



**CITY OF SALINAS
COUNCIL STAFF REPORT**

DATE: NOVEMBER 19, 2024

DEPARTMENT: COMMUNITY DEVELOPMENT

FROM: LISA BRINTON, DIRECTOR

THROUGH: GRANT LEONARD, PLANNING MANAGER

TITLE: AMENDMENT No. 1 TO AGREEMENT FOR PROFESSIONAL SERVICES WITH TEF ARCHITECTURE AND INTERIOR DESIGN, INC. FOR ARCHITECTURAL SERVICES

RECOMMENDED MOTION:

A motion to approve a Resolution authorizing the City Manager to execute Amendment No. 1 to the Agreement for Professional Services with TEF Architecture and Interior Design, Inc. for architectural services to increase the compensation by \$252,290 for a maximum compensation not to exceed \$334,540 and extend the term to December 31, 2025.

EXECUTIVE SUMMARY:

The City currently has an agreement with TEF Architecture and Interior Design, Inc. to develop conceptual site plans and architectural renderings for a mixed-use affordable housing development to be located on City-owned property at 34-38 Soledad Street (Site). Amendment No. 1 expands the scope of services provided, extends the term of the contract to December 31, 2025, and increases the not to exceed compensation amount to \$252,290.

BACKGROUND:

As part of the on-going efforts to implement the Chinatown Revitalization Plan, the City purchased 34-38 Soledad Street in December 2022. In 2023 the City applied for and received \$1,555,000 in Regional Early Action Planning Grant (REAP 2.0) funding from the Association of Monterey Bay Area Governments (AMBAG) to complete predevelopment activities for the development of mixed-use affordable housing to be located at 34-38 Soledad Street in the Chinatown neighborhood.

In February 2024, the City entered into an Agreement for Professional Services with TEF Architecture and Interior Design, Inc. to develop conceptual site plans and architectural renderings for a mixed-use affordable housing development on the Site. To date, TEF Architecture and Interior Design, Inc. has prepared two conceptual site plans and architectural renderings that have been informed by site visits, the historic context of the property and neighborhood, multiple

stakeholder meetings, and consultation with affordable and market rate housing developers. A summary presentation of the work to date and the conceptual renderings are included as Attachment 5.

Amendment No. 1 allows the City and TEF Architecture and Interior Design, Inc. to further refine the design concepts and select a preferred concept that will be developed into sematic designs for entitlement prior to the preparation of a Request for Proposals for development of the Site. The expanded scope of work is detailed in the proposal from TEF Architecture and Interior Design, Inc. (Exhibit A to Amendment No. 1). Amendment No. 1 also includes additional design and pre-development work for the City-owned property at 45 Soledad Street, which is directly across the street from the Site.

In October 2024, the City received authorization from AMBAG to expand the scope of work for the REAP 2.0 funding to include other properties within Chinatown that could be developed for mixed-use affordable housing.

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). In addition, CEQA Guidelines Section 15061 includes the general rule that CEQA applies only to activities which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. Because the proposed action and this matter have no potential to cause any effect on the environment, or because it falls within a category of activities excluded as projects pursuant to CEQA Guidelines section 15378, this matter is not a project. Because the matter does not cause a direct or foreseeable indirect physical change on or in the environment, this matter is not a project. Any subsequent discretionary projects resulting from this action will be assessed for CEQA applicability.

CALIFORNIA GOVERNMENT CODE §84308 APPLIES:

No.

STRATEGIC PLAN INITIATIVE:

Development of the City-owned properties in Chinatown advances the Housing/Affordable Housing Strategic Plan Initiative through the production of housing. It also implements the Chinatown Revitalization Plan.

DEPARTMENTAL COORDINATION:

The Community Development Department is leading this effort with close coordination with Public Works and Finance Departments.

FISCAL AND SUSTAINABILITY IMPACT:

Amendment No. 1 does not impact the General Fund as funding for this Agreement comes entirely from the Regional Early Action Planning Grant (REAP 2.0) from the Association of Monterey Bay Area Governments (AMBAG).

Fund	Appropriation	Appropriation Name	Total Appropriation	Amount for recommendation	FY 24-25 Operating Budget Page	Last Budget Action (Date, Resolution)*
2953	30.3111-63.5010	Outside Professional Services	\$1,326,806	\$252,290	79	6/11/24, 22979

ATTACHMENTS:

1. Resolution
2. Amendment No. 1
 - a. Exhibit “A” TEF Architecture and Interior Design, Inc. Proposal/Scope of Work
3. Summary Report and Renderings