



## **CITY OF SALINAS COUNCIL STAFF REPORT**

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**DATE:** JULY 1, 2025

**DEPARTMENT:** COMMUNITY DEVELOPMENT

**FROM:** LISA BRINTON, DIRECTOR

**THROUGH:** GRANT LEONARD, PLANNING MANAGER

**TITLE:** AMENDMENT NO. 2 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. 2 to Agreement for Professional Services with TEF Architecture and Interior Design, Inc. for architectural services to increase the compensation by \$484,270.00 for a maximum not to exceed \$736,560.00 and extend the term of the contract from December 31, 2025 to December 31, 2026.

### **EXECUTIVE SUMMARY:**

The City currently has a professional services 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 and 45 Soledad Street. This Amendment expands the scope of services provided, increases the compensation by \$484,270.00 for a maximum not to exceed \$736,560.00, and extends the term of the contract to December 31, 2026.

### **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 a professional services agreement with TEF Architecture and Interior Design, Inc. for an amount not to exceed \$82,250, to develop conceptual site plans and architectural renderings for a mixed-use affordable housing development to be located at 34-38 Soledad Street. 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. On November 19, 2024, the Council approved Amendment No. 1 to the TEF Architecture and Interior Design, Inc. agreement to refine the design concepts further and select a preferred concept for 34-38 Soledad Street, to include additional design and pre-development work for the City-owned property at 45 Soledad Street, extend the term of the contract to December 31, 2025, and increase the not to exceed compensation amount to \$252,290.00.

To date, TEF Architecture and Interior Design, Inc. has prepared conceptual site plans and architectural renderings for 34-40 and 45 Soledad Street 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 at Attachment 3.

Amendment No. 2 allows the City and TEF Architecture and Interior Design, Inc. to develop the design concepts for 34-38 and 45 Soledad Street into sematic designs for entitlement prior to the preparation of a Request for Proposals for development of the sites. Amendment No. 2 also includes design work for 37-39 Soledad Street, which is the location of the historic Republic Café and is a cornerstone of the Chinatown Revitalization Plan. The expanded scope of work is detailed in the proposal from TEF Architecture and Interior Design, Inc. (Exhibit A)

#### 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:

Yes.

#### STRATEGIC PLAN INITIATIVE:

Development of the City-owned properties in Chinatown advances the City Council's 2025-2028 Housing and Economic Development initiatives by supporting the development of mixed-use affordable housing.

#### DEPARTMENTAL COORDINATION:

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

**FISCAL AND SUSTAINABILITY IMPACT:**

<b>Fund</b>	<b>Appropriation</b>	<b>Appropriation Name</b>	<b>Total Appropriation</b>	<b>Amount for recommendation</b>	<b>FY 24-25 Operating Budget Page</b>	<b>Last Budget Action</b>
2953	30.3111-63.5010	Outside Professional Services	\$1,133,302.45	\$484,270.00	79	6/11/24, 22979

Funding for this project comes entirely from the Regional Early Action Planning Grant (REAP 2.0) funding from the Association of Monterey Bay Area Governments (AMBAG).

**ATTACHMENTS:**

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