

CITY OF LOS ANGELES  
INTER-DEPARTMENTAL CORRESPONDENCE

0530-16100-0000

Date: November 19, 2007

To: The Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS by mt*Subject: **DEPARTMENT OF RECREATION AND PARKS – PERSHING SQUARE UTILITIES (BUDGET MOTION NO. 43)****SUMMARY**

During the 2006-07 budget deliberations, the Perry-Huizar motion relative to the addition of \$200,000 in the Unappropriated Balance (UB) for the payment of utilities for Pershing Square was referred to the Budget and Finance Committee. The proposed UB funding is to offset the cost of utilities at Pershing Square. It appears that the Perry-Huizar motion was initiated to ensure that sufficient funds would be available to cover youth programming at Pershing Square.

**BACKGROUND**

The City, through, the Board of Recreation and Park Commissioners (Board) and the Department of Recreation and Parks (Department), owns and operates the Pershing Square Parking Garage (Parking Garage) located at 532 South Olive Street in Council District 9. Revenues from the Parking Garage are used to offset operating and maintenance costs, security costs, capital improvements and youth programming at Pershing Square. The Board approves the budget for the operation of Pershing Square on an annual basis.

The Pershing Square budget for fiscal year 2006-07 was adopted by the Board on August 9, 2006 through Board Report 06-236 (copy attached). In the same Board report, the Board approved a Youth Cultural Opportunities Program and directed the Department to fund youth programs with a seven percent allocation of net Parking Garage revenues for fiscal year 2006-07. Based on the Pershing Square 2006-07 budget shown in the attached Board report, it appears that sufficient Parking Garage revenues are available to offset the costs of both utilities and youth programming at Pershing Square.

This report is for informational purposes only. Therefore, there is no fiscal impact.

Attachment

KLS: VES: 08080093c

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REPORT OF GENERAL MANAGER

**APPROVED**  
AUG 09 2006

NO. 06-236

DATE August 9, 2006

**BOARD OF RECREATION  
and PARK COMMISSIONERS**

CD 9

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: PERSHING SQUARE PARKING GARAGE - STATUS REPORT ON PARKING GARAGE OPERATIONS AND REVENUE, CAPITAL IMPROVEMENTS, TRANSFERS BETWEEN FUNDS AND ACCOUNTS, ANNUAL REPORTING AND BUDGETING, BUDGET FOR FISCAL YEAR 2006-2007 AND YOUTH CULTURAL OPPORTUNITES PROGRAM

J. Combs _____	J. Kolb _____
H. Fujita _____	F. Mok _____
S. Huntley _____	*K. Regan <u>KR</u>
B. Jensen _____	M. Shull _____

*Robert H Jensen (Sr)*  
General Manager

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

RECOMMENDATION:

That the Board:

1. Accept the Pershing Square Parking Garage Status on Parking for Fiscal Years 2000-2001 through 2004-2005 (Attachment A), and as contained in the summary of this report;
2. Authorize the transfer of appropriations from Fiscal Year 2000-2001 through Fiscal Year 2004-2005 between various accounts in Recreation and Parks Fund 302, Department 89 for the Pershing Square Operating Reserve and the Pershing Square Capital Improvements as follows, subject to approval by the Mayor;

FROM: Pershing Square Operating Expenses, Account 810M;	\$ 1,752,137
TO: Pershing Square Operating Reserve, Account 811M;	\$ 661,590
Pershing Square Capital Improvements, Account 812M;	\$ 1,090,547

3. Authorize the General Manager or his designee to authorize and make technical corrections as necessary to transfers in accordance with the inter-department transfer limit;
4. Direct staff to annually submit a fiscal year-end report for Pershing Square to the Board and to submit annually a fiscal year budget for the upcoming year for approval by the Board;

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5. Adopt the budget for Fiscal Year 2006-2007 (Attachment B);
6. Approve the Youth Cultural Opportunities Program plans described below in the Youth Program Summary Section and Attachments in an effort to improve Department of Recreation and Parks (RAP) recreation services to the downtown Los Angeles area youth, and through the 54 RAP recreation centers within the designated target area of a five mile radius from Pershing Square; and,
7. Direct Staff to fund the youth programs through an allocation of 7% of all net Garage revenues for Fiscal Year 2006-2007.

### SUMMARY:

#### Background

On January 19, 2000, the Board approved the concept of self-operation of the Pershing Square Parking Garage (Garage) in Board Report No. 00-42. Pershing Square Park (Park) operations are different and discrete from Garage operations. The Park operated in the past with minimal budget allocations. The intent of RAP was that in addition to funding garage operations, Garage revenue would fund improvements, enhance programming and maintenance, fund new youth programming and provide an annual contribution of \$500,000 to the RAP General Fund. RAP staff was directed to negotiate and execute a Memorandum of Understanding (MOU) between the City's Department of General Services (GSD) and RAP for the management of the Garage.

In accordance with the above action, staff formed the "Pershing Square Task Force," consisting of both RAP and GSD staff, to implement the transition from the private operator (Maguire Partners) to the City. The Task Force successfully completed the transition and the City took over Garage operations on September 22, 2000. This report reviews garage operations from September 2000 to June 2005.

GSD's original revenue estimate for Garage operations was based on market information available at the time and was made with the assistance of Walker Parking Consultants. The revenue estimate included parking occupancy taxes. Actual operational experience at the Garage has provided more accurate information. Regular RAP accounting reports now determine net revenue; and budgeted expenses are based on actual net revenue. Budget projections and actual revenue and expenditures are provided below in the Fiscal Year section of this report.

Under the previous contract with a private operator, the RAP General Fund received approximately \$300,000 per year from Garage operations. Under the MOU with GSD, the Garage operation continues to provide revenue annually to RAP's General Fund. During the Task Force's budget development process for the Garage, the amount to be transferred annually to the RAP General Fund 302, was established at \$500,000 by Board action, an increase of \$200,000.

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The Garage operated until June 30, 2006, using a Municipal Recreation Program (MRP) Account, MRP W15, established for the Pershing Square Garage project. Revenue was collected and expenditures were made from this account, with the exception of youth program funds. Youth program funds were transferred annually to a separate MRP Account, MRP W10, previously established for Park program operations. On June 7, 2006, the Board approved Board Report No. 06-156, redefined the purpose and use of all RAP Department MRP accounts in the Department, and the Board approved the transfer of funds among new accounts. As a result of these actions, three new accounts were created for the Garage: Pershing Square Operating Expenses Account (Account 810M), Pershing Square Operating Reserve Account (Account 811M), and Pershing Square Capital Improvements Account (Account 812M). On or after July 1, 2006, the balance of funds from MRP W15 were transferred to Pershing Square Operating Expenses Account, Account 810M. Recommendations to transfer accumulated designated funds from Fiscal Years 2000-2001 through 2004-2005 from Account 810M to Pershing Square Operating Reserve Account, 811M, and to Pershing Square Capital Improvement Account, 812M, are included in this Board Report. MRP Account, W10 will continue as an MRP account, to receive transfers of allocated youth funds and will be used for expenditure of funds for youth programming.

### General Overview

The originally estimated \$3.6 million in annual revenue has not been realized. RAP staff used actual revenue data to create realistic budget projections for Years 2 through 5. Attachment A presents a summary of revised yearly budgets for Years 2 through 6, as well as a summary of retained earnings.

The Garage is subject to local market conditions and revenue will rise and fall in response to those conditions. The Garage provides a benefit to the community by offering reduced rate parking for RAP Park events. This has impacted and will continue to impact Garage revenues. Beginning with Fiscal Year 7 (July 1, 2006 – June 30, 2007) Pershing Square Facility (Facility), which includes both the Park and the Garage, will be assessed an estimated annual utilities charge of \$250,000 by GSD. The youth program is funded with revenue available after Garage and RAP operations needs are addressed. The Fiscal Year 7 budget reflects a reduction in youth program funding due to the utility costs now charged.

### Summary by Fiscal Year

Year 1 (September 22, 2000 - June 30, 2001) - The original estimation of anticipated revenue for the first year of operation was \$3.6 million, based on available market information. Actual revenue for the first fiscal year, which included only nine months, was \$2,212,789. Operating expenses and capital expenditures amounted to \$1,565,143. Retained revenue over expenditures amounted to \$647, 640 (Attachment A). The Walker Parking Consultants firm was engaged to help RAP and GSD evaluate local market conditions. Some loss of existing customers was anticipated the first year as part of the transition, based on the previous operator's agreements with customers. Walker Parking Consultants' research during the first year of operation revealed depressed local market conditions that negatively affected all parking operations in the area. Garage staff began to successfully re-build the customer base during the first year of operation. GSD was conservative in

## REPORT OF GENERAL MANAGER

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the use of the identified operating budget for the Garage.

During Year 1, a new parking operation system was installed, a closed circuit television security camera system (CCTV) was added in the garage and contract security services were provided 24/7 for the Garage and the Park. GSD began addressing deferred maintenance issues in the Garage. Staff from GSD and RAP identified capital improvement needs and RAP staff began working with Pershing Square stakeholders, the Downtown Center Business Improvement District (DCBID) to review and prioritize capital improvement needs for the Park.

Year 2 (July 1, 2001 – June 30, 2002) – Actual revenue for Year 2 was \$2,840,007, still lower than estimated. Operating expenses and capital expenditures amounted to \$2,057,630. Garage and recreation budgets and expenditures continued to be adjusted to reflect actual revenues.

During Year 2, GSD and RAP staff enhanced the CCTV system, continued to address deferred maintenance issues, including the repair and upgrade of the Garage's escalators. Additional Facility maintenance was funded, a pigeon abatement system was installed in the park, electrical upgrades were installed in the Park to increase program capacity and additional Park maintenance was funded. RAP staff continued working with Pershing Square stakeholders, the DCBID, to review and prioritize capital improvement needs for the Park.

Year 3 (July 1, 2002-June 30, 2003) – Actual revenue for Year 3 was \$2,928,623, a modest increase from Year 2 revenues. Operating expenses and capital expenditures amounted to \$2,392,097.

During Year 3, work continued on escalator repair and upgrades, deferred maintenance in the Garage, and capital improvement assessment. Additional Park programming, physical plant maintenance, and Park maintenance were funded. The Garage elevator received repairs and upgrades.

Year 4 (July 1, 2003-June 30, 2004) – Actual revenue for Year 4 was \$3,210,694, slightly lower than anticipated. Operating expenses and capital expenditures amounted to \$1,832,284. Garage and recreation budgets and expenditures continued to be adjusted to reflect actual revenues.

During Year 4, work continued on Garage deferred maintenance, escalator repair and upgrades and chronic Garage leaks. Additional lighting and electrical improvements were made in the Park, the fountain was refurbished, and the benches were reconfigured with seat dividers. New Garage signs replaced old signs at street level.

Year 5 (July 1, 2004-June 30, 2005) - Actual revenue for Year 5 was \$2,934,638, reduced from the previous year due to the relocation of a major parking customer. Operating expenses and capital expenditures amounted to \$2,646,361. Garage and recreation budgets and expenditures continued to be adjusted to reflect actual revenues.

During Year 5, repair of Garage water leaks and other deferred maintenance continued. Lighting and

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electrical improvements continued, and surface cleaning equipment was purchased for the Park.

Year 6 (July 1, 2005 – June 30, 2006) - Projected revenue for Fiscal Year 6 is \$3,256,700. A year end report for Year 6 will be submitted to the Board in the fall.

Year 7 (July 1, 2006 – June 30, 2007) - Projected revenue for Fiscal Year 7 is \$3,256,700. The estimated budget is attached for review and approval as Attachment B. The budget reflects \$250,000 for utilities, to be assessed beginning with the Year 7 budget year. Youth Programs funding, which is funded with revenues remaining after GSD and RAP operations have been funded, will be reduced on an ongoing basis as a result of the utilities charges. Under Council File No. 06-0600, Council Motion No. 43 during the 2006-2007 budget review process, proposed that \$200,000 of the utility charges be paid from the General Fund. However, no action on this motion has been taken and it is still pending Council action.

### Operating Reserve Account

The Facility is unique to RAP and to the City. The Garage is owned and self-operated by RAP via an MOU with GSD for daily operations. Recreation and Parks oversees Garage operations and RAP and GSD work cooperatively on a daily basis at the site. Garage operations are self-funded by Garage revenues. Garage revenues provide additional revenue for Park recreation programming, park and facility maintenance, youth programming, support RAP oversight of the Facility project, fund a capital improvement program for the Facility, and fund an operating reserve account for Garage operations. The Garage is self-supporting and must be able to weather unexpected needs, problems, and emergencies, while continuing to fund both RAP and GSD operations at the Facility. An operating reserve account was established previously within the MRP to prevent interruption of Garage and Park operations in the event of unexpected short term, revenue shortfalls, interruptions, or operational needs. In accordance with new fiscal practices implemented by RAP, the Pershing Square Operating Reserve Account 811M, was established and will be funded with a minimum of three months anticipated gross income, based on 2004/2005 revenues, with adjustments as needed. Use of operating reserve funds will be recommended by the Pershing Square Region Superintendent for approval by the General Manager and Board as necessary.

### Capital Improvements Account

At the expiration of the private operator's 50-year lease in 2000, the Garage needed to meet higher standards of regular repair and maintenance. Many safety issues were also evident and needed to be addressed. RAP staff worked with community stakeholders to identify and prioritize surface improvements. In accordance with new fiscal practices implemented by RAP, a new account for Pershing Square Capital Improvements, Account 812M, was established to secure funds for designated purposes and will be funded with prior year designated capital improvement funds from Fiscal Years 2000-2001 through 2004-2005 and funds designated annually for capital improvement. RAP continues to work on deferred maintenance needs at the Facility. Examples of future capital improvement projects planned include additional water leak repairs, Garage fire sprinkler system

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upgrade, a security camera system for the Park, Garage exhaust systems upgrades, and continued escalator and elevator upgrades.

### Pershing Square Garage Operating Expenses Account

All Garage revenues and expenditures were transacted through an MRP Account, MRP W15, established for the Garage project. In accordance with new fiscal practices implemented by RAP, a new account, the Pershing Square Operating Expenses Account, Account 810M, was established for operations at the Garage and received the entire balance of MRP W15. Portions for the Operating Reserve and Capital Improvements are recommended for transfer to the new accounts established for Pershing Square.

### Youth Programming Summary

Funding for new RAP Pershing Square youth programming and for a special competitive in-house funding program for RAP facilities within a five mile radius of Pershing Square comes from net Garage revenues, after the deduction of GSD and RAP operational expenses. The original youth program budget was funded with 14% of Garage revenue. Funding levels remained at this approximate level during Fiscal Years 1 through 5. The youth program is funded with revenues remaining after GSD and RAP operations have been funded. Beginning with Fiscal Year 2006-2007, the payment of \$250,000 in utilities charges for the Garage and the Park to GSD have been added by the City Council to Garage fiscal requirements. This requirement reduces the revenue available for youth programs to 7% for Fiscal Year 7 and will continue to have a similar impact in future fiscal years. The original concept for the youth programming component was to either buy or lease space in the downtown area, adjacent or nearby the park to provide space for RAP youth programs and activities in the general area with an emphasis on youth and RAP facilities within a five mile radius. The high cost of rental space nullified the idea.

RAP staff has been utilizing alternate programming strategies at the site and have developed a long term plan for the use of these funds. The long term plan designates two uses of the funds:

- 1) A portion of the annual youth funds (60%) will be for traditional RAP youth program activities and special events. Current plans include:
  - a) Interactive youth performances in dance, theater, music, and the arts that may involve instructional demonstrations at Pershing Square
  - b) Mobile Downtown Youth Recreation Program (Skid Row Area);
  - c) Community cultural special events in Pershing Square;

The types and varieties of programs funded will be reviewed, evaluated, and adjusted annually to meet community needs and to provide a fresh and varied selection each year. The plan is submitted for review and approval as Attachment C.

- 2) A portion of the annual youth funds (40%) will be designated to the Pershing Square

## REPORT OF GENERAL MANAGER

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Youth Cultural Opportunities Program, to develop innovative RAP cultural recreation programs and special events for downtown area youth through RAP Recreation Centers, RAP Licensed Child Care Centers, RAP CLASS Teen Centers, and other RAP youth programs. Programs that would not otherwise be possible, must be operated or located and/or serving youth within a five mile radius of Pershing Square, with the Park as the focal point. The plan is submitted for review and approval as Attachment D. Eligible RAP youth programs will submit proposals on a competitive basis. Program proposals will be evaluated by a committee comprised of the Pershing Square Region Superintendent, designated site staff, designated members of the Pershing Square Advisory Board, and one designated member of the Department's Citywide Cultural Board. The Pershing Square Region Superintendent will forward recommendations for funding awards to the General Manager for final approval.

An estimated multi-year expenditure plan for the youth program allocation was developed. The plan is included as Attachment E.

### Evaluation

The Garage project was a new and innovative step in service to the community for RAP, GSD, and the City. RAP and GSD were jointly awarded a Productivity Improvement Award by the City of Los Angeles Quality and Productivity Commission in 2002.

The working relationship between RAP and GSD has been positive, strong, and successful. GSD has been professional and thorough in their operation of the Garage. Garage management and staff members have created a positive relationship with Garage customers and have received many compliments from customers regarding their customer-friendly management style and improvements made to the Facility. While Garage operations will always be subject to market conditions, GSD and RAP staff expect that Garage patronage will continue to be strong.

RAP and GSD staff continues to work as a team to identify and resolve challenges. The Garage operation will continue to serve as a model opportunity to provide enhanced recreation and park services to the Pershing Square community. The success of the working arrangement between RAP and GSD will generate long-term benefits for RAP and for the Pershing Square community. The Pershing Square Facility sets a model for creative municipal services and benefits to the community that can be achieved through cooperation and innovation.

### FISCAL IMPACT STATEMENT:

Beginning with Fiscal Year 7, a \$250,000 utility fee will be assessed to the Pershing Square Garage and Park by GSD. This will result in a reduction in youth program funding. While revenues have not reached originally anticipated levels, budgets have been and will continue to be adjusted to available revenue. RAP and GSD staff will continue careful management of operations and costs.

REPORT OF GENERAL MANAGER

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Report prepared by: Vicki D. Israel, Superintendent, Griffith Region; Rose Reyes, Department Chief Accountant III, Finance Division, Accounting Section; and Carol Jacobsen, Senior Management Analyst, Pershing Square Facility Management

ATTACHMENTS:

- Attachment A – Summary of Budgets Fiscal Years 2-5 and Retained Earnings Fiscal Years 1-6
  - Attachment B – Proposed Estimated Budget for Fiscal Year 2006-2007
  - Attachment C – Youth Cultural Opportunities – Traditional Youth Program
  - Attachment D – Youth Cultural Opportunities - Funding Program
  - Attachment E – Estimated Multi-Year Expenditure Plan for Youth Program Allocation
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**City of Los Angeles  
Department of Recreation and Parks  
Attachment A**

<b>Pershing Square Garage Revised Budget</b>	<b>Projected Budget Fiscal Year 2 7/01/01-6/30/02</b>
<b>Projected Revenue</b>	<b>2,885,507</b>
<b>Projected Expenses</b>	
<b>General Services Department/Parking Garage</b>	
Parking Operating Expense	476,094
Building Maintenance Expense	119,742
Capital Improvement and Equipment Fund	150,000
Security (below surface)	239,228
Utilities	0
Marketing Consultant (1st year)	0
<b>Total Expenses - General Services</b>	<b>985,064</b>
<b>Department of Recreation and Parks</b>	
Added Surface Security	
Contract Security for Surface Level	261,525
Contract with BID for Guest Services Ambassadors	77,000
<b>Total Added Surface Security</b>	<b>338,525</b>
Facility Administration	177,157
Added Surface Maintenance	
Parks Maintenance	28,180
Facility Repair and Maintenance	55,000
<b>Total Added Surface Maintenance</b>	<b>83,180</b>
Capital Improvement and Equipment Fund	160,000
Added Concert Programming	259,707
Master Plan/Marketing Consultants	0
Recreation and Parks General Revenue Fund	500,000
<b>Total Expenses - Recreation and Parks</b>	<b>1,518,569</b>
<b>Total Expenses</b>	<b>2,503,633</b>
<b>Funds for Youth Programming</b>	<b>381,874</b>
<b>Net Income</b>	<b>0</b>

**City of Los Angeles  
Department of Recreation and Parks  
Attachment A**

<b>Pershing Square Garage Revised Budget</b>	<b>Projected Budget Fiscal Year 3 7/01/02-6/30/03</b>
<b>Projected Revenue</b>	<b>2,885,507</b>
<b>Projected Expenses</b>	
<b>General Services Department/Parking Garage</b>	
Parking Operating Expense	461,633
Building Maintenance Expense	119,742
Capital Improvement and Equipment Fund	150,000
Security (below surface)	239,228
Utilities	0
Marketing Consultant (1st year)	0
<b>Total Expenses - General Services</b>	<b>970,603</b>
<b>Department of Recreation and Parks</b>	
<b>Added Surface Security</b>	
Contract Security for Surface Level	261,525
Contract with BID for Guest Services Ambassadors	77,000
<b>Total Added Surface Security</b>	<b>338,525</b>
<b>Facility Administration</b>	<b>177,157</b>
<b>Added Surface Maintenance</b>	
Parks Maintenance	28,180
Facility Repair and Maintenance	35,000
<b>Total Added Surface Maintenance</b>	<b>63,180</b>
Capital Improvement and Equipment Fund	180,000
Added Concert Programming	259,707
Master Plan/Marketing Consultants	0
Recreation and Parks General Revenue Fund	500,000
<b>Total Expenses - Recreation and Parks</b>	<b>1,518,569</b>
<b>Total Expenses</b>	<b>2,489,172</b>
<b>Funds for Youth Programming</b>	<b>396,335</b>
<b>Net Income</b>	<b>0</b>

**City of Los Angeles  
Department of Recreation and Parks  
Attachment A**

<b>Pershing Square Parking Garage Revised Budget</b>	<b>Projected Budget Fiscal Year 4 7/01/03-6/30/04</b>
<b>Projected Revenue</b>	<b>3,242,000</b>
<b>Projected Expenses</b>	
<b>General Services Department/Parking Garage</b>	
Parking Operating Expense	559,033
Building Maintenance Expense	140,263
Capital Improvement and Equipment Fund	175,000
Security (below ground)	219,586
Utilities	0
Marketing Consultant (1st Year)	0
<b>Total Expenses - General Services</b>	<b>1,093,882</b>
<b>Department of Recreation and Parks</b>	
<b>Added Surface Security</b>	
Regular Surface Security	328,528
Extra Program/Event Security	29,625
<b>Total Added Surface Security</b>	<b>358,153</b>
<b>Facility Administration</b>	<b>232,612</b>
<b>Added Surface Maintenance</b>	
Park Maintenance	79,473
Facility Repair/Maintenance	85,000
<b>Total Added Surface Maintenance</b>	<b>164,473</b>
<b>Capital Improvement and Equipment Fund</b>	<b>175,000</b>
<b>Additional Recreation Programming</b>	<b>275,513</b>
<b>Master Plan/ Marketing Consultants</b>	<b>0</b>
<b>Recreation &amp; Parks General Revenue Fund</b>	<b>500,000</b>
<b>Total Expenses - Recreation and Parks</b>	<b>1,705,751</b>
<b>Total Expenses</b>	<b>2,799,633</b>
<b>Funds for Youth Programming</b>	<b>442,367</b>
<b>Net Income</b>	<b>0</b>

**City of Los Angeles  
Department of Recreation and Parks  
Attachment A**

<b>Pershing Square Garage Revised Budget</b>	<b>Projected Budget Fiscal Year 5 7/01/04-6/30/05</b>
<b>Projected Revenue</b>	<b>3,242,000</b>
<b>Projected Expenses</b>	
<b>General Services Department/Parking Garage</b>	
Parking Operating Expense	537,383
Building Maintenance Expense	140,263
Capital Improvement and Equipment Fund - Garage	175,000
Security (below ground)	219,586
Utilities	0
Marketing Consultant (1st Year)	0
<b>Total Expenses - General Services</b>	<b>1,072,232</b>
<b>Department of Recreation and Parks</b>	
<b>Added Surface Security</b>	
Regular Surface Security	328,528
Extra Program/Event Security	29,625
<b>Total Added Surface Security</b>	<b>358,153</b>
<b>Facility Administration</b>	<b>232,612</b>
<b>Added Surface Maintenance</b>	
Park Maintenance	79,473
Facility Repair/Maintenance	85,000
<b>Total Added Surface Maintenance</b>	<b>164,473</b>
<b>Capital Improv and Equip Fund</b>	<b>241,700</b>
<b>Additional Recreation Programming</b>	<b>275,513</b>
Master Plan/ Marketing Consultants	0
Recreation & Parks General Revenue Fund	500,000
<b>Total Expenses - Recreation and Parks</b>	<b>1,772,451</b>
<b>Total Expenses</b>	<b>2,844,683</b>
<b>Funds for Youth Recreation Programming</b>	<b>397,317</b>
<b>Net Income</b>	<b>0</b>

City of Los Angeles  
 Department of Recreation and Parks  
 Attachment A

<b>Pershing Square Garage Revised Budget</b>	<b>Projected Budget Fiscal Year 6 7/01/05-6/30/06</b>
<b>Projected Revenue</b>	<b>3,256,700</b>
<b>Projected Expenses</b>	
<b>General Services Department/Parking Garage</b>	
Parking Operating Expense	563,746
Building Maintenance Expense	100,000
Capital Improv and Equip Fund - Garage	150,000
Security (below ground)	297,063
Utilities	0
Marketing Consultant (1st Year)	0
<b>Total Expenses - General Services</b>	<b>1,110,809</b>
<b>Department of Recreation and Parks</b>	
<b>Added Surface Security</b>	
Regular Surface Security	285,772
Extra Program/Event Security	20,450
<b>Total Added Surface Security</b>	<b>306,222</b>
<b>Facility Administration</b>	<b>306,482</b>
<b>Added Surface Maintenance</b>	
Park and Facility Maintenance	60,767
Facility Repair/Maintenance	89,250
<b>Total Added Surface Maintenance</b>	<b>150,017</b>
Capital Improv and Equip Fund	150,000
Additional Recreation Programming	275,513
Master Plan/ Marketing Consultants	0
Recreation & Parks General Revenue Fund	500,000
<b>Total Expenses - Recreation and Parks</b>	<b>1,688,234</b>
<b>Total Expenses</b>	<b>2,799,043</b>
<b>Funds for Youth Recreation Programming</b>	<b>457,657</b>
<b>Net Income</b>	<b>0</b>

City of Los Angeles  
 Department of Recreation and Parks  
 Attachment A

Summary of Retained Revenue over Expenditures Years 1 - 6

Summary of Retained Revenue over Expenditures	FY 1	FY 2	FY 3	FY 4	FY 5	Total Transfers to Designated Funds FY 1-5	Amount Expended/ Transferred as of 06/30/05	Designated Funds Transferred to Account \$10M for Park Facility Repair/Maint 06/30/05	Balances Designated Funds FY 1-5	Revised Allocation of Funds	Purpose
Retained Revenue over Expenditures	\$647,646	\$782,377	\$536,526	\$1,378,410	\$288,277	\$3,633,236	\$1,633,454		\$1,999,782		
Allocations											
Designated Capital Project Fund - Unexpended Capital Improvements Funds	\$612,790	\$627,377	\$461,526	\$216,194	\$196,743	\$2,114,630	\$619,815		\$1,494,815	\$1,090,547	\$500,000-Garage Restrooms, \$25,000 Leak Repairs admin offices; other capital improvements
Facility Repair/Maintenance	\$34,856	\$55,000	\$25,000	\$82,645	\$85,000	\$282,501	\$34,856	\$247,645	\$0		Painting, electrical maint, fountain cleaning; \$34,856 expended / \$80,000 transferred to Operations Account \$10M
Operating Reserve		\$100,000	\$50,000	\$100,788	\$6,534	\$257,322	\$0		\$257,322	\$661,590	Operating Reserve Fund- three months average revenue (\$220,350) based on FY 04/05 Actual expenses-Minimum balance to be maintained - \$661,590
Transfer for Youth Programming - FY 1-3				\$978,783		\$978,783	\$978,783		\$0		Funds transferred to MRP W10 for Youth Programming
Total	\$647,646	\$782,377	\$536,526	\$1,378,410	\$288,277	\$3,633,236	\$1,633,454	\$247,645	\$1,752,137	\$1,752,137	

City of Los Angeles  
 Department of Recreation and Parks  
 Pershing Square  
 Attachment B

<b>Pershing Square Garage</b>	<b>Proposed Budget Year 7 7/01/06-6/30/07</b>
<b>Revenue</b>	
Estimated Gross Revenue	3,256,700
Estimated Revenue Earned	2,934,638
Transfer to Recreation & Parks General Revenue Fund	(500,000)
Transfer - Utilities Payment for Pershing Square	(250,000)
<b>Estimated Net Actual Revenue Total</b>	<b>2,184,638</b>
<b>Expenses</b>	
<b>General Services Department/Parking Garage</b>	
Parking Operating Expense	565,000
Building Maintenance Expense	100,000
Capital Improvement and Equipment Fund - Garage	150,000
Security (below ground)	293,004
<b>Total Expenses - General Services</b>	<b>1,108,004</b>
<b>Department of Recreation and Parks</b>	
<b>Added Surface Security</b>	
Regular Surface Security	282,510
Extra Program/Event Security	20,000
<b>Total Added Surface Security</b>	<b>302,510</b>
<b>Facility Administration</b>	
Added Surface Maintenance	291,807
Park and Facility Maintenance	40,000
Facility Repair/Maintenance	57,000
<b>Total Added Surface Maintenance</b>	<b>97,000</b>
Capital Improvement and Equipment Fund	150,000
<b>Additional Recreation Programming</b>	
Downtown On Ice Outdoor Ice Rink	50,000
Concerts, Programs, Special Events	11,780
Pest Control for Park/Events	8,000
Purchase Maint and Replacement of Program Equipment	20,000
<b>Total Additional Recreation Programming</b>	<b>89,780</b>
<b>Total Expenses - Recreation and Parks</b>	<b>931,097</b>
<b>Total Expenses</b>	<b>2,039,101</b>
<b>Estimated Funds for Youth Recreation Programming</b>	<b>145,537</b>
<b>Net Income</b>	<b>0</b>
<p>*Beginning Fiscal Year 2006-2007 General Services Department will charge Pershing Square an estimated \$250,000 annual charge for utilities; Estimated funds for youth recreation programming are based on funds remaining after GSD and RAp operations have been funded. Youth programs funding has been reduced as a result of the requirement to pay the utility charges.</p>	

**City of Los Angeles  
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Attachment C**

**Pershing Square Youth Cultural Opportunities  
Traditional Youth Program**

**The Program Mission**

- To develop positive lifetime recreational and cultural skills and to help build a positive sense of community in youth through age 18 in the Pershing Square area of Los Angeles, by providing a variety of cultural programs to youth within a 5-mile radius of Pershing Square through City of Los Angeles, Department of Recreation and Parks (RAP) Recreation Centers and RAP Youth Programs.
- Programming will include activity and/or performance at Pershing Square, providing additional park activities as well as the opportunity for the community to see RAP's Pershing Square youth programming in action.

**The Programs**

- Programs will be funded by the 60% portion of the annual youth allocation.
- Programs, performances, classes, activities and special events in the cultural arts, including music, arts, dance, drama, crafts.
- Types and varieties of uses of programs funded will be reviewed, evaluated and adjusted annually to meet community needs and to provide a fresh and varied selection each year. Current plans include:
  - Interactive youth performances in dance, theater, music and the arts that may involve instructional demonstrations
  - Community cultural special events.

**Target Service Populations**

- Youth participants through age 18 at RAP Recreation Centers, RAP Licensed Child Care Centers, RAP CLASS Teen Centers and other RAP citywide youth programs located within and/or serving youth 5 mile radius of Pershing Square. Local downtown youth will be reached through Pershing Square and nearby RAP Recreation Centers and through a mobile recreation program.

**The Process**

- Pershing Square Program staff develops cultural programs.
- Staff is responsible for community outreach and advertising, and all other facets of program development and operation.
- Program must identify a plan to teach/build/expand cultural activities for participants.

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Attachment C**

- Program must identify measurable goals, monitoring and reporting.
- A visual and written documentation of programs will be completed for each program.
- The Pershing Square Region Superintendent oversees the programs; the Pershing Square Administrative Office assists with oversight and administration of the program.

**City of Los Angeles  
Department of Recreation and Parks  
Attachment D**

**Pershing Square Youth Cultural Opportunities  
Funding Program**

**The Program Mission**

- To develop positive lifetime recreational and cultural skills and to help build a positive sense of community in youth through age 18 in the Pershing Square area of Los Angeles, by providing competitive funding to City of Los Angeles, Department of Recreation and Parks (RAP) Recreation Centers to generate programming that involve these youth in cultural activities at Pershing Square and at RAP Recreation Centers within a five mile radius of Pershing Square.
- All programming funded will include activity and/or performance at Pershing Square, providing additional park activities as well as the opportunity for the community to see RAP's Pershing Square Youth programming in action.

**The Program**

- Competitive Funding Program for eligible RAP facilities and programs provides start-up funding for new and innovative cultural programming that would not be otherwise available.
- Funds awarded annually, on a competitive basis to RAP facilities and programs as described in this document.

**Eligible Applicants**

- RAP Recreation Centers, RAP Licensed Child Care Centers, RAP CLASS Teen Centers and other RAP citywide youth programs located within and/or serving youth within the designated program service area.

**Target Service Populations**

- Youth participants through age 18 at RAP Recreation Centers, RAP Licensed Child Care Centers, RAP CLASS Teen Centers and other RAP citywide youth programs located within and/or serving youth within five mile the service area.

**Program Funding**

- Youth Programs are funded from net revenues from the Pershing Square Parking Garage remaining after the funding of GSD and RAP operations funding. Funding levels may vary based on operational funding needs and requirements.
- Programs will be funded by the 40% portion of the annual youth allocation.

**The Process**

- The Pershing Square Administrative Office administers the program in cooperation with the established Committee.

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 Attachment E

Estimated Multi-Year Expenditure Plan for Youth Program Allocation									
Note: Formula for Allocation is 60 % - Pershing Square traditional program and 40% - Pershing Square in-house competitive Recreation and Parks (RAP) funding program.									
	Estimated Annual Youth Program Budget Based on FY 04/05 Allocation	Projected Budget Fiscal Year 6 07/01/05-06/30/06	Projected Budget Fiscal Year 7 07/01/06-06/30/07	Projected Budget Fiscal Year 8 07/01/07-06/30/08	Projected Budget Fiscal Year 9 07/01/08-06/30/09	Projected Budget Fiscal Year 10 07/01/09-06/30/10	Projected Budget Fiscal Year 11 07/01/10-06/30/11		
Pershing Square Youth Program									
Allocated funds		1,011,800	937,048	0	0	0	0		
Estimated Balance of Funds in Account									
*Estimated Transfers from Prior Fiscal Year from Pershing Square Garage to MRP W10, 1705 to Fund Youth Program	347,317	978,783	345,537	145,537	145,537	145,537	145,537		
Total Allocation	347,317	1,990,583	1,282,586	145,537	145,537	145,537	145,537		
Projected Expenses									
P Sq Traditional Youth Program Allocation (60%)	208,390	1,194,350	769,551	87,322	87,322	87,322	87,322		
-Spring Break Youth Programs Funding	25,000	25,000	25,000	15,000	15,000	15,000	15,000		
-One Time Additional Special Event Funding	80,668	100,000	25,000						
-Downtown on Ice - Ice Rink		100,000	100,000	19,702	19,702	19,702	19,702		
-One Time Additional Funding	30,000	30,000	100,000	20,000	20,000	20,000	20,000		
-Winter Holiday Festival		30,000	30,000	20,000	20,000	20,000	20,000		
-One Time Additional Special Event Funding (Skid Row Youth)	50,000	50,000	50,000	20,000	20,000	20,000	20,000		
-Downtown Youth Mobile Recreation Program (Skid Row Youth)			81,030						
-One Time Additional Special Event Funding			40,000						
-One time Additional Funding - Vehicle Purchase									
-Administration Costs	6,252	35,830	23,087	2,620	2,621	2,620	2,620		
-Partial Funding for FT Recreation Coordinator	16,471	16,471	15,435	10,000	10,000	10,000	10,000		
Total	208,391	257,301	519,552	87,322	87,323	87,322	87,322		
Competitive RAP In-House Funding Program Allocation (40%)	138,927	796,233	513,034	58,215	58,215	58,215	58,215		
-Competitive Funds Allocation	131,981	756,422	487,383	55,304	55,304	55,304	55,304		
-One Time Additional Funding	6,946	39,812	25,652	2,911	2,911	2,911	2,911		
-Administration Costs	138,927	796,233	763,034	58,215	58,215	58,215	58,215		
Total									
Total Expenses	347,318	1,053,535	1,282,586	145,536	145,538	145,536	145,536		
Estimated Net Income	0	937,048	0	0	0	0	0		
Note: Funds not used in any budget year will roll over within Youth Program for the next Fiscal Year.									
* Note: Estimated transfers are based on net revenue available after GSD and RAP operations have been funded and have been reduced beginning FY7 due to addition of \$250,000 in GSD utility charges.									