

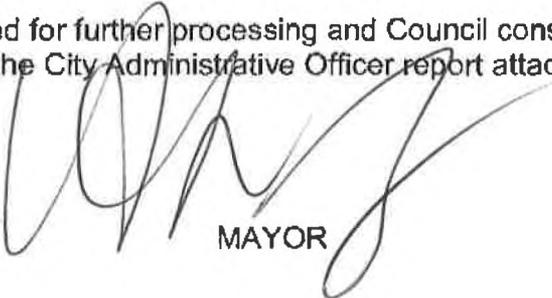
0150-03656-0000

TRANSMITTAL

TO Eugene D. Seroka, Executive Director Harbor Department	DATE MAY 22 2015	COUNCIL FILE NO.
FROM The Mayor	COUNCIL DISTRICT 15	

**PROPOSED PERMANENT ORDER NO. 15-7175 TO AMEND PORT OF LOS ANGELES
 (POLA) TARIFF NO. 4, SECTION ONE – “DEFINITIONS,” ITEM NO. 100 AND
 SECTION THIRTEEN – “PARKING CHARGES,” ITEM NO. 1300**

Transmitted for further processing and Council consideration.
 See the City Administrative Officer report attached.



MAYOR

MAS:ABN:101500761

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: March 31, 2015

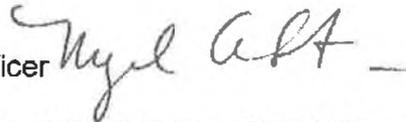
CAO File No. 0150-03656-0076

Council File No.

Council District: 15

To: The Mayor

From: Miguel A. Santana, City Administrative Officer



Reference: Correspondence from the Harbor Department dated February 23, 2015; referred by the Mayor for report February 26, 2015

Subject: **PROPOSED PERMANENT ORDER NO. 15-7175 TO AMEND PORT OF LOS ANGELES (POLA) TARIFF NO. 4, SECTION ONE – “DEFINITIONS,” ITEM NO. 100 AND SECTION THIRTEEN – “PARKING CHARGES,” ITEM NO. 1300**

SUMMARY

The Harbor Department (Port) Board of Harbor Commissioners (Board) requests approval of Permanent Order No. 15-7175 (Order) and a proposed Ordinance to amend Port of Los Angeles (POLA) Tariff No. 4 (Port Fees, Rules and Regulations Manual), Section No. One - "Definitions" - Item No. 100, and Section No. 13 - "Parking Charges-" Item No. 1300. The proposed Amendment to the Tariff will provide the following: 1) a change to definitions due to revisions in parking provisions, for the proposed increase to the parking rates contained in Tariff Item No. 1300 for Parking Charges and 2) a proposed change to parking charges that will provide an increase to the hourly rates (from \$1.00 to \$2.00) for standard vehicles and an increase of \$4.00 per hour for oversized vehicles. In addition, the change will include language in the Tariff for oversized vehicles, which is a new designation for Tariff Section No. 13, and will include provisions for buses, trucks, recreational vehicles or any vehicle and trailer taking up more than one marked parking space or stall. There is no current rate for oversized vehicles.

In 2014, the Port contracted with a consultant, Desman Associates, to conduct a parking rate study. The results of the parking study included increasing the hourly parking rates for the World Cruise Center and Catalina Terminal lots from \$1.00 to \$2.00 per hour per vehicle. In addition, they recommended increases to overnight and monthly parking rates at both lots. The study on potential rate adjustments was partially based on a comparison of parking rates at seven cruise port terminals in the following cities in the United States: Long Beach; San Diego; San Francisco; Seattle; Miami; Fort Lauderdale; and Cape Canaveral. The study identifies that some of the parking lots at the cruise facilities are controlled by the ports and while other parking lots at some of the facilities are managed privately. The parking rates varied, but most of the rates were higher than what the Port charges currently. As a result, the Port is proposing to amend Tariff No. 4 to update the parking rates, based on the comparison survey of other cruise terminals and to remain competitive with the surveyed parking rates. As noted in the following listed chart, the proposed Tariff Amendment of the parking rates would be subject to gradual increases in the daily maximum charges for each 24-hour day from March 2015 through January 2017.

The Port states that Tariff No. 4 currently includes daily parking charges at the World Cruise Center, Catalina Terminals, S.S. Lane Victory, Waterfront Development promenade activities, the USS IOWA, and other special events. Current parking rates include a maximum of \$12.00 per 24-hour day and \$1.00 per hour per vehicle, with a one free hour parking period at guest parking lots for Catalina Terminal and S.S. Lane Victory locations. According to Port, parking rates have not been increased since 2005.

The Port states that daily rate charges will not exceed the new proposed maximum charges for each 24-hour day for standard and oversized vehicles. The rate will increase over the next three years from a baseline of the gross revenue collected in calendar year 2013 of \$1,752,000. As noted in the chart below, using the revenue amount from 2013 as a baseline, there will be a gradual increase in estimated gross revenue over the three-contract term, as follows: estimated gross revenue will be \$2,237,667 or an approximately \$486,000 increase in 2015; an estimated revenue of \$2,482,000 in 2016; and, an estimated revenue of \$2,628,000 in 2017:

Effective Date	Maximum Charge each 24 hour-day per Standard Vehicle (Current Rate is \$12)	Maximum Charge each 24-hour day per Oversized Vehicle *	Estimated Gross Parking Revenue collected for (2015-2017)
3/1/2015	\$16.00	\$32.00	\$2,237,667
1/1/2016	\$17.00	\$34.00	\$2,482,000
1/1/2017	\$18.00	\$36.00	\$2,628,000

* Oversized vehicles include buses, trucks, or vehicles and/or trailers taking up more than one marked parking space.

As defined in the proposed Amendment to Tariff Item No. 1300, the monthly parking charges for standard vehicles would increase from the current rate of \$61.00 to \$80.00 per month, or approximately 31 percent, and for oversized vehicles it would increase to \$160.00. The Port states that the additional revenue to the POLA is estimated at approximately \$486,000 for calendar year 2015, assuming the same number and duration of parked vehicles. According to Port, all rates are inclusive of the City of Los Angeles' (City) Vehicle Parking Occupancy Tax.

Other changes to the Tariff Amendment include amending language to revise Tariff definitions and to identify and define oversized vehicles and trailers in the paid parking lots at the Port. The Port is requesting additional charges for these vehicles because they take up more than one parking space. In addition, the Tariff will include language to prohibit the overnight occupancy of and sleeping in vehicles. The parking lots will be for the parking vehicles only. The proposed Tariff Amendment also will include language to identify employees and staff who are entitled to park in the lots free of charge because of their work activity on the premises, such as Port staff, World Cruise Center and Catalina Terminal employees, vendors, longshore workers, security and ground staff and cruise company employees. Any overnight parking for Port or Tenant employees must be approved by prior written permission from the Port Executive Director. The Port is also requesting to add Tariff language to authorize the Port Executive Director to approve a flat fee parking option for selective events on the waterfront. See the attached Tariff Section One and Section 13 for the proposed amendments to Tariff.

The City Attorney has approved the proposed Permanent Order and Ordinance to amend Tariff No. 4, Section No. One, Item No. 100, and Section No. 13, Item No. 1300. The Port Director of Environmental Management has determined that the proposed action to amend Tariff No. 4 is an administrative action and is therefore exempt from the California Environmental Quality Act (CEQA) under Articles 11, Section 2(f) and Article III, Class 1(31) of the Los Angeles City CEQA Guidelines.

RECOMMENDATION

That the Mayor approve proposed Permanent Order No. 15-7175 (Order) and a proposed Ordinance to amend Port of Los Angeles Tariff No. 4 (Port Fees, Rules and Regulations Manual), Section No. One - "Definitions" - Item No. 100, and Section No. 13 - "Parking Charges-" Item No. 1300 and return the document to the Port for further processing, including Council consideration.

FISCAL IMPACT STATEMENT

Approval of the request by the Harbor Department (Port) will amend Tariff No. 4, Section One and Section 13 to revise definitions in Tariff No. 4 and increase parking rate charges for selective Port of Los Angeles parking lots, including World Cruise Center and Catalina Terminal lots. Based on the baseline revenue amount in calendar year 2013 of \$1,752,000, there will be an estimated increase in gross revenue over the three-year contract term (from 2015 to 2017), as follows: estimated gross revenue will be \$2,237,667 or an approximately \$486,000 increase in 2015; the estimated gross revenue will be \$2,482,000 in 2016; and, the estimated gross revenue will be \$2,628,000 in 2017. Rates are inclusive of the City's parking occupancy taxes. Funding from the parking charge rates will be deposited into the Harbor Revenue Fund.

TIME LIMIT FOR COUNCIL ACTION

Pursuant to Charter Section 606, Process for Granting Franchises, Permits, Licenses and Entering into Leases, unless Council takes action disapproving a contract that is longer than five years within 30 days after submission to the Council, the contract will be deemed approved.

MAS:ABN:10150076

Attachment