

APPROVED

JUN 20 2018

BOARD OF RECREATION AND PARK COMMISSIONERS

BOARD REPORT

NO. 18-122

DATE June 20, 2018

C.D. 14

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: PERSHING SQUARE PARKING GARAGE - ANNUAL STATUS REPORT FOR FISCAL YEAR 2016-2017, TRANSFER OF APPROPRIATIONS

AP Diaz	_____	V. Israel	_____
R. Barajas	_____	S. Piña-Cortez	_____
H. Fujita	_____	*N. Williams	<u>apw</u>



General Manager

Approved X

Disapproved _____

Withdrawn _____

RECOMMENDATIONS:

- Note and file the Pershing Square Parking Garage Annual Status Report for Fiscal Year 2016-17 (Attachment A);
- Authorize the Department of Recreation and Parks' (RAP) Chief Accounting Employee to transfer garage operations revenue between RAP accounts and funds as follows:

From:

<u>Funding Source</u>	<u>Fund No./Dept. No./ Account No.</u>	<u>Amount</u>
Pershing Square Parking Garage Operations	58Q-89-89N862-00	<u>\$3,468,183</u>
Total Funding		\$3,468,183

To:

<u>Funding Source</u>	<u>Fund No./Dept. No./ Account No.</u>	<u>Amount</u>
Revenue Source 4147-Metro Ranger Program	302-88-4147	\$1,000,000
Pershing Square Park Operations (Downtown Ice)	58Q-89-89N861-DT	\$ 200,000
Pershing Square Park Operations (Mobile Youth)	58Q-89-89N861-MY	\$ 250,000
Pershing Square Park Operations (Maintenance)	58Q-89-89N861-MR	\$ 300,000
Pershing Square Park Operations (First/Broadway)	58Q-89-89N861-FB	\$ 100,000
Pershing Square Park Operations (San Julian)	58Q-89-89N861-SJ	\$ 50,000
Pershing Square Park Operations (Gladys Parks)	58Q-89-89N861-GL	\$ 50,000

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Pershing Square park Operations (Programming)	58Q-89-89N861-PP	\$ 900,000
Pershing Square Capital Improvement	58Q-89-89N864-00	\$ 600,000
Pershing Square (Contingency)	58Q-89-89N863-EC	<u>\$ 18,183</u>
Total Funding		\$3,468,183

3. Authorize the RAP's Chief Accounting Employee to transfer inactive Pershing Square accounts unspent monies to the Special Fund for Pershing Square Park and Garage (established in Fiscal Year 2017 through Report No. 16-154) as follows:

From:

<u>Funding Source</u>	<u>Fund No./Dept. No.</u> <u>Account No.</u>	<u>Amount</u>
Pershing Square Garage Operation	302-89-89810M	\$1,373,381
Pershing Square Capital Improvements	302-89-89812M	<u>\$ 808,788</u>
Total Funding		\$2,182,169

To:

<u>Funding Source</u>	<u>Fund No./Dept. No.</u> <u>Account No.</u>	<u>Amount</u>
Pershing Square Capital Improvement	58Q-89-89N864-00	<u>\$2,182,169</u>
Total Funding		\$2,182,169

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

SUMMARY

Pershing Square Park (Park) is one of the City's oldest parks. Park operations are funded by parking garage revenues. The Pershing Square Garage (Garage) is a three (3) 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 Garage.

The Department of General Services (GSD), under an agreement with RAP, carries out daily garage management and operations. In addition to funding Garage operations, Garage revenues (Revenues) provide funding for park maintenance, park programs, special events, security, programming and support for nearby parks and capital programming.

For Fiscal Year 2016-17, the Garage's parking revenue was \$5,165,128.97 (Attachment A). After accounting for expenses, net revenue was \$3,468,183.21. Staff is recommending that the

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funds (net revenue) be appropriated to the accounts contained in Recommendation No. 2 of this Board Report for the following functions:

- Downtown Metro Ranger Program - Funding to provide security services for the Garage and Park and RAP facilities in the downtown area;
- Downtown on Ice - Funding for the Outdoor Ice Skating Rink, Winter Holiday Festival and other Pershing Park programming which runs from late November to early January;
- Mobile Youth - Funding for after school programming, summer camps and special events for selected parks within a five (5) mile radius of Pershing Square Park. Typically, the Mobile Youth Program serves economically disadvantaged youth who do not have easy access to an established recreation center;
- Maintenance Services - Funding for full-time and part-time positions to provide maintenance services at the Park;
- First and Broadway Site - Funding for a full-time position to act as a coordinator for the First and Broadway Site. Eventually, this cost will be shifted to another account as usage and collected fees at that site increase;
- San Julian Park - Funding to provide recreational programming at San Julian Park. San Julian Park serves an economically disadvantaged population in the Downtown Skid Row area;
- Gladys Park - Funding to provide recreational programming at Gladys Park. Gladys Park serves an economically disadvantaged population in the Downtown Skid Row area;
- Pershing Square Park Operations - Funding to provide enhanced recreational programming at Pershing Square Park including art exhibits, summer programs (concert series, Friday Night Flicks, etc.), special events, classes, Food Truck Fridays, farmers market and sponsored programs.
- Pershing Square Park Capital Improvements - Funding for capital improvements projects for both the Park and Garage; and
- Pershing Square Park Contingency Account - Provide funding in the event of unexpected needs, problems and emergencies. The contingency account is funded with a minimum of three (3) months anticipated gross revenue.

Additionally staff recommends that the funds from inactive Pershing Square Park Accounts be transferred to the Special Fund for Pershing Square Park and Garage (established in Fiscal Year 2017 by Board Report -16-154).

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FISCAL IMPACT STATEMENT

The approval of this Report will have no fiscal impact on RAP's General Fund. Pershing Square Garage continues to generate a positive fiscal impact for the Department by providing funds for: garage operation, security for the garage/park, facility improvements, park and facility maintenance, enhanced park and youth programming and recreational activities to small pocket parks which serve the disadvantaged population.

This Report was prepared by Noel D. Williams, Chief Financial Officer, Finance Division.

LIST OF ATTACHMENTS/EXHIBITS

- 1) Attachment A-Pershing Square Parking Garage Annual Status Report for Fiscal Year 2016-17

Pershing Square Parking Garage Annual Status Report
 Comparative Statement of Revenue & Expenses
 For Fiscal Year (FY) 2017 and 2016

	FY2016-2017	FY2015-2016	Increase (Decrease)
Revenues			
Garage Operations	5,106,399.61	4,777,394.46	329,005.15
Interest Earned	48,637.18		48,637.18
Insurance Proceeds	977.75		977.75
Rental Income	9,114.43	7,712.21	1,402.22
Total Revenues	<u>5,165,128.97</u>	<u>4,785,106.67</u>	<u>380,022.30</u>
			-
Expenses			
Admin Salaries	244,750.86	120,622.56	124,128.30
GSD Salaries	546,272.13	497,672.14	48,599.99
Security Services-Garage	414,791.90	417,466.98	(2,675.08)
Security Services-Park	62,164.57	393,359.59	(331,195.02)
Repairs & Maintenance	232,055.47	84,338.94	147,716.53
Utilities	179,300.66	186,694.36	(7,393.70)
Other Expenses	17,610.17	40,932.99	(23,322.82)
			-
Total Expenses	<u>1,696,945.76</u>	<u>1,741,087.56</u>	<u>(44,141.80)</u>
			-
Net Revenue from Garage Operations	<u>3,468,183.21</u>	<u>3,044,019.11</u>	<u>424,164.10</u>
Other Revenue			
Net insurance proceeds		79,066.30	(79,066.30)
Total Net Revenues	<u>3,468,183.21</u>	<u>3,123,085.41</u>	<u>345,097.80</u>