

Two nonprofit housing groups pursue merger

By Tom Dalton
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SALEM — Two major nonprofit organizations in Salem and Beverly are pursuing a merger.

Salem Harbor Community Development Corp., which has been without a full-time director since the fall, has been in discussions with the Beverly Affordable Housing Coalition.

"We're having serious negotiations, but at this point we have not made a final decision," said Mickey Northcutt, executive director of the Beverly coalition. "However, we're hoping to have a decision one way or the other within a couple of months."

Northcutt has been overseeing the day-to-day operations of both organizations since November, when Michael Whelan resigned as head of Salem Harbor CDC.

Salem Harbor CDC, which has headquarters on Lafayette Street, owns several buildings and about 180 affordable apartments, many in The Point, an adjacent low-income, largely Spanish-speaking neighborhood. It also offers English classes for immigrants.

The Beverly coalition oversees about 70 affordable apartments, a number that is expected to grow to 100 by the end of the year.

Word of the merger talks comes as the Salem agency has been struggling to get back on its feet following a series of setbacks.

In addition to losing its executive director, Salem Harbor CDC has lost funding in recent years, cut programs and seen its board dwindle from 16 to six members. Its prize homeownership development, the Palmer Cove Condominiums, had to be abandoned when it was threatened with foreclosure. Today, it is a rental property.

By contrast, the smaller Beverly Affordable Housing Coalition has been moving forward during a difficult time for nonprofits.

It has two affordable-housing projects under way. It broke ground last month on 43 studio apartments on Cabot Street at the site of the former Mayflower Motel and has secured initial funding for Holcroft Park Homes, 65 affordable residences in the Gloucester Crossing section of Beverly. They hope to begin construction on that project early next year.

Lawyers for the two agencies are working on the possible merger. The organizations also have retained a

separate legal counsel, Northcutt said.

A board member for Salem Harbor CDC said that whatever happens, the organization will retain a presence in Salem. They are exploring a merger, he said, only as a way to expand and get stronger.

"We have no intention of moving out from where we are now," said David Jacobson, president of the Salem Harbor board.

Salem Harbor officials say they hope to re-energize an organization that used to be much more involved in the community. Salem Harbor CDC used to do small business development, help organize the Hispanic festival, and run a variety of programs in and around The Point.

"We've been looking to do more and begin new projects," Jacobson said. "We just thought it might be a good idea to merge and thereby become a little more efficient and expand our horizons a little bit."

He stressed, however, that merging nonprofits is complicated and that no decisions have been made. The Salem Harbor board is scheduled to discuss the issue, he said, at a meeting later this month.

The Point Neighborhood Association, which represents many residents served by Salem Harbor CDC, is aware of the talks and hopeful the two community development organizations can work things out.

"We look forward to working with (Northcutt)," said Lucy Corchado, president of the neighborhood group. "I'm excited."

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