



Legislation Details (With Text)

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Title: Actions pertaining to a Lease Agreement at Manchester Center for temporary space for Manchester Transit Center the Utility Billing and Collections Division:
1. Adopt a finding of Categorical Exemption Class 1 pursuant to CEQA Guidelines Section 15301 (existing facilities)
2. Approve a lease between the City of Fresno and Omninet Properties Manchester Center, LLC., for lease of space at Manchester Center for use by the Departments of Transportation and Public Utilities

Sponsors: Office of Mayor & City Manager

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Attachments: 1. CLEAN Fresno Area Express Leasev1v2 10 14 16-Annot.pdf

Date	Ver.	Action By	Action	Result
10/20/2016	1	City Council	approved	Pass

REPORT TO THE CITY COUNCIL

October 20, 2016

THROUGH: BRUCE RUDD, City Manager

FROM: BRIAN MARSHALL, Director
Transportation Department

THOMAS ESQUEDA, Director
Department of Public Utilities

BY: CLAUDIA RUIZ, Economic Development Coordinator

SUBJECT

Actions pertaining to a Lease Agreement at Manchester Center for temporary space for Manchester Transit Center the Utility Billing and Collections Division:

1. Adopt a finding of Categorical Exemption Class 1 pursuant to CEQA Guidelines Section 15301 (existing facilities)
2. Approve a lease between the City of Fresno and Omninet Properties Manchester Center, LLC., for lease of space at Manchester Center for use by the Departments of Transportation and

Public Utilities

RECOMMENDATION

It is recommended Council authorize the City Manager to enter into a lease agreement with Omninet Properties Manchester Center, LLC, (Omninet) for office space within Manchester Center located at 1901 E. Shields Avenue, Fresno, to be used as a temporary customer service outlet for both Fresno Area Express and the City's Utility Billing and Collections Division.

EXECUTIVE SUMMARY

The Departments of Transportation (FAX) and Public Utilities (DPU) have located space within Manchester Center which would provide a satellite customer service outlet for Fresno Area Express (FAX) and the Department of Public Utilities (DPU) Utilities, Billing & Collection (UB&C) Division. The term of the lease is 12 months and the rented space is approximately 2,165 square feet. The lease has been negotiated at \$2.43 per square foot for a total of approximately \$63,131.40 for the year. The cost will be shared by FAX and DPU who will be co-tenants in the space.

BACKGROUND

On December 31st, 2016, UB&C will be required to vacate its current space at Manchester Center due to the reorganization of mall tenants. DPU is evaluating the feasibility of transferring its UB&C services to multiple locations in Fresno which would result in more accessibility for residents. This evaluation will take months to vet and a final determination will not be made until end of the lease term. At that time, a long term lease may be negotiated if necessary.

Starting on January 31st 2017, the Manchester Transit Center (MTC) will be undergoing façade improvements and will be closed for approximately 10 months. Both UB&C and MTC will need temporary space for most of calendar year 2017. During that time, FAX customer service operations will be relocate to the temporary space and return to the MTC after the façade improvements have been completed.

The office will house approximately seven employees who will conduct transactions pertaining to the sale of bus passes, payments of utility bills, route information, etc. The term of the lease is 12 months and the rented space is approximately 2,165 square feet. The lease has been negotiated at \$2.43 per square foot, including common area maintenance charges, for a total of approximately \$63,131.40 for the year. The cost will be shared by FAX and DPU who will be co-tenants in the space.

ENVIRONMENTAL FINDINGS

Staff has performed a preliminary environmental assessment of this project and has determined that it falls within the Categorical Exemption set forth in CEQA Guidelines 15301 which exempts projects where there is no change in existing use because the space being leased has historically been used for commercial office space. Furthermore, Staff has determined that none of the exceptions to Categorical Exemptions set forth in the CEQA Guidelines, section 15300.2 apply to this project.

LOCAL PREFERENCE

Local preference is not applicable because this is not a contract for goods, services, or public work of improvement.

FISCAL IMPACT

The cost of this lease will be shared by both FAX and DPU Enterprise Funds with existing appropriation authority.

Attachment:
Lease Agreement