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Title: Actions pertaining to the Parking Agreement between the City of Fresno and Haron Motor Sales, Inc.
1. Adopt a finding of Categorical Exemption per staff determination pursuant to Article 19, Section 15301 Class 1 (existing facility) of the California Environmental Quality Act Guidelines
2. Authorize the Parking Agreement between the City of Fresno and Haron Motor Sales, Inc. for one (1) year term (Council District No. 3)

Sponsors: Planning and Development Department

Indexes:

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Attachments: 1. Haron Parking Agreement.pdf, 2. Rendering .pdf

Date	Ver.	Action By	Action	Result
7/28/2016	1	City Council	approved	Pass

REPORT TO THE CITY COUNCIL

July 28, 2016

FROM: JENNIFER K. CLARK, Director
Development and Resources Management Department

BY: LUPE PEREZ, Project Manager
Development and Resources Management Department

SUBJECT:
Actions pertaining to the Parking Agreement between the City of Fresno and Haron Motor Sales, Inc.
1. Adopt a finding of Categorical Exemption per staff determination pursuant to Article 19, Section 15301 Class 1 (existing facility) of the California Environmental Quality Act Guidelines
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RECOMMENDATION

Staff recommends that the City Council adopt findings of Categorical Exemption per staff determination, pursuant to Article 19, Section 15301/Class 1 (Existing Facility) of the California Environmental Quality Act (CEQA) Guidelines for a Parking Agreement between the City of Fresno and Haron Motor Sales, Inc. to provide parking in the Convention Center Parking Garage (the "Garage") for one year gratis, for the storage of its vehicle inventory during the construction of its new facilities.

EXECUTIVE SUMMARY

The Parking Garage is located at 731-799 “O” Street and provides parking for venues including the Selland Arena, Saroyan Theater, Exhibit Hall as well as downtown businesses and public agencies. Haron Motor Sales, Inc. (“Haron”) desires to obtain exclusive use of the entire fifth floor of the Garage, consisting of 337 parking stalls gratis, for storage of its vehicle inventory during construction of its facility in Downtown. Haron has requested free use of the stalls in light of its decision to remain Downtown. The most recent analysis concludes that the Garage has the capacity to house Haron’s inventory, visitors, the usual volume of monthly permit holders, and still maintain 430 available stalls. The proposed agreement will commence upon the City’s issuances of a building permit for the construction of Haron’s new facility, and end one year from that time or one month after the issuance of a Certificate of Occupancy for the same, whichever occurs first.

BACKGROUND

Haron Motors Sales, Inc. is a third-generation auto dealership that was founded in 1945 in Downtown Fresno by Charles Haron, father of James Haron. The business is now co-owned by James Haron, his daughter Hilary, and nephew Randy Haron, and it continues to contribute to the general fund resources for the City of Fresno. The proposed new construction will increase the amount of contribution to the general fund through increased property and sales tax revenues.

The family chose to remain Downtown when other auto dealerships left Downtown Fresno. The dealership is the number one Jaguar dealership per capita in the nation. Such success has made it a necessity to modernize and increase the size of their facility to better serve their customers. Haron has chosen to remain Downtown and upgrade its facilities instead of moving elsewhere. The proposed new state-of-the-art 26,000 SF dealership will double in size and cost an estimated \$6 million dollars.

During construction, which will include the space currently occupied by the dealership, Haron needs to store its inventory and has requested the City to accommodate it by allowing use of the Garage. The Garage has 1,565 stalls of which 798 are currently used. Haron will need 337 stalls on the 5th floor to store their inventory through construction, leaving 430 available stalls.

ENVIRONMENTAL FINDINGS

Staff has determined that the proposed contract is exempt under CEQA Guideline 15301 Class 1, which provides exemption for the operation, repair, maintenance, permitting, leasing, licensing, or other minor alterations of existing public structures and facilities, involving negligible or no expansion of use beyond that is existing at the time of the lead agency’s determination. The proposed Agreement is within the Class 1 exemption because it involves existing City parking structures and facilities involving negligible or no expansion of use.

The above exemption is not precluded by Guideline 15300.2, which prevents the use of categorical exemptions for projects where there is a reasonable possibility that the activity will have a significant effect on the environment due to unusual circumstances, or where a project may cause a substantial adverse change in the significance of a historical resource. The proposed Parking Agreement does not have a significant effect on the environment due to unusual circumstances, nor does it cause a substantial adverse change in the significance of a historical resource. None of the exceptions to the Categorical Exemptions set forth in the CEQA Guidelines,

section 15300.2 apply to this project.

LOCAL PREFERENCE

Local preference is not implicated as this item does not involve competitive bidding.

FISCAL IMPACT

No General Fund expenditures are required for this contract. The requested stalls are currently vacant and expected to remain vacant for the period requested therefore there is also no lost revenue associated with this transaction. Additionally, the City will see long term positive financial impacts because of Haron's decision to remain Downtown including: reinvigoration of Downtown Fresno; increased workforce; potential for customer and visitor activity and interest; reduction of physical blight/economic deterioration; an increase in private sector investment and related tax based expansion.

Attachments:

Haron Motors, Inc., Parking Agreement
Rendering