5.2.4 Historic Main Street

Historic Main Street refers to the first four blocks of Main Street, beginning at the National Steinbeck Center and ending at 400 Block. It is important to note that this site includes the alleys behind Main Street, a strategic location that represents great opportunities for public plazas and public art displays. Re-using these alleys can encourage restaurateurs and other merchants to activate the sidewalks and expand beyond their walls.

Parking Lots 1, 2, 3, and 5 border the Main Street Site. The future of these surface parking lots will have an effect on the future development of Main Street. How these parking facilities are developed and how they interact with Main Street is a key component to the planning of Main Street and pedestrian access. Well-designed connections and active spaces for light-hearted activities should be a goal in developing Main Street to attract all ages to the heart of Salinas. These connections or transitional areas to Main Street must feel safe, be well lit, hide rubbish collection facilities, and smell and look attractive.

Downtown property owners have reported that their historic lots and buildings at 150 feet deep, are longer than their current tenants demand. Some owners have sub-divided their properties into smaller office use, while others are operating in a cooperative venture with multiple tenants sharing spaces. One successful strategy is to sub-divide the first floor and allowing it to have two front doors; one facing the alley and one facing Main Street. An example of this approach can be seen at 230 Main Street, where the La Fogata Restaurant faces Main Street, and the adjoining hair stylist faces the alley. Providing a land-use that facilitates this kind of change would help to incentivize landlords to lease-up vacant space, receive closer to market rates for two tenants not just one, and add activity to the alleys, basically doubling the retail space downtown.

The 400 Block of Main Street also includes underutilized spaces in the form of older bank buildings that are either half-used or vacant. The model for the traditional banking function has taken a big turn towards smaller more intimate customer care. These attractive large buildings could also be subdivided, or re-built if incentives exist. There have been efforts in the past to use the upper floors of the buildings facing Main Street for housing. This has proved to be successful and the City plans to continue to seek incentives for this use. Programs to assist building owners in the restoration and reuse of historic buildings should be encouraged (like the State and Federal tax incentive programs that include the adopting the Mills Act). Green rooftops could also be implemented in upper floors for an effective use of open space.

As discussed in Chapter 4, sidewalks provide a great canvas for shared activities and uses. With the wide sidewalks along Main Street, active design techniques should be used to create great sidewalk experiences that accommodate the needs of the adjacent businesses. Aesthetics (such as street landscaping, lighting, historic markers, and public art) and architecturally defined spaces (such as sidewalk dining, plazas, and seating areas) can be installed to animate the sidewalk experience and enliven Main Street. The City currently allows for sidewalk cafes through the application of an encroachment permit. However, to date there have been no applications submitted. These improvements can be implemented quickly and economically and bring much benefit to both the businesses and the Main Street atmosphere.

Architecturally defined street dining in Morgan Hill

FIGURE 5-5 CATALYST IMPROVEMENTS
HISTORIC MAIN STREET

Many of the City's best historic resources are part of the Historic Main Street catalyst site. When the HRB reviewed this plan, they recommended the addition of new plaques marking the age of our buildings downtown, and reference to historical events that occurred in and around the City's core. Reference was made to the founding fathers, the famous wagon that lost its wheel, (Taylor Site) and recognizing in the 100 Block the south and half-way house that began Salinas' heritage. Some recommended areas for historic resources, art and music are highlighted in the picture to the left. This recognition should also flow into other catalyst sites including the ITC and Chinatown. Art in public places is reviewed in Chapter 4 this catalyst site is a great place to initiate this work.

Key recommendations for the Historic Main Street Site include:

- Connect parking lots to Main Street with well lit pedestrian walkway areas
- Re-zone lots for mixed-use development
- Look at land use that provides for alleys to become secondary store fronts or dining spaces
- Strengthen the downtown's historic value by installing historic placards and statues in key locations on Main Street
- Identify locations for rotating public art and graffiti art displays
- Create a Downtown Art District as a subcommittee of an all-large City Art Commission
- Establish designated locations for public music
- Further incentivize use of the sidewalk for retail and food services (architecturally defined sidewalk dining)
- Support the Community Benefit District, promote special events downtown, support Oldtown Salinas Association
5.2.5 Salinas and Gabilian Streets

The area surrounding Salinas and Gabilian Streets offers an excellent opportunity for development (as shown in Figure 5-6). This area could build on the momentum created with the construction of Taylor Farms’ new corporate headquarters building. City parking lots 1, 8, 10, and 12 could be repurposed for structured parking or mixed-use development. In addition, the Greyhound Bus site is available for development, since Greyhound operations are being relocated to the Intermodal Transportation Center.

Lot 8 could be converted from a surface parking lot to a three-level parking structure. This structure would have a level of parking at street level and a level above and below ground. The parking would be for development on adjacent lots including potential residential use and reuse of the Women’s Club and Fire Station buildings.

Lot 10 is too small to be efficiently used for public parking and should be offered for sale to adjacent properties as an effort to intensify the development on this site. Lot 10 should be rezoned to mixed-use.

Lot 1 could be designed as a Founder’s Plaza, which could be used to fulfill the open space requirements for new housing in the vicinity. The old Greyhound site could be developed with a combination of parking, retail, office, and residential use. A key component of this site should be a pedestrian connection from Salinas Street to Main Street, which can be accomplished by using the existing walkway between the alley and Main Street.

Key recommendations for the Salinas and Gabilian Streets Site include:

- Build a parking structure on Lot 8
- Redevelop Lot 12 into a mixed-use or market rate housing development
- Sell Lot 10 to redevelop with adjacent properties
- Enhance pedestrian crossing at Salinas Street through Armary and through City Hall
- Combine Lot 1 with the Greyhound Station; provide structured parking for existing demand plus new uses; develop an urban park
- Incentivize the re-use of the Women’s Club as an Urban Arts Center
- Develop firehouse into a fire museum and restaurant; can utilize Lot 8 for parking
- Develop as many as 60 market rate housing units

Pictured Above: Ideas from one of the DST meetings
5.3 Housing in the Downtown

As past studies have concluded, housing is critical to growth in the downtown. The “Downtown Salinas Revitalization Report” prepared by the Urban Design Associates August 12, 2009, provides the graphic below to illustrate the point.

The yellow color represents existing residential units in the downtown. In the report it was observed that “although residential neighborhoods surround the study area, downtown housing is sparse”. In conclusion, the study recommended 750 new market rate housing units in the form of condominiums and apartments in the downtown. Encouraging mixed-use developments downtown that include new housing is important.

Fixing the “housing desert” has many benefits to the downtown that includes a direct lift to retail and turning the district into a 24/7 operation. This lift will also attract more retail, help fill vacancies, and fill the need for a new grocery store. Market rate housing is desirable for retail businesses because occupants generally have more disposable income to spend locally. Housing can also benefit downtown workers who desire to live nearby. Urban infill of this nature is consistent with Smart Growth Policies and the City’s General Plan.

Beginning with the General Plan, adopted in 2002, and in a subsequent “Downtown Rebound” planning program in 2006, land use policies and regulations have favored housing development in the downtown, with higher densities and relaxed open space, unit type, and parking requirements compared with the rest of the city. Within existing commercial buildings, the “Downtown core” regulations also allow conversion of commercial to residential use with no parking or open space requirements. The City also developed a “single room occupancy”, or “SRO” ordinance to allow even higher densities for very small, “single occupant” units. However, a review of the land use policies in the City indicates that these favorable housing policies may not be enough. Because parcels in the downtown are generally very small, requirements for parking and open space for each individual development site may be difficult to satisfy. Instead, if these requirements can be “bundled” and addressed collectively rather than on a parcel by parcel basis, there would be a lot more flexibility in developing market rate housing. This could be accomplished, for example, by taking a City surface lot and producing two levels of parking, with open space on the second story roof top. The developers building housing on the adjacent lots would be able to rely on this open space and parking and reduce their individual requirements.

Housing densities and the height of buildings is liberal at the Downtown’s core, but less so to two to three blocks from the Main Street. Extending these housing densities and building heights out from the core to include parts of East and West Market Streets, John Street, Lincoln Avenue and Pajaro Street would more than double the opportunities to build high density housing in our urban core this will require a General Plan Amendment.

Numerous smart growth studies have provided demographics showing a high demand for housing from “empty nesters” and from Millennium singles and couples. These are smaller one and two bedroom spaces, where convenient location is driving the demand. If development could occur that allows one bedroom to two bedroom apartments these numerous amenities exist within walking distance, then market rate housing might be more incentivized to develop downtown.

Other impediments include impact fees, school fees and storm water retention requirements (National Pollution Discharge Elimination Systems). Not all of these requirements are City controlled.

The questions then remain: Why hasn’t market rate housing been considered in downtown, and how can incentives be created to make it happen?

The City’s Inclusionary Housing Ordinance is another factor in this market rate housing formula. The current ordinance requires that when market rate housing is developed (for projects 10 units and larger), that a portion of the units be set aside as affordable for lower income residents. This greatly reduces the profitability of the development, particularly for smaller projects. It has also been pointed out in this study that the downtown has already accommodated a large number of affordable housing units, and there are fewer and fewer opportunity sites to build any kind of housing in the downtown. It has been argued in other cities that downtown areas should be exempt from the inclusionary housing altogether. If the City cannot exempt the downtown from this inclusionary requirement, it has the justification to propose a waiver in the downtown until such time as the ratio of new housing units reaches a balance between affordable and market rate. As the City updates its Inclusionary Housing Ordinance in 2015, these are some of the special considerations that should be made for the downtown and perhaps elsewhere in the City where affordable housing has been concentrated.

Concurrently, the General Plan Housing Element is also being updated, which provides further opportunities for achieving a balance of housing for all income types in the downtown. The catalyst sites have identified a potential for at least 230 market rate housing units:  130 on Monterey Street  40 at the ITC  60 adjacent to Government Center on Lincoln Avenue

Many other possibilities exist, and the target for full-build out is between 650 and 700 units.

In summary, there is no single land use or other policy that will promote housing in the downtown, but downtown housing opportunities, particularly those that promote market rate housing, should be paramount in evaluating and modifying all City policies. The changes referenced in this section should be strongly considered for gathering more people and creating a larger residential community in the city’s center. This mass of people will stabilize the downtown’s economy and create a demand for new and exciting amenities. People will bring vibrancy.

### Table 5-1 Housing Units BUILT IN OR NEAR DOWNTOWN BETWEEN 1996 AND 2013

<table>
<thead>
<tr>
<th>Property Name</th>
<th>Property Address</th>
<th>Total Units</th>
<th>Single Room Occupancy (SRO)</th>
<th>Studio (%)</th>
<th>1 Bedroom (1B)</th>
<th>2 Bedroom (2B)</th>
<th>3 Bedroom (3B)</th>
<th>No. of Occupied Restricted Units</th>
<th>Income Level</th>
<th>Year Constructed</th>
<th>Affordability Term</th>
<th>Restricted Expiration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central City Project Area</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Plaza Grande</td>
<td>50 E Main St</td>
<td>95</td>
<td>95</td>
<td>45</td>
<td>45</td>
<td>0</td>
<td>0</td>
<td>2003</td>
<td>40 years</td>
<td>12/1/2043</td>
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<td></td>
</tr>
<tr>
<td>Forester Building</td>
<td>369 Main St</td>
<td>10</td>
<td>10</td>
<td>10</td>
<td>0</td>
<td>0</td>
<td>2000</td>
<td>20 years</td>
<td>4/12/2020</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Paparo Triplex</td>
<td>139 Pajaro St</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>0</td>
<td>0</td>
<td>1999</td>
<td>30 years</td>
<td>5/3/2026</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lupine Gardens</td>
<td>118 S Alisal St</td>
<td>20</td>
<td>20</td>
<td>20</td>
<td>0</td>
<td>0</td>
<td>2006</td>
<td>30 years</td>
<td>5/3/2036</td>
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<td></td>
</tr>
<tr>
<td>California House</td>
<td>436 California St</td>
<td>8</td>
<td>8</td>
<td>8</td>
<td>0</td>
<td>0</td>
<td>2002</td>
<td>30 years</td>
<td>7/3/2032</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Somerville House</td>
<td>439 Somerville St</td>
<td>8</td>
<td>8</td>
<td>8</td>
<td>0</td>
<td>0</td>
<td>2006</td>
<td>30 years</td>
<td>12/14/2030</td>
<td></td>
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<td></td>
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<tr>
<td>Tynan Village</td>
<td>322 Front St</td>
<td>171</td>
<td>171</td>
<td>25</td>
<td>32</td>
<td>8</td>
<td>83</td>
<td>33</td>
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<td>2008</td>
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<td></td>
</tr>
<tr>
<td>Gateway</td>
<td>25 Lincoln St</td>
<td>52</td>
<td>52</td>
<td>26</td>
<td>26</td>
<td>14</td>
<td>6</td>
<td>2012</td>
<td>5 years</td>
<td>5/28/2015</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>367</strong></td>
<td><strong>123</strong></td>
<td><strong>71</strong></td>
<td><strong>32</strong></td>
<td><strong>35</strong></td>
<td><strong>8</strong></td>
<td><strong>177</strong></td>
<td><strong>142</strong></td>
<td><strong>17</strong></td>
<td><strong>70</strong></td>
<td></td>
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</tr>
</tbody>
</table>

Housing developments that are heavily subsidized with restricted affordable rents have provided the only housing units built in and around downtown in the past sixteen years. The table to the right highlights those units built with redevelopment and other subsidies.
 CITYGATE ASSOCIATES, THE CITY AND CHAMBER’S BUILDING DEVELOPMENT COMMITTEE CONDUCTED AN ASSESSMENT OF THE CITY OF SALINAS COMMUNITY AND ECONOMIC DEVELOPMENT DEPARTMENT IN OCTOBER OF 2013 WITH THE GOAL OF DESIGNING A FORWARD-LOOKING STRATEGIC ACTION PLAN FOR IMPROVEMENTS IN THE DEPARTMENT. IN GENERAL, CITYGATE OBSERVED THAT THE DEPARTMENT IS IN A GOOD POSITION TO COMMIT TO CONTINUOUS IMPROVEMENT AND THE DEPARTMENT HAS AN OPPORTUNITY TO GET OUT AHEAD OF THE UPTICK IN BUILDING AND DEVELOPMENT ACTIVITY. SUGGESTIONS MADE IN THIS REPORT THAT COULD HAVE A BIG IMPACT ON DOWNTOWN DEVELOPMENT INCLUDE THE EMPLOYMENT OF “INVESTMENT THINKING” RATHER THAN “REACTIVE THINKING”; TO GET OUT AHEAD OF DEMAND AND REACH OUT TO DEVELOPERS AND BUILDERS TO FINE-TUNE PERMIT ACTIVITY PROJECTIONS. IT WAS ALSO SUGGESTED TO UTILIZE DETERMINATE PROCESSING AGREEMENTS FOR HIGH PRIORITY PROJECTS AND FOR CUSTOMERS THAT HAVE A HISTORY OF PERFORMANCE ISSUES.

5.4 STREAMLINING DEVELOPMENT APPROVALS

Priority should be given to processing quickly and efficiently for high priority projects. This recommendation is well supported in the City of Salinas for two reasons. First, when the department is faced with the prospects of an upturn in building and development activity, staff must have the capability and time to prepare for an uptick. Second, as the department increases its capacity to process projects, the financial return will also be substantial. This will give the City a stronger and more reliable stream of income from development impact fee revenues. It is also desirable to establish a distinct system of incentives for attracting high priority projects.

The following recommendations are made in an effort to facilitate downtown development. These recommendations are focused on improving development approvals. The extent to which the development approval process is viewed as being quicker, more predictable, and less risky relative to other places will influence developers’ decisions to invest in downtown projects.

The recommendations are made based on review of the Zoning Codes, observations from two case studies, and Downtown Stakeholder Team input.

- Priority should be given to attracting and processing quickly and efficiently for high priority projects. This recommendation is well supported in the City of Salinas for two reasons. First, when the department is faced with the prospects of an upturn in building and development activity, staff must have the capability and time to prepare for an uptick. Second, as the department increases its capacity to process projects, the financial return will also be substantial. This will give the City a stronger and more reliable stream of income from development impact fee revenues. It is also desirable to establish a distinct system of incentives for attracting high priority projects.

- Reduction in Development Impact Fees, waiver, or a referral. And conduct a nexus study to show that sufficient infrastructure exists downtown to justify the change.

- Develop a means of clearly communicating zoning requirements for the downtown area to prospective developers. This could take the form of a consolidated code for the downtown area, or “Cliff Notes” approach. However presented, this effort would provide simplified guidance on how to apply the several applicable Zoning Code sections to a development proposal in the downtown area. This would reduce the potential for applicants to misinterpret the code, and save City staff time in project review.

- In several areas the codes are not immediately clear. For example, it was unclear if the residential code section is applicable to residential uses within mixed-use buildings. The applicability of yard setbacks for mixed-use buildings with residential components was also unclear. It would be useful if the City issued publicly available official interpretations for code sections for which questions of interpretation have arisen.

- The Zoning Code currently provides incentives for selecting mixed-use development over single-use development, such as reduced open space and parking requirements. The code includes additional incentives for particular emphasis within a mixed-use development; however, at least in the case of parking, this additional incentive appears to match the standard development standards and adjusted to provide valuable incentives.

- Expand the additional incentives to encompass the preservation and rehabilitation of historic buildings. Means of off-setting engineering costs (such as for seismic retrofitting) of historic buildings should be explored.

- A shortage of on-site parking is likely to be a common issue with downtown development, and a district-wide approach to providing parking is recommended.

- The applicability of parking standards should be clarified, and consolidated standards applicable within each of the downtown areas should be provided (Downtown Core and Downtown Neighborhood). An across-the-board reduction and some type of in-lieu provision should be provided for both new construction and rehabilitation or reuse of existing buildings.

- If a parking fee program is developed, the City should consider incentives or compensation for projects that develop excess parking capacity that is available to other sites.

- The parking structure design guidelines laudably aim to protect a pedestrian-oriented streetscape; however, this objective could still be achieved with some relaxation in standards that would make development of parking structures easier. As examples, partial screening of ground floor parked cars, or partial intermixing of ground-floor uses could substantially reduce adverse streetscape effects of a parking garage. Standard parking lots require an eight-foot landscape area fronting on streets, while there are no landscaping requirements associated with parking structures. A revised landscape standard, applying more uniformly, and stressing quality of screening over a fixed minimum width could better achieve objectives. Another approach to achieve adequate structured parking would be to establish parameters under which for relaxed frontage and visibility regulations could be applied at limited locations; those parking areas should be carefully selected peripheral locations that do not disrupt the pedestrian environment and provide convenient access to or from major entry streets; and should be allowed only when physical constraints (such as inadequate depth to allow double-loaded parking) exist.

- Implement an Enhanced Infrastructure District that re-establishes tax increment financing within downtown to help offset developer impact fees and to pay for new infrastructure in the catalyst sites.
5.5 Sustainability of Downtown Retail

The health and sustainability of downtown retail is a key measure of the success of the Vibrancy Plan. Presently, many businesses are struggling to make profits and many storefronts are vacant. Furthermore, many potential customers don’t shop or eat downtown, due to a variety of impediments.

The Vibrancy Plan addresses a number of factors that should improve the viability of shops and restaurants, including expanding the customer base and removing barriers that influence customers desire to shop downtown. Another critical component in attracting customers is through expanding and aligning businesses to respond to consumer needs.

5.6 Recommendations

Summary

Change is occurring in downtown Salinas that will help to transform the area into a vibrant center for the city. The Taylor Farms’ headquarters and Intermodal Transportation Center investments are dramatic examples of positive change. On the heels of these two big investments, this chapter presented some creative ideas for redevelopment in five catalyst areas in downtown. These areas were developed during the planning process by the Downtown Stakeholder Team with input from the public. The basis of these ideas followed the following priorities for stimulating economic development.

- Create development catalyst sites
- Create a strong job base around Government Center
- Add residential development
- Streamline the development approval process
- Increase the profitability and sustainability of retail businesses

Recommendations

1. The following types of developments (listed in order of priority) should be aggressively targeted and given special considerations in processing for City approvals:
   - Residential development (market rate or upscale)
   - Entertainment, multigenerational, or destination retail
   - Urban grocery store and other targeted retail use
   - Office and mixed-use buildings that accommodate professionals
   - Projects that fill vacant space on or near Main Street

2. Create catalyst sites by repurposing City surface parking lots to structured parking and/or redevelopment sites. Rezone sites to allow mixed-use in order to increase the value of the property to prospective developers.

3. Encourage and promote a “can do” attitude within the Community and Economic Development Departments that helps to deliver new projects downtown.

4. Publish a summary sheet (“Cliff Notes” style) for prospective developers to assist in their interpretation of zoning and development regulations and/or amend unclear zoning regulations.

5. Provide appropriate and effective incentives to attract priority developments to downtown. These incentives could include some or all of the following:
   - Waiver from participation in the City’s Inclusionary Housing program as it applies to downtown until at least 230 units of market rate housing are built or entitled
   - Reductions in traffic development impact fees for infill projects
   - Take advantage of Environmental Impact Analysis streamlining for Urban Infill and Transit Oriented Development projects
   - Combine the work required under the California Environmental Quality Act (CEQA) for the implementation of the Environmental Development Element (EDE) and that required for the implementation of the vibrancy plan under one study
   - Reduced parking requirements; use of shared parking over multiple properties; and payment of fees in lieu of providing on site parking
   - Relief from on-site open space requirements, where suitable parks and plazas are nearby
   - Implement an Enhanced Infrastructure District to re-establish tax increment financing within downtown