

**APPROVED**  
JAN 11 2012

REPORT OF GENERAL MANAGER

NO. 12-019

DATE January 11, 2012

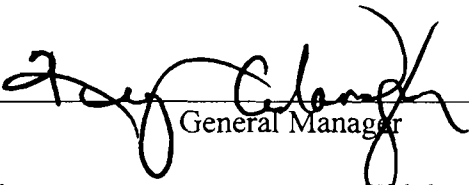
BOARD OF RECREATION  
AND PARK COMMISSIONERS

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BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: **PERSHING SQUARE PARKING GARAGE – PROPOSED PARKING FEE INCREASES FOR FISCAL YEAR 2011-12**

R. Adams _____	K. Regan _____
H. Fujita _____	M. Shull _____
V. Israel _____	*N. Williams <u>NW</u>

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

Approved \_\_\_\_\_ Disapproved \_\_\_\_\_ Withdrawn \_\_\_\_\_

RECOMMENDATIONS:

That the Board:

1. Approve the proposed parking fee increases for the Pershing Square Parking Garage, as attached, to be effective on February 1, 2012;
2. Authorize staff to amend the Pershing Square Parking Garage Rates and Fees to incorporate these changes; and,
3. Authorize the General Manager, or designee, to instruct staff to make technical corrections to the summary and attachments A, B and C to this Report as necessary.

SUMMARY:

The Pershing Square Parking Garage (Garage) is located at 530 S. Olive Street and provides reasonably priced public parking in the central downtown area. Garage revenues provide funding for operation and maintenance costs of the parking facility and for enhanced program operations and park maintenance for the ground level park at the Pershing Square Complex.

Due to the severe current economic downturn and revenue shortfalls, including a decline in Garage revenues, the Department proposes to increase the parking fees for Fiscal Year 2011-12 (Attachment A). Garage parking fees have not been increased since Fiscal Year 2008-09 (Board Report No. 08-85).

The proposed increase would raise parking fees by approximately 4% for daily usage, 7% for "Early Bird" usage (before 11:00 am) and 6% for "After Hours" usage (after 5:00 pm) and

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“Weekend Daily Rate”. Regular monthly rates will not be affected. The Special Event Rate for Department Special Events would be increased by approximately 6%.

Monthly group rates would be increased by 12%. These rates were established by the previous Garage operator and continued when the Department began self-operation in 2000. The Department proposes to bring discounted parking rates for monthly parking groups to one standard rate through incremental rate increases until the various parking groups pay the same monthly group parking rate. The monthly group parking rate established by this Board Report would increase over time, similar to other parking rates and according to the schedule in Attachment B. Any proposed future rate of increase or timing of rate increase that differs from Attachment B will be brought to the Board for approval.

The new parking fees would become effective on February 1, 2012, and are anticipated to generate an estimated \$38,781 in additional revenue during FY 2011-12 from February 1, 2012 through June 30, 2012. During a twelve month period the proposed new parking fees are anticipated to generate approximately \$93,074 in revenue. A recent survey of similar parking facilities finds that the current and proposed parking fees at the Garage are currently lower than or competitive with other similar parking facilities in the surrounding area (Attachment C).

FISCAL IMPACT STATEMENT:

There is no impact on the General Fund. The anticipated additional revenue from the proposed parking rate increases will fund Garage operations and maintenance costs and also programs and park maintenance at the Pershing Square Complex.

Report prepared by Kevin Regan, Assistant General Manager, Department of Recreation and Parks and Noel Williams, Chief Management Analyst, Finance Division, Recreation and Parks.

DEPARTMENT OF RECREATION AND PARKS  
 PERSHING SQUARE PARKING GARAGE  
 SUMMARY OF PROPOSED PARKING FEE INCREASE FOR FISCAL YEAR 2011-12

Parking Category	Parking Rate/Fee (Effective September 22, 2000)	Current Parking Rate/Fee (Effective October 14, 2008)	Proposed Parking Rate/Fee (Effective January 1, 2012)	Percent (%) Change from Current Parking Rate/Fee
Daily Rate/Fee (Less than 2 hours)	\$1.75 (each 15 minutes)	\$1.93 (each 15 minutes)	\$2.00 (each 15 minutes)	Approximately 4%
Daily Hourly Rate/Fee	\$7.00	\$7.72	\$8.00	Approximately 4%
Daily Maximum Rate/Fee	\$14.00	\$15.40	\$16.00	Approximately 4%
Monthly Rate/Fee (Non-Reserved)	\$175.00	\$190.00	\$190.00	No Change
Monthly Rate/Fee (Reserved)	\$230.00	\$250.00	\$250.00	No Change
Early Bird Rate/Fee (Before 11:00 a.m.)	\$8.50	\$9.35	\$10.00	Approximately 7%
After Hours Rate/Fee (After 5:00 p.m.)	\$6.60	\$6.60	\$7.00	Approximately 6%
Weekend Daily Rate/Fee (Sat. / Sun.)	\$6.60	\$6.60	\$7.00	Approximately 6%
Monthly Group Rates/Fees (See Note No. 1)	\$110.00 - \$130.00	\$125.00 - \$170.00	\$140.00 - \$170.00	Approximately 12%
Monthly Group Rate/Fee for Afternoon and Evening Downtown Employees (between 2:00 p.m. and 2:00 a.m.) (See Note No. 2)	Not Offered	\$75.00	\$85.00	Approximately 12%
Special Group Rate/Fee (See Note No. 3)	\$10.00 / day	\$15.00 / day	\$15.00 / day	No Change
Special Event Rate/Fee for RAP Special Events (See Note No. 4)	\$4.00 - \$6.00	\$4.40 - \$6.60	\$7.00 / day	Approximately 6%

**Note No. 1 - Monthly Group Rates/Fees:**

Monthly group rates established by the previous garage operator were honored by the Department of Recreation and Parks (RAP) when RAP took over self-operation in 2000. The rates were increased in Fiscal Year 2008-2009 (Board Report 08-85). Current monthly group rates vary and range from \$125.00 per month to \$170.00 per month. RAP recommends a 12% increase to each individual group rate at this time. RAP proposes to bring current discounted parking rates for monthly parking groups to one standard rate through incremental rate increases. The current discounted monthly rate of \$170.00 would serve as the current standard rate and would increase over time similar to other parking rates/fees. Monthly Parking Groups have non-reserved parking. A Monthly Parking Group would be defined as 10 or more parking customers belonging to a verifiable employer or group. The rate/fee increase would affect 203 parking customers.

**Note No. 2 - Monthly Group Rate/Fee for Afternoon and Evening Downtown Employees:**

This monthly group rate was established by the Department of General Services (GSD) to bring in additional garage business during off-peak hours while addressing the parking needs of employees who work downtown during afternoon and evening shifts. The group is open to individual employees working for verifiable employers in the downtown area. Parking key cards are programmed to be active only between 2:00 p.m. and 2:00 a.m. If customers from this group park at the garage during any other time they pay regular parking rates. RAP proposes to increase discounted parking rates for monthly parking groups over time through incremental rate increases. The rate will increase until the parking group pays \$170.00, or the current rate for monthly non-reserved parking. RAP recommends a 12% increase be applied to existing group rates at this time.

**Note No. 3 - Special Group Rate/Fee:**

The Special Group Rate is applied to movie production crew parking, special groups using local hotels, non-profit organization events and other selected groups as appropriate and as approved by RAP.

**Note No. 4 - Special Event Rate/Fee for RAP Special Events:**

The Special Event Rate/Fee is applied to RAP's annual Winter Ice Skating Rink and to RAP special events as deemed appropriate and as approved by RAP.

DEPARTMENT OF RECREATION AND PARKS  
 PERSHING SQUARE PARKING GARAGE  
 PROPOSED DISCOUNT GROUP RATES/FEE SCHEDULE FOR MONTHLY GROUP PARKING CUSTOMERS

Group Name	Number of Customers in Group	Parking Rate/Fee (Effective September 2000)	Current Parking Rate/Fee (Effective October 14, 2008)	Proposed Parking Rate/Fee (Effective January 1, 2012) 12 % Change	Proposed Parking Rate/Fee (Effective January 1, 2013) 12 % Change	Proposed Parking Rate/Fee (Effective January 1, 2014) 12 % Change	Proposed Parking Rate/Fee (Effective January 1, 2015) 12 % Change
1. Millennium Biltmore Hotel	50	\$110.00	\$125.00	\$140.00	\$155.00	\$ 170.00 or current Monthly Parking Group Rate/Fee	\$ 170.00 or current Monthly Parking Group Rate/Fee
2. Mizuho Bank, LTD	11	\$125.00	\$140.00	\$155.00	\$ 170.00 or current Monthly Parking Group Rate/Fee	\$ 170.00 or current Monthly Parking Group Rate/Fee	\$ 170.00 or current Monthly Parking Group Rate/Fee
3. Mizuho Bank, California	6	\$125.00	\$140.00	\$155.00	\$ 170.00 or current Monthly Parking Group Rate/Fee	\$ 170.00 or current Monthly Parking Group Rate/Fee	\$ 170.00 or current Monthly Parking Group Rate/Fee
4. Super Bell Jewelry	18	\$125.00	\$140.00	\$155.00	\$ 170.00 or current Monthly Parking Group Rate/Fee	\$ 170.00 or current Monthly Parking Group Rate/Fee	\$ 170.00 or current Monthly Parking Group Rate/Fee
5. Heron Building	56	\$155.00	\$170.00	\$ 170.00 or current Monthly Parking Group Rate/Fee	\$ 170.00 or current Monthly Parking Group Rate/Fee	\$ 170.00 or current Monthly Parking Group Rate/Fee	\$ 170.00 or current Monthly Parking Group Rate/Fee
6. 530 So. Hill Jewelers Group	15	\$130.00	\$145.00	\$160.00	\$ 170.00 or current Monthly Parking Group Rate/Fee	\$ 170.00 or current Monthly Parking Group Rate/Fee	\$ 170.00 or current Monthly Parking Group Rate/Fee
7. Afternoon / Evening Downtown Employee Parking Group (47 monthly parking customers)	47	\$155.00	\$75.00	\$85.00	\$95.00	\$110.00	\$125.00
<b>Total Number of Customers in Monthly Parking Groups</b>	203						

Note: RAP proposes to bring current discounted parking rates/fees for monthly parking groups to one standard rate/fee through incremental rate/fee increases. The current discounted monthly rate/fee of \$170.00 would serve as the current standard rate/fee and would increase over time similar to other parking rates/fees. The proposed schedule is an example of a four year time period with annual increases of 12% applied to parking rates. Timing and rate of increases may vary over time based on budgetary and operational needs, and ongoing assessment of local economic conditions. Any proposed future rate increase or change in timing of rate increase that differs from the information contained in this proposed schedule will be brought to the Board for approval.

DEPARTMENT OF RECREATION AND PARKS  
 PERSHING SQUARE PARKING GARAGE  
 SURVEY OF SIMILAR DOWNTOWN PARKING PROVIDERS (JULY 2011)

Building Name	Distance from Pershing Square Parking Garage	Address	Daily Rate/Fee	Daily Hourly Rate//Fee	Daily Maximum Rate/Fee	Monthly Rate/Fee (Non-Reserved)	Monthly Rate/Fee (Reserved)	Early Bird Rate/Fee (Maximum Daily Rate)	After Hours Rate/Fee	Weekend Rate/Fee (Sat. or Sun.)	Comments
Pershing Square Parking Garage (Current Rate)	n/a	530 S. Olive St.	\$1.93 /15 Min.	\$7.72	\$15.40	\$190.00	\$250.00	\$9.35	\$6.60 after 5PM	\$6.60 after 5PM	Park
Pershing Square Parking Garage (Proposed Rate)	n/a	530 S. Olive St.	\$2.00 /15 Min.	\$8.00	\$16.00	\$190.00	\$250.00	\$10.00	\$7.00 after 5PM	\$7.00 after 5PM	Park
Millennium Biltmore Hotel	0.2 Miles	506 S. Grand Ave.	\$4.50 /15 Min.	\$18.00	\$45.00	\$215.00	\$300.00	Not Offered	Not Offered	Not Offered	Hotel
Westlawn (Library)	0.3 Miles	524 S. Flower St.	\$4.15 /10 Min.	\$20.60	\$37.60	\$352.00	\$410.00	\$13.00	Closed	Closed	Commercial Building
The Gas Company	0.1 Miles	555 W. 5th St.	\$4.15 /10 Min.	\$20.00	\$40.00	\$335.00	\$535.50	\$9.90	\$13.00 after 4PM	Closed	Commercial Building
US Bank Tower	0.2 Miles	633 W. 5th St.	\$4.15 /10 Min.	\$20.00	\$37.60	\$352.00	\$563.00	Not Offered	Closed	Closed	Commercial Building
550 S. Hope St.	0.3 Miles	550 S. Hope St.	\$4.00 /12 Min.	\$20.00	\$36.00	\$240.00	\$300.00	\$12.00	\$8.00 after 4PM	Closed	Commercial Building
Mellow Bank Center	0.3 Miles	400 S. Hope St.	\$4.00 /10 Min.	\$20.00	\$38.00	\$257.00	\$325.00	\$15.00	\$12.00 after 5PM	Closed	Commercial Building
Pacific Center	0.1 Miles	523 W. 6th St.	\$3.50 /12 Min.	\$12.00	\$30.00	\$210.00	\$300.00	\$10.00	Not Offered	\$10.00 / Day	Commercial Building
AT & T Center	0.2 Miles	611 W. 6th St.	\$2.25 /12 Min.	\$16.00	\$29.25	\$200.00	\$260.00	Not Offered	Not Offered	\$10.00 / Day	Commercial Building
5th & Olive Open Lot	0.08 Miles	437 W. 5th St.	\$4.00 /15 Min.	\$14.00	\$14.00	\$160.00	Not Offered	Not Offered	\$6.00 after 6PM	\$6.00 after 6PM	Open Lot
Int'l Jewelry Center	0.2 Miles	530 S. Hill St.	\$3.00 /12 Min.	\$15.00	\$18.00	\$198.00-\$209.00	\$300.00	\$10.00	\$6.00 after 4PM	\$6.00 after 4PM/ \$3.00 Sunday	Commercial Building