

MEMORANDUM

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DATE: OCTOBER 21, 2010 AD0000

TO: CRA/LA BOARD OF COMMISSIONERS

FROM: CHRISTINE ESSEL, CHIEF EXECUTIVE OFFICER

STAFF: DAVID RICCITIELLO, REGIONAL ADMINISTRATOR
PHILIP TONDREAU, DEPUTY DIRECTOR OF REAL ESTATE

SUBJECT: **Parking Agreement with Parking Concepts, Inc.** not to exceed \$130,592 for a twenty two (22) month period for Downtown Region Staff, City Center Redevelopment Project Area
DOWNTOWN REGION (CD 9 and 14)

RECOMMENDATION(S)

That the CRA/LA Board of Commissioners, subject to City Council approval, authorize the Chief Executive Officer (CEO) or designee to enter into a parking agreement with Parking Concepts, Inc. for Downtown Region personnel.

SUMMARY

At their meeting of May 20, 2010, the CRA/LA Board of Commissioners authorized executing an office lease for the Downtown Region at 448 S. Hill Street. This building does not have its own parking. Staff is seeking authorization to enter into a parking agreement with Parking Concepts, Inc. (PCI), who operates the parking lot at 431 S. Hill Street, directly across Hill Street from the Downtown Region office. PCI, who recently began operating the lot, is agreeing to a 22-month parking agreement, charging \$130.00 per month per space, and allowing CRA/LA the flexibility to purchase 10-40 parking permits each month and pay only for those actually used. Parking rates offered by the three other parking facilities around 5th and Hill Streets, including the City-owned Pershing Square Garage, range between \$135 and \$190 per month per space.

PREVIOUS ACTIONS

May 20, 2010, Board authorization to lease office space at 448 S. Hill Street, Los Angeles, CA 90013

DISCUSSION & BACKGROUND

In order to better serve its constituents, the Downtown Region moved its offices on August 30, 2010 to the Pershing Square Building at 448 S. Hill Street. During lease negotiations, the landlord agreed to pay for parking during the first two months of occupancy (September and October). Staff is now seeking authorization to enter into a 22-month parking agreement with PCI, who operates the lot directly across the street. PCI is offering to lease between 10 and 40 spaces per month depending on CRA/LA's need at \$130 per month per space.

Because of the range of parkers every month, the monthly cost to implement this parking agreement can be anywhere between \$1,300 for 10 and up to \$5,200 for 40 parking spaces.

However the average monthly cost will be **\$2,600** to pay for the 20 parking spaces presently used by staff.

Quoted Parking Rate Ranges

1. Pershing Square Garage \$190 – (\$225 for assigned parking)
2. 431-437 S. Hill Street \$144 – (subsequently offered at \$130)
3. 504 S. Hill Street \$135

Other parking facilities were not in the same proximity and did not offer the same security to parking patrons or the extended hours of operation found at the above facilities.

Visitor parking cost is determined by the daily market rate and PCI is offering CRA/LA an 8% discount from the prevailing rate. Presently a book of 20 validations costs \$240; CRA/LA pays \$220. Downtown Region has used 2 books of validations per month.

SOURCE OF FUNDS

Downtown Region's Operating Fund.

PROGRAM AND BUDGET IMPACT

This action is consistent with the adopted FY11 Budget and Work Program. There is no fiscal impact to the City's General Fund, as a result of the recommended action.

ENVIRONMENTAL REVIEW

The proposed action does not constitute a "project" as defined by the California Environmental Quality Act.

Christine Essel
Chief Executive Officer

By:

Calvin E. Hollis
Chief Operating Officer
Real Estate and Economic Development

There is no conflict of interest known to me which exists with regard to any CRA/LA officer or employee concerning this action.

ATTACHMENTS

Attachment A: Parking Agreement