

# APPROVED

JUN 19 2019

## BOARD OF RECREATION AND PARK COMMISSIONERS

BOARD REPORT

NO. 19-122

DATE June 19, 2019

C.D. 14

### BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: PERSHING SQUARE PARKING GARAGE - ANNUAL STATUS REPORT FOR FISCAL YEAR 2017-2018, TRANSFER OF APPROPRIATIONS

AP Diaz	_____	S. Pina-Cortez	_____
H. Fujita	_____	C. Sano Domingo	_____
V. Isarel	_____	*N. Williams	<u>NDW</u>

  
\_\_\_\_\_  
General Manager

Approved   X                        Disapproved \_\_\_\_\_                      Withdrawn \_\_\_\_\_

#### RECOMMENDATIONS:

- Note and file the Pershing Square Parking Garage Annual Status Report for Fiscal Year 2017-18 (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>\$3,729,917</u>
<b>Total Funding</b>		<b>\$3,729,917</b>

To:

<u>Funding Source</u>	<u>Fund No./Dept. No./ Account No.</u>	<u>Amount</u>
Revenue Source 4147-Metro Ranger Program and General Fund Support	302-88-4147	\$1,500,000
Pershing Square Park Operations (Downtown Ice)	58Q-89-89N861-DT	\$ 200,000
Pershing Square Park Operations (Mobile Youth)	58Q-89-89N861-MY	\$ 100,000
Pershing Square Park Operations (Maintenance)	58Q-89-89N861-MR	\$ 479,917
Park Operations (San Julian)	58Q-89-89N861-SJ	\$ 50,000
Pershing Square Park Operations (Gladys Parks)	58Q-89-89N861-GL	\$ 50,000
Pershing Square Park Operations (Programming)	58Q-89-89N861-PP	\$1,050,000
Pershing Square Capital Improvement	58Q-89-89N864-00	<u>\$ 300,000</u>
<b>Total Funding</b>		<b>\$3,729,917</b>

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3. Authorize the General Manager, or 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 2017-18, the Garage's parking revenue was \$5,301,610.83 (Attachment A). After accounting for expenses, net revenue was \$3,729,917.45. RAP staff is recommending that the funds (net revenue) be appropriated to the accounts contained in Recommendation No. 2 of this Report for the following functions:

- Downtown Metro Ranger Program and General Fund Support - Funding to provide security services for the Garage and Park and RAP facilities in the downtown area and to contribute to the RAP General Fund;
- 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;
- 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 program; and

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- Pershing Square Park Capital Improvements - Funding for capital improvements projects for both the Park and Garage.

### STRATEGIC PLAN INITIATIVES AND GOALS

Approval of this Board Report advances RAP's Strategic Plan by supporting:

Goal No. 6: Build Financial Strength & Innovative Partnerships

Outcome No. 1: RAPS's operating budget meets the needs of the park system for all Angelenos.

### 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 RAP 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.

### ATTACHMENT

Attachment A-Pershing Square Parking Garage Annual Status Report for Fiscal Year 2017-18

# PERSHING SQUARE PARKING GARAGE OPERATIONS

## Profit & Loss

July 2017 through June 2018

Jul '17 - Jun 18

Ordinary Income/Expense	
Income	
400.0 - Revenue from Garage Opn	5,139,479.06
400.10 - Other Income	627.00
401.01 - Interest Earned	152,416.45
402.01 - Insurance Proceeds	675.00
403.01 - Rental Income	8,413.32
Total Income	<u>5,301,610.83</u>
Gross Profit	5,301,610.83
Expense	
500.0 - Security Services	433,346.33
600.0 - Repairs and Maintenance	184,380.44
700.0 - Salaries	734,283.25
800.0 - Utilities	194,928.35
900.0 - Other Expenses	24,755.01
Total Expense	<u>1,571,693.38</u>
Net Ordinary Income	<u>3,729,917.45</u>
Net Income	<u><u>3,729,917.45</u></u>

## Attachment A

Pershing Square Parking Garage Annual Status Report  
 Comparative Statement of Revenue & Expenses  
 For Fiscal Year (FY) 2018 and 2017

	<u>FY 2017-2018</u>	<u>FY 2016-2017</u>	<u>Increase (Decrease)</u>
<b>Ordinary Income/Expense</b>			
<b>Income</b>			
<b>400.0 - Revenue from Garage Opn</b>	5,139,479.06	5,105,854.60	33,624.46
<b>400.10 - Other Income</b>	627.00	545.01	81.99
<b>401.01 - Interest Earned</b>	152,416.45	48,637.18	103,779.27
<b>402.01 - Insurance Proceeds</b>	675.00	977.75	(302.75)
<b>403.01 - Rental Income</b>	8,413.32	9,114.43	(701.11)
<b>Total Income</b>	<u>5,301,610.83</u>	<u>5,165,128.97</u>	<u>136,481.86</u>
<b>Gross Profit</b>	<u>5,301,610.83</u>	<u>5,165,128.97</u>	<u>136,481.86</u>
<b>Expense</b>			
<b>500.0 - Security Services</b>	433,346.33	476,956.47	(43,610.14)
<b>600.0 - Repairs and Maintenance</b>	184,380.44	232,055.47	(47,675.03)
<b>700.0 - Salaries</b>	734,283.25	791,022.99	(56,739.74)
<b>800.0 - Utilities</b>	194,928.35	179,300.66	15,627.69
<b>900.0 - Other Expenses</b>	24,755.01	17,610.17	7,144.84
<b>Total Expense</b>	<u>1,571,693.38</u>	<u>1,696,945.76</u>	<u>(125,252.38)</u>
<b>Net Ordinary Income</b>	<u>3,729,917.45</u>	<u>3,468,183.21</u>	<u>261,734.24</u>
<b>Net Income</b>	<u><u>3,729,917.45</u></u>	<u><u>3,468,183.21</u></u>	<u><u>261,734.24</u></u>