



CITY OF SALINAS COUNCIL STAFF REPORT

DATE: **FEBRUARY 3, 2026**

DEPARTMENT: **COMMUNITY DEVELOPMENT**

FROM: **LISA BRINTON, DIRECTOR**

THROUGH: **GRANT LEONARD, PLANNING MANAGER**

TITLE: **AMENDMENT NO. 4 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. 4 to Agreement for Professional Services with TEF Architecture and Interior Design, Inc. for architectural services to expand the scope of services and to increase the total compensation amount by \$473,610 for a maximum compensation amount not to exceed \$1,314,499.

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, 36, 38, and 40, 37 and 39, and 45 Soledad Street. This Amendment expands the scope of services provided and increases the total compensation amount by \$473,610 for a maximum compensation amount not to exceed \$1,314,499.

BACKGROUND:

As part of the on-going efforts to implement the Chinatown Revitalization Plan (2019), the City purchased 34, 36, 38, and 40 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, 36, 38, and 40 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, 36, 38, and 40 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 further refine the design concepts, select a preferred concept for 34, 36, 38, and 40 Soledad Street, to include additional design and pre-development work for the City-owned property at 45 Soledad Street, extend the contract term to December 31, 2025, and increase the not to exceed compensation amount to \$252,290. On July 1, 2025, the Council approved Amendment No. 2 to develop the design concepts for 34, 36, 38, 40 and 45 Soledad Street into schematic designs for entitlement prior to the preparation of a Request for Proposals for development of the sites. Amendment No. 2 also included design work for 37 and 39 Soledad Street, which is the location of the historic Republic Café, a cornerstone of the Chinatown Revitalization Plan. Amendment No. 2 also extended the contract term to December 31, 2026, and increased the not-to-exceed compensation amount to \$736,560. On October 28, 2025, the Council approved Amendment No. 3 to complete additional design, historic structure analysis, structural engineering, and geotechnical work for 34, 36, 38 and 40, 37 and 39, and 45 Soledad Street. Amendment No. 3 increased the not to exceed compensation amount to \$840,889.

To date, TEF Architecture and Interior Design, Inc. has prepared conceptual site plans and architectural renderings for 34, 36, 38, 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 Site Plan Review Application for a 55 unit multifamily residential development and amenities was submitted in early January 2026. Renderings for 37 and 39 Soledad are currently being developed.

Amendment No. 4 allows the City and TEF Architecture and Interior Design, Inc. to complete additional design work for 45 Soledad Street and provide Permit and Bid documents and construction administration for 37-39 Soledad Street. 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 and the revitalization of the Chinatown neighborhood.

DEPARTMENTAL COORDINATION:

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

FISCAL AND SUSTAINABILITY IMPACT:

Funding for this project had previously come entirely from the Regional Early Action Planning Grant (REAP 2.0) from the Association of Monterey Bay Area Governments (AMBAG). However, REAP 2.0 funding has a March 31, 2026, expenditure deadline and TEF Design's work will extend past March 31, 2026. Therefore, funding for Amendment No. 4 will come from the City's Chinatown Revitalization CIP (9070). Additionally, to meet the March 31, 2026, REAP 2.0 expenditure deadline, \$135,000 in REAP 2.0 funds previously allocated to TEF Design's work will be reallocated to a separate project to clean and stabilize 37 and 39 Soledad Street.

| Fund | General Ledger Number (Operating/CIP) | General Ledger Account Name | Remaining Budget Appropriation | Amount Requested |
|------|--|---|-----------------------------------|------------------|
| 1000 | 30.9070.63.5900 | Outside Services Other Professional Services | \$1,059,908 | \$473,610 |

ATTACHMENTS:

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