



**CITY OF SALINAS  
COUNCIL STAFF REPORT**

---

**DATE:** DECEMBER 9, 2025

**DEPARTMENT:** COMMUNITY DEVELOPMENT

**FROM:** LISA BRINTON, DIRECTOR

**BY:** CRYSTAL CASILLAS, BUSINESS NAVIGATOR

**TITLE:** PUBLIC HEARING TO CONSIDER THE DISESTABLISHMENT OF THE SALINAS UNITED BUSINESS ASSOCIATION BUSINESS IMPROVEMENT AREA

RECOMMENDED MOTION:

A motion to approve a resolution to disestablish the Salinas United Business Association Business Improvement Area pursuant to Streets and Highways Code Sections 36550 and 36551 and directing an ordinance be prepared to repeal Salinas City Municipal Code Chapter 21B Article V.

EXECUTIVE SUMMARY:

Under California Streets and Highway Code, (SHC) §36550 et seq. prior to considering approval of a resolution to disestablish the SUBA BIA, the City is to hold a public hearing to receive the testimony of all interested persons for or against the disestablishment. On November 18, 2025, the City Council approved Resolution No. 661, declaring its intention to disestablish the BIA and setting a public hearing for December 9, 2025. A copy of the approved Resolution of Intention (ROI) and a cover letter explaining the proposed disestablishment was mailed to each BIA member in English and Spanish within seven (7) days after the City Council's adoption. The City Clerk also published a complete copy of the ROI in English and Spanish through the Monterey County Weekly, a local newspaper, on November 27, 2025, not less than seven (7) days prior to the public hearing. The published and mailed ROI notices are provided as Attachments 2 and 3 to this staff report.

BACKGROUND:

The November 18, 2025 agenda item [ID#25-504](#) staff report includes background regarding the establishment of the SUBA BIA and its purpose, the appointment of SUBA as its Advisory Board, the SUBA Board's reasons for requesting disestablishment and approach for disposing of assets acquired with assessments. Attachments include the BIA area map, SUBA's disestablishment request letter, five years of Profit and Loss Statements, and documentation of the Loan identified on the 2025-26 Profit and Loss Statement.

## **Assessment Reimbursement**

As outlined in SHC § 36551(a), upon disestablishment of the BIA any remaining revenues derived from the assessments, or assets acquired with the revenues, shall be refunded to the owners of the businesses then located and operating within the area who paid the levied assessments by applying the same method and basis that was used to calculate the assessments levied in the fiscal year in which the area is disestablished. There was no levy of assessment in Fiscal Year 2025-26 as the public hearing scheduled for September 23, 2025, was continued when SUBA communicated to staff the SUBA Board's intent to consider disestablishment.

SUBA is responsible for settling all outstanding debts and obligations, and any remaining assets will be distributed to other nonprofit organizations, donated to charity or properly discarded if they cannot be donated. SUBA will coordinate these final steps of dissolving SUBA's status as a 501(c)(6) nonprofit corporation with the California Secretary of State's Business Programs Division.

### CEQA CONSIDERATION:

**Not a Project.** The City of Salinas has determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378).

### CALIFORNIA GOVERNMENT CODE §84308 APPLIES:

No.

### STRATEGIC PLAN INITIATIVE:

This action does not directly align with the City Council's 2025-2028 Strategic Plan goals and objectives. The SUBA BIA aligned closely with the City Council's goals (2025-2028) of Economic Development and Public Safety. SUBA utilized the BIA assessment to provide small businesses with access to the educational, technical assistance and financial resources they need to prosper and expand and engaging businesses in existing beautification efforts. SUBA also served as a liaison between SUBA businesses and city departments and divisions including Police and Code Enforcement to address health and public safety concerns in the BIA.

While this option does not align, it does not take away from the good work that SUBA did the past 20+ years and the continuing need for a business facing and centric organization for the Alisal area. Moving forward what this means is that structure needed for 2025 and beyond has evolved and shifted and it presents an opportunity for the City and Alisal Business Community to work together on a new framework and/or organization, as alluded to below.

### DEPARTMENTAL COORDINATION:

Community Development Department staff prepared this item in coordination with the City Attorney. In response to SUBA's disestablishment City staff will continue to coordinate across departments to ensure ongoing support for businesses in the East Salinas area. The Business

Navigator position, which served as SUBA’s City liaison, will continue to lead coordination efforts with Finance, Public Works, and the Police Department to maintain services that support safety, cleanliness, and streetscape improvements. Existing City contracts and business assistance programs will be leveraged to concentrate resources in the district.

Staff will also explore strategies to fill the services SUBA provided. This includes leveraging existing City small business support contracts and partnerships to ensure small business services and resources continue to be provided to businesses located along Alisal commercial corridors. On November 19, there was a meeting held in the Alisal area to hear from the business community their perspective, questions and/or suggestions for moving forward. The meeting was hosted by Councilmember Barrera, Councilmember De La Rosa, and Mayor Donohue. A lot of good discussion occurred and there was a commitment to listen and work with the business community and other stakeholders to support continued economic vibrancy in the Alisal.

FISCAL AND SUSTAINABILITY IMPACT:

The disestablishment of SUBA will have no fiscal impact on the General Fund. On November 5, 2019, the City Council adopted Ordinance 2622 amending the Salinas Municipal Code by transferring the responsibility of remitting and collecting the BIA assessment from the City to SUBA. Since that time, SUBA has directly managed the collection and administration of assessment revenues to support district activities and programs. Designated City Liaison’s time, and review of the disestablishment is already allocated through staff time in the adopted 2025-2026 City budget. Existing City contracts and business assistance programs will be leveraged to concentrate resources in the district.

ATTACHMENTS:

1. Resolution to Disestablish SUBA
2. ROI published Notice
3. ROI mailed Notice (English and Spanish)