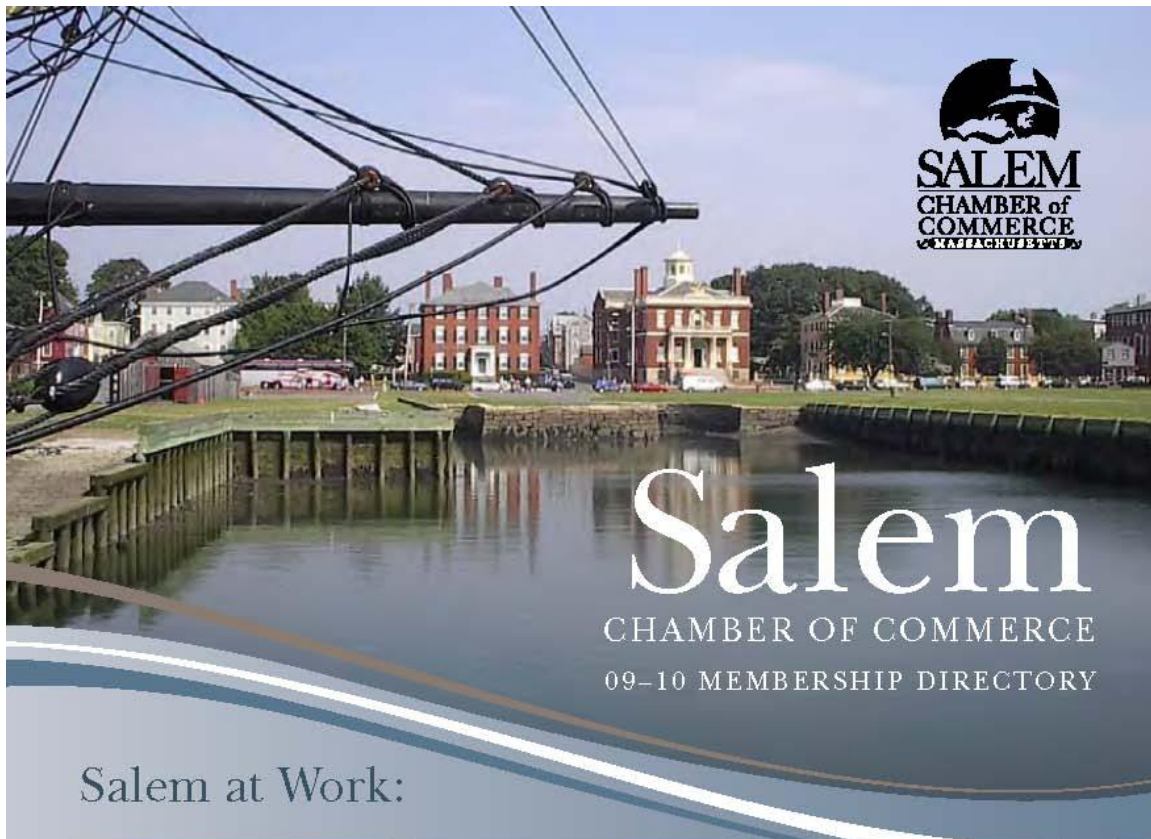


# Discover the Magic of Salem, Massachusetts

An extraordinary place to do business

retail • dining • office • industrial



## Salem at Work:



The J. Michael Ruane Judicial Center



Proposed Salem MBTA  
Garage & Train Station



Washington at Derby  
(former site of the Salem News building)



The North Shore's premier shopping & dining destination.

# Welcome to Salem...

A creative, business friendly city with a cool urban feel and an expanding trade area.

Over the last couple of years, more than 70 new businesses have opened their doors in the city of Salem. Salem has become the jewel of the North Shore. It is the region's premier shopping and dining destination and is a remarkable place to do business—whether your business is retail, dining, office, or industrial in nature.

Downtown is rich in amenities with a vibrant business community, a booming tourism industry, and a lovely waterfront. Business people comment on being able to enjoy the city vibe of Boston with much more affordable lease rates. Retailers and restaurateurs remark on the strong base of residents committed to shopping locally.

Outside of downtown are several successful commercial districts and industrial areas. Each year, more and more manufacturing and life science businesses are finding the advantages of locating in Salem.

This guide was made to give you a feel for what has happened in Salem over the past few years. For an in-depth introduction to the opportunities Salem has to offer, please contact us, or even better, come visit!

## **Expanding Trade Area**

Trade area households spend \$2.2 billion in Salem annually and over 1 million people visit Salem each year. In recent years, nearly 500 new housing units have been developed downtown. To respond to this concentrated residential market, new businesses have relocated to Salem creating an exciting mix of retail, restaurants and destinations.

## **Worldwide Tourism and Cultural Destination**

Salem is known worldwide as a historical and cultural tourist destination and is the heart of the tourist community in the North of Boston region. The Peabody Essex Museum—one of the top 20 art museums in the U.S.—is located downtown along with numerous national

historic districts and properties. Over 400,000 people visit the Salem Witch Museum annually to learn about the witch trials of 1692, and visit the National Park Service Regional Visitor Center to learn about Salem's rich history. Restaurant weeks, musical performances, and annual film, ice sculpture, art, literary, poetry, and maritime history festivals mean that something is always going on.



Ribbon Cutting—Washington at Derby Mixed Use Development

## **New Development Underway**

Recent and pending investment in downtown exceeds \$230 million. Projects include a new courthouse (\$106 million), a new MBTA station and parking garage (\$30 million), and the St. Joseph's mixed use redevelopment (\$18 million). Four recent mixed use conversions (Latitude, Washington at Derby, Eaton Place, and 50 St. Peter) added 80 housing units downtown. The Salem Ferry successfully operates between Salem and Boston, and an \$18 million Salem Wharf project is in development.

## **Business Friendly**

The political environment is very business friendly, evidenced by the rejuvenation of the Salem Main Streets program. Over 70 new businesses have opened downtown in the past two years. The Salem Chamber of Commerce, Salem Main Streets and the City's Planning and Community Development Department work closely to assist new businesses through the permitting process.

Throughout this guide we have gathered some testimonials from business owners who opened up in Salem over the past couple of years.

This guide is a resource for you to learn more about the opportunities still available, and the advantages of doing business in Salem. Don't hesitate to contact us, or set up an appointment.

## **For more information or if you have any questions contact:**

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[www.salemmainstreets.org](http://www.salemmainstreets.org)

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City of Salem Planning and Community Development  
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[www.salem.com](http://www.salem.com)

## Doing Business in Salem

Business owners in Salem can expect to find...

- A community of business owners who extend themselves to one another
- Landlords who are committed to the city's goals, and offer street-level spaces to retailers
- A Design & Review Board who works *with* and not *against* business owners.
- A licensing and permitting process that has been broken down into a manageable, step-by-step process.
- A City Loan Program that can make your venture possible.
- A beautiful and walkable city, that continues to grow and prosper despite a struggling economy.

### **Testimonial: John Williams - Zip Car**

*Zip Car spokesman John Williams said there has long been interest in extending the company into Salem. "It was a unique situation, because there were so many requests from people already living there, plus the partnership with the city made it possible? Salem's downtown environment made the company believe its business model would work here, Williams said, with the proximity to the commuter rail and the vital, pedestrian-friendly retail activity. "Zip car took a look at the geography there...and liked it" He said. "We absolutely enjoy seeing forward-thinking cities (like Salem) ".*

## New businesses that opened in Salem in the last couple of years:

AJ Wright  
A Sacred Place  
Adriatic Restaurant & Bar  
Angel's Landing  
Antiques Oriental Gallery  
Armstrong Field Real Estate  
Bamboozle  
Beehive  
Bella Hair Studio  
Brothers 99cents  
Café Polonia  
Café Valverde  
Cat N The Fiddle Uniques  
China Trade House  
Comida Mexican Taqueria  
Coral Dental  
Coven  
Custom House Rotisserie Chicken

Danversbank  
Dunkin' Donuts  
For Kids Only Afterschool  
Frankenstein's Art  
Get In Shape For Women  
Glass & Etc.  
Good Feet  
Great Escape Restaurant and Bar  
Green Land Café  
Gulu-Gulu Café  
H & R Block  
Harley Davidson  
Hex  
Howling Wolf Taqueria  
It's Raining Pets  
J Quick Kitchen  
Jaho Coffee Roasters  
Kim Indresano Photography  
Liberty Tax Service  
Lightshed Photography  
Living Well  
Louise Michaud Photography  
Luna's Pet Depot  
Lynde St. Café  
Merry Fox Realty  
Michael Naimo Photographer  
Mighty Aphrodite  
Milk & Honey Green Grocery  
Montero Credit Management

Mud Puddle Toys  
Murphy's  
Omen  
Puleo's Ice Cream  
Radiance Aveda Lifestyle  
Rita's Water Ice  
Rizzo's Roast Beef & Pizza  
Roost  
Rouge Cosmetics  
Salem School of Music  
Salem Theatre Company  
Salem Wine Imports  
Sara Rama Law  
Seaport Café  
Sherwin Williams  
Sixty2 Restaurant  
Soul Focus  
Spirit-Wellness  
Susannah's Custom Designs  
Tavern In The Square  
Two Girls Shop  
Upper Crust Pizzeria  
Urban Elements  
Urbane Cyclist  
Visions and Revisions  
Wellness Community  
Witch City Ink  
Witch Tees  
Zipcar



### **Testimonial: Kristen and Sam Pollard - Mud Puddle Toys**

*Kristen and Sam Pollard decided to open their second toy store in Salem because they were impressed by the many landlords who were committed to the City's goals and their offering street level spaces to retailers. The Pollards sing praises of their building, their landlord and his property manager. For the Pollards, this business venture was cut and dry. Licensing and permitting went off without a hitch. When planning the signage and façade for their store, the Design Review Board wanted the storefront, which was then white, to be playful and multi-colored. They also wanted the Pollards to add signage to the side of the building to lure people in the direction of the business. Kristin says the input was a positive criticism. "They wanted more colors and more fun for our benefit!" The Pollards also took advantage of the City's loan program which offers low interest gap-financing to qualified business owners.*

## Doing Business in Salem

Entrepreneurs will find that business is booming in Salem thanks to its solid commercial base, pedestrian-friendly downtown, and reasonably priced retail and office space. Located just 16 miles north of downtown Boston, and along the commuter rail, Salem offers direct access to several major routes and is a short commute by train, car or bus to Boston and Logan International Airport. Salem businesses enjoy a healthy relationship with the City government, and the **Salem Chamber of Commerce** is there to assist you. Salem is committed to growing its small businesses, retaining its larger industries, and helping new businesses prosper.

### GETTING STARTED

Often, the most difficult part of opening or expanding a new business is getting started. The City of Salem and the Salem Chamber of Commerce are committed to your success. If you have any questions along the way, contact the Economic Development Program Director in the Department of Planning and Community Development (DPCD) at (978) 619-5685. To get you started and assist you as you work through your licensing and permitting, please ask for the "Doing Business in Salem" booklet.

#### **Testimonial: Paul Bolden – Green Land Cafe**

*Green Land Café opened in the summer of 2010 on Washington Street, next door to City Hall. When asked, why open in Salem? Owner Paul Bolden, a former restaurant consultant replied. "Doing the market research from Boston right on up, it's a gleaming jewel on the North Shore...the overall attitude of the city-from the mayor's office to the Chamber of Commerce-everybody was very encouraging. They aggressively want to develop in a very good way".*

To help you get started, here are a few specific things every business owner should consider:

**Zoning** – Consult the City of Salem Zoning Ordinance to make sure that your business/property meets the zoning requirements for the site. You may need a permit from the Zoning Board of Appeals.



Peabody Essex Museum

#### **Business Certificate**

– Most business owners need a Business Certificate, or Doing Business As (d/b/a), from the City Clerk. This certificate allows you to open a commercial bank account and prevents others from using your name.



Salem Jail redevelopment

**Signage** – If your business needs a sign, you will need to apply for a Sign Permit. Depending where your business is located, you may also need approval from one of the City's review boards through DPCD. This process can take up to 3 months so inquire early to ensure that you can get your sign up by your opening.

**Federal Tax or Employee Identification Number (EIN)** – For tax purposes, you will need to define your business structure and obtain identification numbers from the Internal Revenue Service (IRS) for your business and staff.

**State Taxes** – If you will be selling products that require the collection of sales tax, you must receive a Sales Tax Vendor Number from Massachusetts Department of Revenue (DOR).

**Legal Structure** – Whether incorporating or forming a limited partnership, the MA Corporations Division requires an excise tax and filing fee. Sole proprietors do not require registration, but you should conduct a name check with the MA Secretary of the Commonwealth.

**Financial and Technical Assistance** – The City of Salem is host to a number of dedicated agencies committed to providing quality technical assistance to Salem businesses. In addition, the City of Salem, through the Department of Planning and Community Development, offers direct loan and grant assistance to qualified businesses.

**Building Permit** – If you are doing any construction, you most likely will require a building permit.

#### **FINANCIAL AND TECHNICAL ASSISTANCE**

Salem is known as the heart of Boston's North Shore. Regional and state offices responsible for business assistance are located right in your backyard. The following agencies are ready to help you as you move toward your business goals.

The **City of Salem**, through DPCD, provides support to business owners by providing financial resources to

expand and grow their business. In addition, DPCD is available to help business and property owners navigate the City's permitting process and refer them to the wealth of technical assistance agencies located in Salem.

DPCD provides financial assistance to local business owners through its Business Loan Program, Storefront Improvement Program, and Tax Increment Financing (TIF) Agreements. For more information on any of these programs, please visit [www.salem.com](http://www.salem.com).

### **Small Business Loan Program**

The Small Business Loan Program works to expand financing opportunities for local entrepreneurs, while creating jobs and revitalizing the city's downtown and eligible neighborhoods. The program provides low-interest loans to qualified entrepreneurs to cover the gap between the amount of financing needed for an economic development project and the amount that conventional lenders can finance. Funds are available for acquisition, construction, or rehabilitation of real property and for financing related to the purchase of equipment, fixtures, inventory, leasehold improvements and working capital. Terms and conditions vary.

#### ***Testimonial – William Wharff - Developer***

*The former Elks building which sat as a vacant eyesore for many years on one of the main gateways into the city has received an extensive makeover by local developer William Wharff. Wharff's experience developing Eaton Place was so positive that he is eager to invest in other projects in Salem. He is currently contracting plans to redevelop the convent on Federal Street and has received ZBA approval for eight units. Creating living spaces for a change allows more "creativity and individuality" and Wharff also believes Salem is a wonderful place to live. "Salem has all of the attributes of a big city with a smaller vibe. It has a more intimate quality. It has personality and it's walkable."*

### **Storefront Improvement Program**

This program is designed to encourage private investment and reinvestment by new and existing property/business owners. The program allows a one-to-one match for moderate to substantial exterior and/or façade improvements in the designated areas. The match from the city is up to \$5,000 for each project.

### **Tax Increment Financing (TIF) Agreements**

Tax Increment Financing (TIF) Agreements are an economic development tool that gives companies an incentive to improve their property and/or expand their facilities in exchange for the City to exempt the property taxation of a portion of those improvements. In addition, the company will qualify for an Investment Tax Credit of up to 10 percent from the Commonwealth. The program aims to create new, permanent full-time jobs for residents of Massachusetts. Projects that typically qualify for this program will achieve one or more of the following goals: improve the appearance of a blighted

property, add to the local tax base, return a vacant building to active use, and stimulate future investment.

### **Other Technical Assistance:**

#### **Enterprise Center**

121 Loring Ave., Salem, MA 01970; (978) 542-7528  
[www.enterprisectr.org](http://www.enterprisectr.org)

The Enterprise Center at Salem State University is both a business incubator where start-up small businesses may lease space in the center's building and a virtual center for North Shore entrepreneurs at every stage of business development.

#### **North Shore Community Development Corporation (CDC)**

102 Lafayette St., Salem, MA 01970; (978) 745-8071  
[www.shcdc.org](http://www.shcdc.org)

The Salem Harbor CDC offers training and technical



assistance to both start-up and existing small businesses through its Advancing Community Business program, Small Business Technical Assistance and Entrepreneurial Training Program. The mission of these programs is to assist low-income, female and minority business owners with business planning, access to financing and training.

#### **Small Business Development Center (SBDC)**

121 Loring Ave., Suite 310, Salem, MA 01970; (978) 542-6343. [www.salemstate.edu/sbdc/](http://www.salemstate.edu/sbdc/)

The Salem State University Small Business Development Center (SBDC) provides free and confidential management counseling and free or low-cost business seminars to help you raise capital or to start or grow your business in Massachusetts.

#### **Northshore Workforce Investment Board**

North Shore Career Center of Salem, 70 Washington St., Salem, MA 01970; (978) 825-7200  
[www.northshorewib.com](http://www.northshorewib.com)

The North Shore Workforce Investment Board (WIB) is a group of local business, non-profit, community, and educational leaders that works to meet business needs for highly skilled workers and to help individuals develop the skills needed to succeed in our very competitive labor market. The WIB oversees the North Shore Career Center and provides most services free of charge.

# Salem Market Analysis - Summary

## **SALEM TRADE AREA - Salem Trade area includes surrounding communities of Beverly, Danvers, Marblehead, Peabody, and Swampscott.**

- Salem Trade area population est. 193,711
- Salem Trade area households est. 78,955
- Salem Population est. 41,000
- Median Age: 40.5
- Median income: \$63,459
- Household income above \$75,000: 40%
- **Trade area households' spending: \$2.2 billion annually** (non-shelter and transportation spending)
  - Groceries: \$324 million
  - Eating out: \$264 million
  - Entertainment: \$191 million
  - Clothing and accessories: \$157 million

## **DOWNTOWN SALEM CUSTOMER SEGMENTS...Annual Spending (est.)**

- Trade area residents 193,711..... \$2.2 billion
- Visitors 1,000,000(700,000 tourists)..... \$124 million
- Salem State College Students 10,000 ..... \$36.5 million
- Downtown workers est. 6,171..... \$8 million

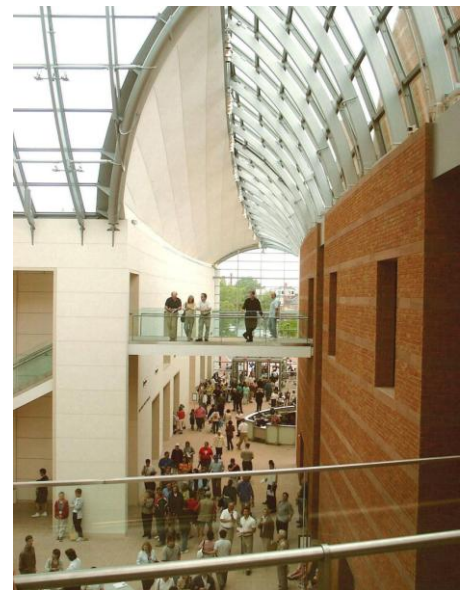
## **TOURISM**

Major Area Attractions.....Number of annual visitors

- Salem Maritime Historic Site..... (650,000)
- Salem Witch Museum..... (400,000)
- Peabody Essex Museum..... (250,000)
- House of the Seven Gables..... (120,000)

Visitor Spending..... [\$124 million annually]

- Restaurants..... \$35.6 million
- Shopping..... \$18 million
- Attraction admissions..... \$22.7 million
- Lodging..... \$41.9 million



## **DOWNTOWN SALEM**

- Salem Population est. 41,000
- Restaurants: 56
- Attractions: 15
- Gift and Souvenir stores: 45
  - Witch-related merchandise: 18
  - Misc. items: 27
- Food and beverage stores: 14
- Clothing and accessory stores: 14
- Sporting good, hobby and book stores: 10



### **Testimonial:**

#### **Kate Leavy – Roost and The Beehive**

*A new Salem business owner, Kate Leavy of Roost, attests that her opening process was "simple." She applied for her business certificate and the doors to Roost opened within thirty days. The process was so easy, that Leavy opened her second business, Beehive, without a hitch, six months later. Leavy described an overwhelming welcome wagon of city officials, organizations, and other local businesses, especially the Mayor, Kim Driscoll, who "believes in Salem and exudes excitement."*