

Car mall urged to sell U.S.

Cadillac-Buick is first American dealer to sign

By Joe Strupp
STAFF WRITER

FREMONT — Lured by the prospective waiver of between \$144,000 and \$360,000 in city fees, Catellus Development Corp. has begun to attract more auto dealers to the new Fremont Auto Mall.

Don Signer Cadillac and Buick, the first American brand to commit, recently signed an agreement to buy three to five acres at the mall. Signer said a sweet financing deal from Catellus was the key to his move. Although only one other dealership is operating at the mall so far, three more besides Signer are in various stages of the move.

Mixed project

Catellus owns the 88-acre auto mall site west of Interstate 880 on what was Durham Road before the city renamed it Auto Mall Parkway to help promote the development. The auto mall is tucked into the western corner of the 600-acre site of Catellus' Pacific Greens project, which will include a mix of about 1,400 homes and condominiums, a golf course and industrial sites. When the city council was negotiating with Catellus for the highly controversial rezoning for Pacific Greens, it proposed to waive some of the \$6 million in development fees over the next 10 years if Catellus could bring American dealerships to the mall.

The city will cut \$144,000 from the \$600,000 annual payment for every two General Motors dealers that are brought in, plus another \$72,000 for every GM or other domestic dealer brought in after that.

Pot-sweetener

The rebate allowed Catellus to sweeten the pot for Signer.

"They made it easier for us," said Signer, who plans to move his Centerville operation to the mall once his lease runs out in November 1993. "It's a financing arrangement they worked out for me and we are in."

Already Hank Pierotti's Volvo, Hyundai, Suzuki and Nissan franchises are operating in the mall.

Tom Claridge Motors broke ground 10 days ago for one site to sell Porsche, Mercedes-Benz, Bentley and Rolls Royce, plus another dealing in BMW. Claridge said he also plans to start a third mall dealership.

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but would not reveal the brand.

Lexus of Fremont has taken out permits to start building and is expected to break ground by May 18, according to Lexus business manager Chris Carvalho.

Hank Torian is the fifth dealer to sign on, committing to build on land he bought in 1990 for his Honda, Toyota and Acura sales. Torian said he expects to break ground in October.

Torian also plans to take his Chrysler and Dodge business to the auto mall next year.

"It's an extremely successful way to do business," said Torian.