



**CITY OF SALINAS  
COUNCIL STAFF REPORT**

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**DATE:** NOVEMBER 19, 2024

**DEPARTMENT:** COMMUNITY DEVELOPMENT DEPARTMENT

**FROM:** LISA BRINTON, DIRECTOR

**THROUGH:** GRANT LEONARD, PLANNING MANAGER

**BY:** OSCAR RESENDIZ, ASSOCIATE PLANNER  
CRYSTAL CASILLAS, COMMUNITY DEVELOPMENT  
ANALYST – LIMITED TERM

**TITLE:** ALISAL VIBRANCY PLAN (AVP) COMMERCIAL FAÇADE  
IMPROVEMENT PILOT PROGRAM

RECOMMENDED MOTION:

Motion to approve a Resolution authorizing:

- 1) the implementation of the Alisal Vibrancy Plan (AVP) Facade Improvement Pilot Program (Program) in an amount not to exceed \$600,000, including the issuance of microgrants for an amount not to exceed \$7,500 and interest-free forgivable loans for an amount not to exceed \$20,000 for eligible Program expenses; and
- 2) the City Manager, or designee, to execute Program agreements; and
- 3) staff to make administrative changes to the draft Program Guidelines.

EXECUTIVE SUMMARY:

The AVP Facade Improvement Pilot Program (Program) will offer micro-grants and interest-free forgivable loans for qualifying façade improvements, with a goal of assisting businesses along primary commercial corridors in the Alisal Neighborhood. The Program is part of the City’s ongoing efforts to implement the Alisal Vibrancy Plan and is funded with \$600,000 from the Alisal Vibrancy Plan CIP 9246.

BACKGROUND:

The Alisal Vibrancy Plan (AVP), adopted in 2020, outlines a strategic approach to improving the visual appeal and increasing business attraction and retention and property values of the Alisal corridors through storefront beautification. In May 2022, the City Council unanimously accepted the Alisal Vibrancy Plan (AVP) Economic Development Pilot Programs. As part of this initiative,

the AVP Commercial Façade Improvement Pilot Program was proposed with an appropriation of \$600,000 to incentivize property owners and merchants to enhance their storefronts. Work on the AVP Façade Improvement Pilot Program was paused in 2023 to complete the Alisal District Identity Master Plan, which includes a detailed discussion about storefront improvements in the Alisal neighborhood. With completion of the Alisal District Identity Master Plan, the City is prepared to move forward with the AVP Façade Improvement Pilot Program.

The AVP Commercial Façade Improvement Pilot Program was developed to encourage investment in façade enhancements with economic development, public safety, and code compliance requirements in mind. City staff, with support from Grow America, did extensive research to ensure the Program is based on universal best practices, while meeting the unique needs of the Alisal business community. Eligible improvements include:

- exterior painting and wall repairs
- security lighting
- signage
- installation of awnings
- replacement of windows and doors

The Program is focused on the main commercial corridors of the Alisal Neighborhood:

- East Alisal Street,
- East Market Street
- Sanborn Road
- Williams Road between East Alisal Street and Bardin Road

Recognizing that businesses have varying levels of need, the Program includes both micro-grants, less than \$7,500, and interest-free forgivable loans up to \$20,000. Funding will be disbursed on a first-come, first-served basis. Loans will be forgiven at a rate of 33.3% annually over three years and monitored for 5 years. Recognizing the financial strains many businesses face, particularly post-pandemic, staff is committed to exploring options for facilitating upfront payments in a form of microgrants for small improvements or covering permit fees for large scale projects, thus easing the financial burden on applicants.

The AVP Implementation Plan and Budget presented to City Council in October 2021 and the Alisal Vibrancy Plan (AVP) Economic Development Pilot Programs presented in May 2022 were incorporated into the FY 2023-2024 Budget through an appropriation of \$600,000 in CIP 9426 to develop Micro-Grant and Loan Programs. With authorization to implement the Program and issue funds, staff anticipates being able to assist 30-40 businesses along Alisal's primary commercial corridors. Following Council approval, staff will continue to refine the Program Guidelines, with the goal of launching the Program in December 2024 or January 2025.

#### CEQA CONSIDERATION:

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:**

AVP implementation is one of the Economic Development strategies identified in the City Council 2022-2025 Strategic Goals and strategic initiatives. The short-term actions identified in the AVP Implementation Plan build off the focus areas of the East Alisal Corridor and Economic Development. The proposed pilot Program will support small and entrepreneurial business to grow and thrive.

**DEPARTMENTAL COORDINATION:**

The Community Development Department’s Advanced Planning and Project Implementation (APPI) Division led AVP preparation and are leading coordination of Plan implementation, including development of the two economic development pilot Programs. APPI coordinated Program development with the Small Business and Economic Recovery Task Force (SUBA, Salinas Chamber of Commerce, Central Coast Small Business Development Center, El Pájaro CDC, Salinas City Center, and Small Business owners) and representatives from Grow America formerly known as the National Development Council (NDC).

**FISCAL AND SUSTAINABILITY IMPACT:**

Funding for this Program is from the Alisal Vibrancy Plan (CIP 9246) which was appropriated as part of the FY 2023-2024 Budget intended to support the recovery of small businesses in the Alisal Neighborhood Revitalization Strategy Area.

<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 (Date, Resolution)*</b>
5800	30.9246-69.1060	Financial Assistance AVP Commercial Façade Impvt	\$600,000	\$600,000	n/a	6/13/23, 22685

**ATTACHMENTS:**

1. Resolution
2. Draft Program Guidelines