

APPROVED

June 15 2023

BOARD OF RECREATION AND PARK COMMISSIONERS

BOARD REPORT

NO. 23-120

DATE June 15, 2023

C.D. 14

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: PERSHING SQUARE PARKING GARAGE – FINANCIAL STATUS REPORT FOR FISCAL YEARS (FY) 2019, 2020, 2021 AND 2022; TRANSFER OF APPROPRIATIONS

M. Rudnick _____
B. Aguirre _____
B. Jackson _____

C. Santo Domingo _____
N. Williams *NDW*

[Signature]

General Manager

Approved X

Disapproved _____

Withdrawn _____

RECOMMENDATIONS:

1. Note and file the Pershing Square Parking Garage Financial Status Report for FY 2019, 2020, 2021 and 2022 (Attachment A);
2. Authorize the Department of Recreation and Parks' (RAP) Chief Accounting Employee to to appropriate funds in the Pershing Square Parking Garage Operations account to the RAP accounts and funds set forth below:

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>\$6,451,126</u>
Total Funding		\$6,451,126

To:

<u>Funding Source</u>	<u>Fund No./Dept. No./ Account No.</u>	<u>Amount</u>
Pershing Square Park Operations (Maintenance)	58Q-89-89N861-MR	\$ 500,000
Park Operations (San Julian)	58Q-89-89N861-SJ	\$ 75,000
Pershing Square Park Operations (Gladys Parks)	58Q-89-89N861-GL	\$ 75,000
Pershing Square Emergency Contingency	58Q-89-89N863-EC	\$1,000,000
Pershing Square Park Operations (Programming)	58Q-89-89N861-PP	\$1,100,000
Pershing Square Capital Improvement	58Q-89-89N864-00	<u>\$3,701,126</u>
Total Funding		\$6,451,126

BOARD REPORT

PG. 2 NO. 23-120

3. Authorize the General Manager, Chief

Accounting Employee or designee, to make technical corrections, as necessary, to the appropriations set forth in this Report consistent with the intent of 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 Parking 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 Years 2019 through 2022, the Garage's cumulative parking revenue was \$17,565,738.09 (Attachment A). After accounting for expenses, net revenue was \$6,451,126.87. 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:

- 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 other sponsored programs;
- Pershing Square Emergency Contingency – Funding to provide interim funding for both Garage and Park operations in the event of unexpected needs, problems, and emergencies; and
- Pershing Square Park Capital Improvements - Funding for capital improvements projects for both the Park and Garage.

BOARD REPORT

PG. 3 NO. 23-120

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: RAP'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 Financial Status Report for Fiscal Year 2019, 2020, 2021, and 2022

Pershing Square Parking Garage Status Report
 For Fiscal Years (FY) 2019, 2020, 2021 and 2022

Attachment A

	FY 2018-2019	FY 2019-2020	FY 2020-2021	FY 2021-2022	Total
Income					
400.0 Revenue from Garage operations	\$ 5,497,661.91	\$ 4,379,323.00	\$ 2,704,919.18	\$ 3,844,584.10	\$ 16,426,488.19
401.01 Interest Earned	\$ 248,533.44	\$ 334,655.00	\$ 284,838.49	\$ 221,522.09	\$ 1,089,549.02
402.01 Insurance Proceeds	\$ 13,070.88	\$ -	\$ -	\$ -	\$ 13,070.88
403.01 Rental Income	\$ 8,413.32	\$ 7,712.00	\$ 9,114.43	\$ 9,114.43	\$ 34,354.18
404.0 Miscellaneous Income	\$ 1,441.00	\$ 820.00	\$ 23.82	\$ (9.00)	\$ 2,275.82
Total Income	\$ 5,769,120.55	\$ 4,722,510.00	\$ 2,998,895.92	\$ 4,075,211.62	\$ 17,565,738.09
Expenses					
500.0 Security Services	\$ 73,122.08	\$ -	\$ -	\$ -	\$ 73,122.08
600.0 Repairs and Maintenance	\$ 122,452.64	\$ 320,322.00	\$ 99,269.50	\$ 61,570.67	\$ 603,614.81
700.01 Salaries-GSD	\$ 598,017.47	\$ 712,286.00	\$ 720,740.26	\$ 709,747.97	\$ 2,740,791.70
700.02 Salaries-RAP	\$ 200,533.00	\$ 207,451.00	\$ 232,083.56	\$ 153,854.18	\$ 793,921.74
800.0 Utilities	\$ 182,343.67	\$ 187,507.00	\$ 160,674.77	\$ 190,390.56	\$ 720,916.00
900.0 Other Expenses	\$ 10,939.04	\$ 78,539.00	\$ 39,976.17	\$ 52,790.68	\$ 182,244.89
Total Expenses	\$ 1,187,407.90	\$ 1,506,105.00	\$ 1,252,744.26	\$ 1,168,354.06	\$ 5,114,611.22
Net Income - Garage Operations	\$ 4,581,712.65	\$ 3,216,405.00	\$ 1,746,151.66	\$ 2,906,857.56	\$ 12,451,126.87
Security Services Paid by General Fund	\$ 1,500,000.00	\$ 1,500,000.00	\$ 1,500,000.00	\$ 1,500,000.00	\$ 6,000,000.00
Net Income	\$ 3,081,712.65	\$ 1,716,405.00	\$ 246,151.66	\$ 1,406,857.56	\$ 6,451,126.87