along with a drawing of the site plan, and floor plan, if available. The sell sheet should also include information about property taxes, average utility bills, and other relevant items. In addition to preparing hard copies to distribute to potential tenants, it will be important to post all current sell sheets on an updated website in a section devoted to retailers.
- 5.04 Together with the sell sheet, there should be a brochure about downtown Salem. Information that is specific to the city rather than to a particular property (such as the traffic counts, area maps, consumer spending and demographic data and other information furnished in our Community Insights™ *Market Analysis Report*) should be included in the brochure. Like the sell sheet, the brochure should be both printed (ideally as an 11”x17” sheet folded into a four-sided 8.5”x11” document that can hold individual property sell-sheets and other marketing materials) and stored as a PDF file on the retailer section of your website.
- 5.05 In addition to the community brochure, create materials that speak directly to each of the retail categories you’ve targeted. Some information contained in these materials will be the same from one category to another. This would include things like the location maps, area maps and demographic data. Other information, however, will be relevant only to a specific retail category, such as the amount of annual untapped demand for that category. (Again, this information is found in our Community Insights™ *Market Analysis Report*.)

The marketing materials can take any format or shape you desire, including a 6” x 11” postcard, a single sheet of letter-sized paper, or a full-color die-cut brochure. They should be available as PDF files on your website. The most important objectives of the marketing materials should be the following:

- Gain immediate attention when arriving in the mail. You want to make sure your materials don’t get lost in the clutter of other mail.
- Provide sufficient relevant information to generate awareness of the opportunity and stimulate interest in learning more about the properties in the target area.
- Encourage the recipient to reach out to Stand Up For Salem to receive additional information, or arrange a property tour.

5.06 Direct mail appropriate sell sheets together with the Salem community brochure to each business prospect on your list. Follow-up that mailing with phone calls and/or email outreach.

5.07 Supplement the list of prequalified business prospects with contact information for other attractive businesses within the desired retail categories that are found within the nearby region. Visit or call the owners of these businesses to determine whether they might be interested in moving or opening another location in downtown Salem.

5.08 Launch your recruitment initiative with pomp and celebration. Consider using the following recommendations in order to create a high-level of awareness about your efforts and to stimulate considerable curiosity about the effort.

5.08.1 Make sure to announce the launch with press releases to *Today’s Sunbeam* and other newspapers in and around the market area.

5.08.2 Hold a ribbon cutting ceremony on the targeted block and make sure to invite reporters and photographers from the local news organizations, because a picture is worth a thousand words.

5.08.3 Create a moment in time by “unveiling” the target area all at once. To do this, decorate the area where the ribbon cutting will take place, but don’t do it until shortly before the ceremony. That way, the area will appear transformed to all who

see it on the day of the event. It will continue to have that impact on everyone who is familiar with the area when they first see it.

5.08.4 Use an abundance of flags along the street and on the front of each property. Hang bunting from the windows of the properties. If the launch occurs during spring or summer months, place potted plants and colorful flowers throughout the area. If the launch occurs during late autumn months or in winter, when it gets dark earlier, consider using pinpoint spotlights to focus attention on the most attractive doors and storefronts or other architectural features. Regardless of the season, consider decorating the trees and bushes with small white lights.

5.08.5 Host arranged property tours for local commercial real estate brokers to allow them to become familiar with the features of the target properties. Ask the property owners to be present during these tours, to lead the tour of their own properties and answer questions.

5.09 Arrange a free breakfast meeting and invite local commercial realtors, commercial property owners (particularly the owners of vacancies), and prequalified retail prospects. With the free breakfast, attendees will hear about the strategic plan for revitalization of Salem's downtown, the retail categories sought to be filled, and a brief description of each of the vacant properties targeted for recruitment.

**6. *Increase visitor awareness by marketing downtown Salem.***

6.01 Identify opportunities to enhance signage along all access (leading to downtown) and gateway (announcing entry into downtown) roads; create and install appropriate access and gateway signs.

6.02 Ensure adequate distribution of parking and wayfinding signage in the downtown, and eliminate unnecessary signs that may clutter downtown without contributing to ease of movement. Note that wayfinding is required both for visitors in cars and visitors on foot, with different sign types for each.

- 6.03 Consider the creation of a theme, logotype, and/or other marketing strategy that will help convey the nature and type of shopping/dining destination that Salem seeks to be, consistent with its architecture, history, and entertainment/retail offerings.
- 6.04 Retain a public relations consultant to place stories in regional newspapers, magazines, and other media to build awareness about Salem's revitalization, its identity, and its offerings.
- 6.05 Create a marketing program, possibly supplemented with contributions from participating merchants, to promote downtown Salem, seasonal sales, and special events.
- 6.06 Foster web-oriented promotion by asking merchants to collect and share customer email addresses, then send direct email notices about Salem selling events for all participating merchants.
- 6.07 Consider the inclusion of billboards in the marketing program—particularly a billboard on the western entry point into the city on State Route 49—to indicate the approach into downtown Salem to shore-bound visitors passing through the city in the summer months.

**7. *Generate trial visits.***

7.01 Even before new retailers and restaurants have been recruited to create a shopping experience that will enable Salem to become a shopping destination, shoppers may be enticed to downtown with special activities and sales events. Several events are already established and favored by shoppers (according to our survey data) and these events should be expanded and promoted to potential regional visitors: the summer Farmer's Market; the Annual Block Party; Market Street Day; and the Salem Arts Festival. Existing events, and those that will be created to add to the events schedule will be most effective if they incorporate these elements:

- 7.01.1 a visual linkage to local merchants that facilitates their participation, rather than alienates them;
- 7.01.2 planned tracking and measuring of event results (through actual foot traffic counts and zip code surveys) to allow for the enhancement of effective event elements and the retirement of ineffective ones; and

- 7.01.3 employ varied promotion of the events, including email blitz, for the most cost-effective distribution.
- 7.02 Expand the calendar with additional events that celebrate selling seasons, and take advantage of entertainment features (such as a “Taste of Salem” event that offers samplings of the prepared dishes of several area restaurants).
- 7.03 Enhance all events with appropriate supplemental features:
  - 7.03.1 carriage rides around the downtown
  - 7.03.2 candlelight displays for evening events
  - 7.03.3 common shopping bags for all merchants displaying a Salem downtown logotype
  - 7.03.4 live or piped music throughout the downtown area
  - 7.03.5 street entertainers (jugglers, mimes, stilt-walkers, musicians, clowns, face-painters, etc.)
  - 7.03.6 inflatable amusement stations for young children

**8. *Address downtown development (and redevelopment), including market-rate housing.***

- 8.01 Salem is an older community with roots in the colonial era, and with notable historic buildings from that time period (the Old Salem County Courthouse, built in 1735, is the second-oldest county courthouse in continuous use in the country). The city should have a historic preservation plan in place to protect and maintain buildings of architectural or historic significance in the downtown.
- 8.02 Similarly, the zoning ordinance should be revised to incorporate permitted uses and design requirements for downtown buildings, addressing the following:
  - 8.02.1 All uses that are permitted in constructed spaces downtown, identified by NAICS Code;
  - 8.02.2 Appropriate building materials, textures, and colors for design harmony consistent with the existing architecture;

- 8.02.3 A definition of acceptable commercial sign types, sizes, positions, and features (channel, back-lit, carved wood, etc.) that businesses may employ in the downtown;
  - 8.02.4 A definition of bulk and massing standards for commercial and mixed-use buildings;
  - 8.02.5 A definition of lighting and streetscaping standards in harmony with the existing architecture, and consistent with applicable CPTED (“Crime Prevention Through Environmental Design”) standards;
  - 8.02.6 An expression of preference for energy efficient, LEED™-based design for all new construction or renovation in the downtown.
- 8.03 Upon the next re-examination of the city’s Master Plan, it should be made consistent with these standards and authorize a level of downtown density that will support an increase in the residential population, which will be critical for the growth of downtown commerce.
- 8.04 A “Needs Assessment” should be performed to support the adoption of a Redevelopment Plan that will identify areas of the downtown in need of redevelopment (such as the former Shopping Plaza at 5<sup>th</sup> Street, north of Broadway; the former Penney’s Department Store on East Broadway; and commercial properties on Broadway that are vacant lots or have been destroyed by fire), and permit mixed-use development on Broadway with market-rate housing.
- 8.05 Developers should be encouraged to submit plans for the development of mixed-use (residential above retail) facilities and market-rate townhomes within the redevelopment area.

**9. *Capture summer shore-bound visitors.***

- 9.01 Devise a marketing program to promote shopping and dining in downtown Salem to the travelers that pass-through the city each summer on their way to the Jersey shore. That program should include:

- 9.01.1 A visitor online survey, or visitor intercept (of auto passengers at traffic lights) program, to determine the zip codes of origin of the people passing through Salem to the shore;
- 9.01.2 An advertising and public relations campaign to place ads and stories in the local newspapers or other appropriate publications in the communities of origin of the shore traffic travelers;
- 9.01.3 A banner or banners across Broadway confirming entry into Salem's downtown, and promoting Salem's shopping and dining;
- 9.01.4 A billboard on State Highway 49 at the western approach to Salem, to notify incoming travelers to stop, shop and dine in Salem.
- 9.01.5 A beautification program for Broadway and Market Streets to enhance the visual appeal of the downtown as these travelers drive through, to increase the likelihood that they will stop. Include floral planters, banners, and piped or live music in the downtown.
- 9.01.6 Weekend sidewalk sales and/or street vendors during the summer months, to further encourage travelers to park, get out of their cars, and explore downtown Salem.

***10. Connect the downtown with the riverfront; create appropriate development there.***

- 10.01 Craft and pursue a plan that will enable the city to gain control of available waterfront properties near downtown gateway points (such as western Broadway, or northern Market Street) through acquisition.
- 10.02 Revise the zoning ordinance to impose appropriate regulations for permitted uses, bulk, and design standards on the waterfront area.
- 10.03 Create a public boat ramp, pier, and a riverfront walkway to facilitate public access to the waterfront, with recreational boat rental (paddleboats, canoes, kayaks) at the location.
- 10.04 Entertain competitive proposals for development of the waterfront site, only after the national and local economies have rebounded and market rate housing appealing to middle

and upper middle-income families may be built for the site. Development should also include restaurant facilities that face westward toward the river (and the setting sun), with balconies and outdoor seating for fair weather dining. This development should be walkable, and have convenient pedestrian and auto access to Broadway (or Market Street, depending upon the waterfront location) to have a seamless linkage with downtown commerce.

### **Urban Enterprise Zone**

Without a doubt, this is the one State program that is most appropriate for the City of Salem, and yet has been so controversially withheld from it since the program's inception in 1984. While all of Salem County enjoys a reduced sales tax rate, unlike true Urban Enterprise Zones, the City of Salem does not get the benefit of that revenue. Eligibility for the program is decided by the State legislature, and there are no intervals prescribed for this consideration. Last June, the *Sunbeam* reported an effort by Assemblyman Burzichelli and Mayor Gage to renew the city's application for UEZ eligibility to the legislature. A full-bore lobbying effort should be mounted to get Salem included in the group of 37 municipalities that now have UEZ designation. It will take time, and there is no certain outcome; however, there is no better mechanism for revitalization initiatives that can provide as much funding, be locally controlled, and be replenished for continued usage.

### **Smart Growth Grants**

These have been rescinded from the State's FY2010 budget, and recaptured from the current FY2009 budget. Although this program has been effective for downtown improvement in the past, it will not be an option for the foreseeable future.

### **Business Improvement District**

"Business Improvement District" or "BID" is a State-approved mechanism for local tax assessment of commercial properties within a designated district. The taxes raised by this assessment can be applied to economic development purposes for the district, which, in this case, would include the revitalization programs proposed herein. However, the revenue generated by a BID is in direct proportion to the assessed value of its commercial property. Unfortunately, the City of Salem does not possess sufficient commercial property to support a robust BID budget necessary to accomplish the revitalization programs described herein. Moreover, the creation of a BID by local ordinance that would impose a new tax on business during a time of national recession is a very difficult task at this time.

### **Regional Greenhouse Gas Initiative**

The “Regional Greenhouse Gas Initiative” (or “RGGI”) is a part of the State of New Jersey’s plan to “reduce greenhouse gas emissions” from the burning of fossil fuels. The program is a federally-funded initiative in partnership with each of the States, to encourage the reduction in carbon monoxide and other emissions, primarily from the operation of passenger cars. A grant program will be made available this year (calendar 2009) to provide funding for creative approaches to achieve reductions in auto use. It is anticipated that downtown revitalization projects will qualify for this funding, as they encourage people to shop more locally, and to walk (or use public transportation) rather than drive. To some extent, the revitalization initiatives in this report may be fundable by the RGGI grant money, although this will not be certain until the program is made available for application.

### **NJ Global Warming Solutions Fund**

This is a new source of revenue that was created by legislation in January 2008 with the passage of Assembly Bill 4559. The Global Warming Solutions Fund shall be funded with pollution credits paid by utility companies. Ten percent of the fund shall be directed to the Board of Public Utilities “...to support programs designed to promote local government efforts to plan, develop and implement measures to reduce greenhouse gas emissions, including but not limited to technical assistance to local governments, and the awarding of grants and other forms of assistance to local governments to conduct and implement energy efficiency, renewable energy, and distributed energy programs and land use planning where the grant or assistance results in a measurable reduction of the emission of greenhouse gases or a measurable reduction in energy demand.” The process for application for the grant has yet to be created<sup>1</sup> and it is uncertain how downtown revitalization will be treated in the funding analysis, but it is anticipated that with appropriate attention to personal car travel impacts, downtown revitalization will be eligible for funding within this program.

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<sup>1</sup> Rules for the award of the funds are still being considered. At the BPU Board meeting of December 17<sup>th</sup> in Newark, a matter was considered in Executive Session regarding the promulgation of rules for the Global Warming Solutions Fund by the NJ Department of Environmental Protection.

### **Private Foundation Grants**

There are many private foundations across the country, some more pertinent to Salem than others, which would provide varying degrees of funding to accomplish the revitalization tasks outlined in this report. Based upon their grant rationale, they may support all or only a portion of the program. It is certain that some funding may be obtained in this manner; it is merely a question of how much, and from how many different sources. JGSC Group can assist Salem with the identification of appropriate foundations to make application.



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