

APPROVED
JUN 26 2014

REPORT OF GENERAL MANAGER

NO. 14-171

DATE June 26, 2014

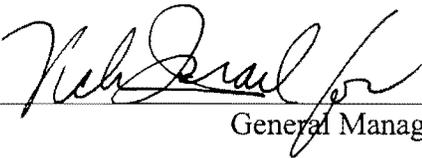
BOARD OF RECREATION
& PARK COMMISSIONERS

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BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: PERSHING SQUARE PARKING GARAGE – ANNUAL STATUS REPORT
FOR FISCAL YEAR 2012-2013: TRANSFER OF APPROPRIATIONS

R. Adams _____
R. Barajas _____
H. Fujita _____
V. Israel _____
*K. Regan _____
*N. Williams NDW



General Manager

Approved _____ Disapproved _____ Withdrawn _____

RECOMMENDATIONS:

That the Board:

1. Note and file the Pershing Square Parking Garage Annual Status Report for Fiscal Year 2012-2013 (Attachment A);
2. Authorize the Department's Chief Accounting Employee to transfer garage operations revenue between accounts and funds within Recreation and Parks as follows:

From:	Fund No./ Department No./ Account No.	Fund Amount
<u>Funding Source</u>		
Pershing Square Garage Operation	302/89/89810M	\$1,616,273
Total Funding		\$1,616,273
To:	Fund No./ Department No./ Account No.	Fund Amount
<u>Funding Source</u>		
Pershing Square Capital Improvements -	302/89/89812M	\$ 516,273
Pershing Square - Park Operations and Programming	301/88/88015M	\$ 400,000

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Pershing Square - Facility Repair/ Maintenance	301/88/88012M	\$ 400,000
Pershing Square - Mobile Youth Programming	301/88/88012M	\$ 200,000
Pershing Square - Downtown on Ice	301/88/88012M	\$ 100,000
Total Transfers		\$1,616,273

3. Authorize the General Manager, or his designee, to make technical corrections, as necessary, to those transactions included in this Report.

BACKGROUND:

Pershing Square Park is one of the City of Los Angeles, Department of Recreation and Parks' (RAP) oldest parks. Park operation is funded by budgeted funds. The Pershing Square Parking Garage (Garage) is a three-story underground public parking facility, located directly under Pershing Square Park. The garage, constructed in 1950, was leased for fifty (50) years to a private operator. In September 2000, at the end of the long-term lease, RAP assumed self-operation of the parking garage.

The Department of General Services (GSD), under a Memorandum of Understanding with RAP, carries out daily garage management and operations. In addition to funding garage operations, Garage revenues (Revenues) provide enhanced funding for park maintenance, park programs, and special events, and capital improvements. Revenues also provide funding for youth programming for youth and families within a five (5) mile radius of the park. The following summary reviews Pershing Square Garage operations for the Fiscal Year 2012-2013 (July 2012 to June 2013).

SUMMARY:

Parking Garage Operation

Major improvements and projects in the Garage during Fiscal Year 2012-2013 included completion of upgrades to and replacement of selected garage lighting and electrical equipment, upgrade of garage entrances and exits and replacement of selected garage signing. GSD carried out daily operations, maintenance and repairs in the Garage and continued to make concerted efforts to attract movie crews and special event parking in order to increase gross revenue by approximately \$200,000. Garage staff worked in cooperation with RAP to support and accommodate parking needs related to RAP park programs.

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Pershing Square Park Operations and Programming

Garage revenues provided enhanced recreation programming. Pershing Square Park programming highlights included the annual Downtown on Ice Outdoor Ice Skating Rink and participation in the City's Holiday Lights/Downtown Program, when the park is decorated with enhanced winter holiday lighting during the Ice Rink (Ice Rink). Approximately 56,000 attended the events and visited the Ice Rink. Daytime and evening concerts in the park were presented during the Ice Rink, on St. Patrick's Day, Salsa Sundays and at other times during the summer. Attendance at some concerts averaged approximately seven thousand (7,000) patrons. Awards were received for best free summer concert series. Community movies provided an opportunity for friends and neighbors to gather on the lawn at the park for movies under the stars. Community response to RAP programs was enthusiastic.

Mobile Youth Programming - Various youth programs including concerts, cultural performances, recreational activities and special events., including the annual Winter Holiday Festival for youth and families, held in December at Pershing Square during the Downtown on Ice Outdoor Winter Ice Skating Rink, attract thousands of youth and their families throughout the year.

The Mobile Youth Recreation Program serves youth who may not have access to a recreation center nearby, by setting up regular programming at selected pocket parks within a five (5) mile radius of Pershing Square. The program offers sports, puppet shows and arts and crafts, tutoring, and a snack and serves Pico-Union Park, Julian C. Dixon Park, Prospect Park, Hope and Peace Park, and Unidad Park.

During the summer, approximately two hundred (200) underserved youth were enrolled in day camps which provided daily recreational activities, field trips, and other opportunities for enrichment. During the school year, approximately thirty (30) youth each day at seven (7) locations in underserved areas participate in after school programming including: homework help, cultural activities, arts and crafts projects and sports.

Pershing Square Facility Repair, Maintenance and Park Improvements

Garage revenues provided enhanced park and facility maintenance and provided funding for park improvements. During Fiscal Year 2012-2013 Pershing Square garage funds enabled the maintenance personnel to begin enhanced maintenance services including the steam cleaning of the park twice a day, replacement of aging electrical components and design of a new community room.

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Parking Garage Revenue and Expenditures

The gross revenue for Fiscal Year 2012-2013 for Pershing Square Garage was \$3,578,852. After utility encumbrances of \$184,048, and parking tax liability of \$323,424 transferred to the City's Office of Finance, the net revenue was \$3,071,380. The operating expenses and capital expenditures for Fiscal Year 2011-2012 were \$1,455,107. Net income for Fiscal Year 2012-2013 after all related expenses was \$1,616,273.

Funds Available to be Allocated

At fiscal year end, the net income from Fiscal Year 2012-2013, and adjustments (changes in funding for projects and resulting transfers) are available to be re-allocated. The total amount of funds available to be re-allocated as described below for Fiscal Year 2012-2013 is \$1,616,273.

Fiscal Year 2013 Allocation of Funds

Revenues from the Garage provide funding for capital improvements for the garage and for the park level, for enhanced park operations and park programming and for facility repair and maintenance. It is recommended that available funds to be allocated as follows:

Pershing Square Capital Improvement and Equipment (CIP) Fund - Recommendation to transfer \$516,273 to Fund 302, Department 89, Account 89812M, Pershing Square Capital Improvement and Equipment Fund. The funds will be used for lighting and electrical improvements, security systems, escalator refurbishment and other capital improvements.

Pershing Square Park Operations and Programming - Recommendation to transfer \$400,000 to Fund 301, Department 88, Account 88015M, Pershing Square Park Operations and Programming. The funds will provide for enhanced park operations and park programming.

Pershing Square Facility Repair and Maintenance - Recommendation to transfer \$400,000 to Fund 301, Department 88, Account 88012M, Pershing Square Facility Repair and Maintenance. The funds will be used to provide facility repair and maintenance at Pershing Square Park.

Garage Operation Reserve - The Operation Reserve Account (Reserve) was established in order to safeguard operations and provide interim funding for both Garage and park operations in the event of unexpected needs, problems and emergencies. The Reserve is funded with a minimum of three (3) months anticipated gross revenue, with adjustments as needed. The current Reserve funding balance is \$917,607. No additional adjustments to the operating reserve are necessary at this time.

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Mobile Youth Programming - Recommendation to transfer \$200,000 to Fund 301, Department 88, Account 88015M, Mobile Youth Programming. The funds will be used to provide youth programming to youth who may not have access to a recreation center nearby.

Downtown on Ice - Recommendation to transfer \$100,000 to Fund 301, Department 88, Account 88015M, Downtown on Ice. The funds will be used for the annual Downtown on Ice Outdoor Ice Skating Rink.

Additional details regarding expenditures and allocation of excess revenue over expenditures for Fiscal Year 2013-2013 are included in Attachment A.

FISCAL IMPACT STATEMENT:

Pershing Square Garage continues to generate a positive fiscal impact for the Department by providing funds for Garage operation, security for the garage and the park, facility improvements, park and facility maintenance, enhanced park programming and youth programming.

This Report was prepared by Kevin Regan, Assistant General Manager and Noel D. Williams, Chief Management Analyst.

City of Los Angeles
 Department of Recreation and Parks
 Pershing Square Parking Garage Annual Status Report
 Fiscal Year 2012-2013

Attachment A

	Actual Revenue/ Expenditures as of 6/30/2013
Revenue	
Actual Revenue Earned	3,578,852
Transfer- Utilities Payment for Pershing Square	(184,048)
Tax Liability (Transferred to City's Office of Finance)	(323,424)
Net Actual Revenue	3,071,380
Expenses	
General Services Department/Parking Garage	
Parking Operating Expense	505,880
Building Maintenance Expense	52,669
Capital Improvement and Equipment Fund - Garage	
Below Ground Security	362,344
Total Expenses - General Services	920,893
Department of Recreation and Parks	
Above Ground Security	344,054
Facility Administration	190,160
Surface Maintenance	
Capital Improvement and Equipment Fund - Park	
Recreation Programming	
Total Expense - Recreation and Parks	534,214
Total Expenses	1,455,107
Net Income	1,616,273
FY 12 Allocation of Net Income	
Fund 302, Dept 89, Account 89812M, Pershing Square Capital Improvement -	516,273
Fund 301, Dept 88, Account 88015M, Pershing Square Park Operations and Programming	400,000
Fund 301, Dept 88, Account 88012M, Pershing Square Facility Repair and Maintenance	400,000
Fund 301, Dept 88, Account 88012M, Mobile Youth Programming	200,000
Fund 301, Dept 88, Account 88012M, Downtown on Ice	100,000
Total Allocation of Net Income	1,616,273
Final Net Income	0