



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

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**DATE:** AUGUST 12, 2025

**DEPARTMENT:** CITY MANAGER

**FROM:** LISA MURPHY, ASSISTANT CITY MANAGER  
AESSA LYNN, ECONOMIC DEVELOPMENT INTERN  
RYLEE JUE, ECONOMIC DEVELOPMENT INTERN

**TITLE:** PROPOSAL TO DEVELOP A PILOT POP-UP BUSINESS PROGRAM

**RECOMMENDED MOTION:**

It is recommended that the City Council receive this report and provide feedback to staff regarding the development of a Pop-Up Business Program *titled* “From StreetFront to StoreFront,” a new pilot initiative to activate vacant storefronts and support local entrepreneurship in Downtown Salinas. No action is required.

**EXECUTIVE SUMMARY:**

A proposal for a new economic development initiative – “From StreetFront to StoreFront” – to support home-based and emerging entrepreneurs by connecting them with underutilized commercial spaces in Downtown Salinas. The program aims to stimulate local business growth, enhance public safety, and increase downtown foot traffic through temporary retail activations in vacant storefronts.

**BACKGROUND:**

The City of Salinas was selected by the California City Management Foundation, Judy Kelsey Memorial Fund award to host a college intern for the summer. The applicant pool was filled with incredibly talented college students from the city of Salinas. Ultimately, the City selected Rylee Jue and Aessa Lynn to intern in the Economic Development Division. They were tasked with proposing an Economic Development initiative that was in alignment with the City Council Strategic Plan. For Council’s information, is their proposed “From StreetFront to StoreFront” pilot program.

**Proposed Program:**

Salinas continues to be home to a growing number of creative entrepreneurs, many of whom operate from home or informal settings due to high start-up costs and limited access to retail space. Vacant storefronts in Downtown Salinas present an opportunity for temporary business use that can support both aspiring business owners and property owners. Similar programs have been

successfully implemented in cities such as Santa Cruz, Fairfield, and San Jose, leading to increased sales, business incubation, and enhanced community engagement.

In developing the proposed program, the interns conducted extensive stakeholder outreach meetings with the Salinas Valley Chamber of Commerce, Salinas City Center, Monterey County Business Council, property owners, and the cities of Santa Cruz, San Jose and Fairfield.

The basic structure of the proposed program is as follows: The City engages with property owners to explore their interest in participating in the program. The City enters into a master lease with the property owner at a below-market rate for rent in a ready to move in space. The space must be permitted for retail use and require no extra renovations or modifications needed. The City will sublease to a new business who must meet certain criteria to be selected. The City will pay the reduced rent for up to 6 months, with a possible extension for an additional 6 months. The City will provide access to business support programs, and assistance with business development. In addition, the City will provide \$1,000 for minor improvements. The business will pay 10% of the monthly gross revenue earned to the City.

The benefits of this program include encouraging entrepreneurship and small business development, activates vacant storefronts, provides income opportunities for property owners and boosts foot traffic in Downtown Salinas. “From StreetFront to StoreFront” is a low-cost, high-impact strategy to boost our local economy, and uplifts small businesses. Next steps will be to finalize the program structure and budget needs, continue stakeholder input, and develop a marketing program.

#### 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.

#### CALIFORNIA GOVERNMENT CODE §84308 APPLIES:

No, Government Code §84308/Levine Act does not apply to this item.

#### STRATEGIC PLAN INITIATIVE:

This proposed program is directly related to the City Council’s 2025 Strategic Plan Goal 1: Economic Development. The Pop-up program more specifically implements the following Action Items: “Support and engage both new and established businesses to drive economic growth and job creation”, and “Revitalize residential and commercial blighted areas through targeted initiatives, private investment and community partnerships.”

DEPARTMENTAL COORDINATION:

The City Manager's department prepared this report in consultation with the Community Development Department.

FISCAL AND SUSTAINABILITY IMPACT:

The proposed pilot program's goal is to fill three vacant store fronts in FY2025-26. Based on two businesses, the estimated cost is \$8,800 in the first year. Funding is available in the current budget. It is anticipated the cost will be offset by the participant contributing 10% of the monthly revenue earned.

Fund	Appropriation	Appropriation Name	Total Appropriation	Amount for recommendation	FY 25-26 Operating Budget Page	Last Budget Action (Date, Resolution)*
n/a	n/a	n/a	n/a	n/a	n/a	n/a

ATTACHMENTS:

Attachment 1: StreetFront to StoreFront program proposal