



Peabody, Salem share \$4 million in state grants

By Neil H. Dempsey, Staff Writer
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SALEM — Salem and Peabody will share a total of \$4 million in grants for infrastructure improvements to complement upcoming private development projects, a state official announced Tuesday.

Greg Bialecki, the state secretary of housing and economic development, made the announcement at a morning ceremony near the corner of Washington and Dodge streets, the location of an upcoming RCG project that will include a hotel, retail space and residences.

Salem will receive a \$2.5 million MassWorks grant for improvements in the vicinity of that intersection, while Peabody will get \$1.5 million for work in Peabody Square, near where Bandar Development aims to open a boutique hotel and upscale restaurant.

Bialecki said the grants were a “reward” for the two cities having planned for their futures in concert with private developers in the hopes of attracting and retaining talented residents.

“To see Salem reinvent itself and Peabody reinvent itself ... that’s going to be the key to success for every gateway city,” Bialecki said. “We are very pleased and proud to make a contribution to that.”

In deciding what communities receive MassWorks grants, Bialecki said the state sought to “strategically identify the places where public investment can catalyze and leverage private investment.” This round of grants will see a total of \$30 million awarded around the state.

Mayor Kim Driscoll applauded the grants, saying the collaboration between Salem, the state and RCG ensured the city can “grow and thrive in a global economy.” She added that the RCG project and related improvements would effectively expand Salem’s downtown.

“In many respects, it’s about place-making,” Driscoll said. “It’s not just about making cities work, it’s about making cities thrive.”

Peabody Mayor Ted Bettencourt also spoke highly of his city’s “amazing” grant, saying it would pave the way for increased pedestrian safety, easier traffic flow and aesthetic improvements in the heart of the downtown. the city can “grow and thrive in a global economy.” She added that the RCG project and related improvements would effectively expand Salem’s downtown.

“This is a big moment for the city,” said Bettencourt. “This is a very critical step for us to revitalize the downtown.”



In Salem, RCG plans to create a sprawling, mixed-use complex beginning at Dodge and Washington streets that will be anchored by a 100- to 115-room hotel, to be operated by a national chain that hasn’t been chosen yet. Nobody knows when the \$50 million project will get underway, but it could be as early as spring. Work is expected to last two years.

It’s also unknown when the related infrastructure project will begin, but likely around the time the RCG work gets started. The plans haven’t been finalized yet, but Bialecki said the intersection of Washington and Dodge streets will be reconfigured, possibly with Dodge Street leading straight to Washington Street. Dodge Street now leads into parking areas along Washington Street. Utility lines beneath the nearby Riley Plaza East parking lot at the edge of the project’s footprint will be relocated.

RCG, which is buying that 38-spot lot from the city, discovered more extensive utility lines beneath it than originally anticipated, including a particularly problematic one belonging to National Grid, according to Bialecki and Matt Picarsic, an RCG principal. Those lines have to be moved before a structure can be built on top of the lot.

Picarsic said his company’s project would “contribute to the woven fabric of the downtown,” and that RCG and Gov. Deval Patrick’s office were effectively “partners” on the enterprise.

“This grant is really a shot in the arm to this project,” Picarsic said.

Salem’s grant will cover the entire cost of the infrastructure project.

In Peabody Square, the city’s \$1.5 million grant is expected to cover half of its roadway improvement project, which will move the Civil War monument closer to the courthouse, create a more ordinary intersection and provide various crosswalk, lighting and landscaping improvements.

Although the city was previously rejected in a bid to secure the MassWorks grant, this time there were multiple projects planned or recently completed in the area, including the incoming hotel at 9 Main St., the recently revamped Peabody Square Apartments and a proposed mixed-used parking garage on Foster Street.

Peabody’s roadway improvements project will likely begin in spring and finish by autumn 2016, though the designs still need to be approved by the City Council.

Many state and local officials were on hand for Tuesday’s announcement, including state Sen. Joan Lovely, state Rep. Ted Speliotis and Salem city councilors Bill Legault, Heather Famico, Josh Turiel, Joe O’Keefe and David Eppley.

Speliotis said the grants show a “change in attitude” within state government toward communities like Peabody since his tenure began in 1997, and that people need to see places like Middleton, Danvers and Peabody “as part of Salem.”

“The borders don’t stop us; we just continually grow,” Speliotis said. “We grow together, and this grant represents that.”

A statement about the event noted that Patrick’s administration has allotted nearly \$5 million in infrastructure grants to Salem since 2007.

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