

# Parking Garage Operations Fund



## Department Overview

The Parking Garage Operations Fund receives the revenues and pays the operating and debt service costs for the Pacific Place Garage, which is located between Sixth and Seventh Avenues and Pike and Olive Streets in downtown Seattle. The City took over responsibility for the Garage in November 1998.

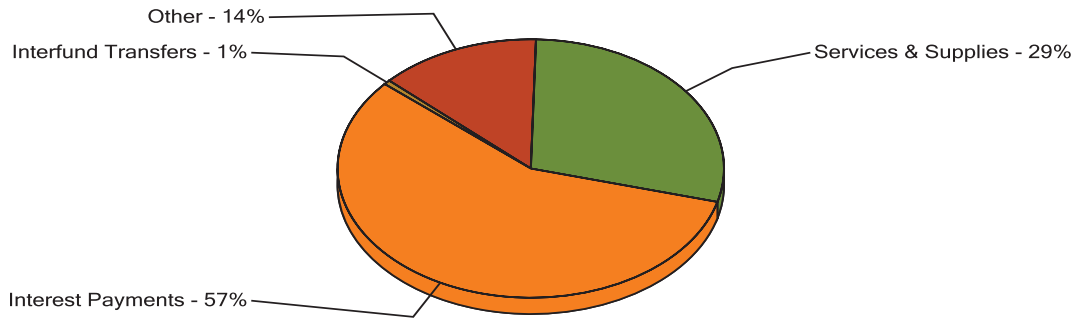
## Budget Snapshot

Department Support	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Other Funding - Operating	\$7,840,322	\$8,092,861	\$9,359,058	\$8,687,760
<b>Total Operations</b>	<b>\$7,840,322</b>	<b>\$8,092,861</b>	<b>\$9,359,058</b>	<b>\$8,687,760</b>
<b>Total Appropriations</b>	<b>\$7,840,322</b>	<b>\$8,092,861</b>	<b>\$9,359,058</b>	<b>\$8,687,760</b>
Full-time Equivalent Total*	0.00	0.00	0.00	0.00

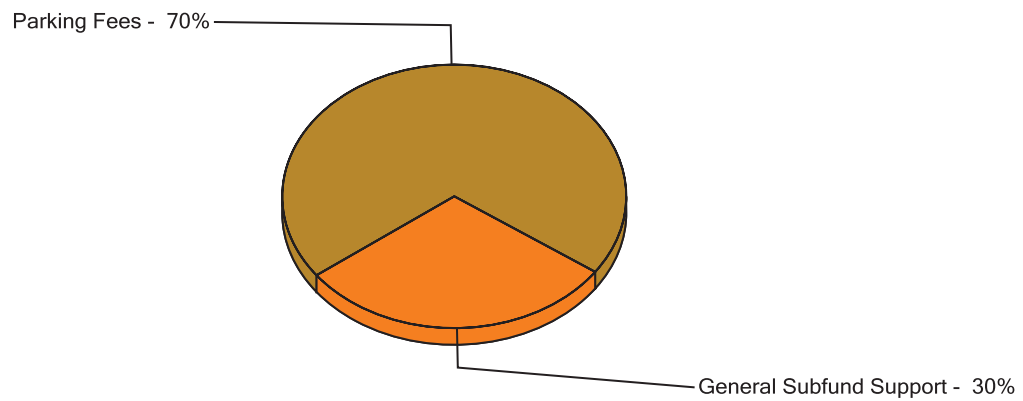
\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.

## Parking Garage Operations Fund

### 2013 Proposed Budget - Expenditure by Category



### 2013 Proposed Budget - Revenue by Category



# Parking Garage Operations Fund

## Budget Overview

Until 2009, the Pacific Place Garage generated revenue sufficient to pay all of its expenses, including operating costs, equipment purchases, taxes, and debt service. However, due in part to poor economic conditions, reduced downtown retail sales activity and escalating debt service payments, the Pacific Place Garage is currently running a cash deficit. Although the City has tried various pricing scenarios and ultimately raised rates in spring 2012, these changes have not provided sufficient revenues to pay all operating expenses.

The Pacific Place Garage fund faces additional drivers in 2013 and 2014 that puts further financial pressure on the fund. Capital repairs to the garage must be made in 2013 and 2014, including replacing the revenue control equipment. FAS will also hire a full time parking manager to provide intensive management oversight to the Pacific Place Garage.

Current projections indicate that the Pacific Place Garage will continue to generate insufficient revenues to cover all annual expenses. The Garage Fund is not in a position to sustain additional operating losses without mitigation.

Consistent with the City's commitment to conservative financial management practices, the 2013-2014 Proposed Budget allocates an average of \$2.4 million annually from the General Fund in order to cover the annual shortfall in the Garage Fund. Without this injection of funding, the Garage Fund's financial position would continue to decline without a clear path to financial stability.

The General Fund support will prevent a deterioration of the Garage Fund's financial position, but does not provide sufficient funding to repay the currently authorized loan to the Garage Fund from the Consolidated Cash Pool, which is planned to expire at the end of 2012. In order to allow for additional time to develop a full repayment plan, including any needed adjustments to garage operations, the budget proposes to extend the duration of the existing loan to the end of 2014 and increase the maximum loan amount from \$4 million to \$5 million to provide additional flexibility.

## Incremental Budget Changes

### Parking Garage Operations Fund

	2013		2014	
	Budget	FTE	Budget	FTE
<b>Total 2012 Adopted Budget</b>	<b>\$ 8,092,861</b>	<b>0.00</b>	<b>\$ 8,092,861</b>	<b>0.00</b>
<b>Proposed Policy Changes</b>				
Funding for Equipment and Position	\$ 1,242,000	0.00	\$ 455,000	0.00
<b>Proposed Technical Changes</b>				
Technical Adjustments	\$ 24,197	0.00	\$ 139,899	0.00
<b>Total Incremental Changes</b>	<b>\$ 1,266,197</b>	<b>0.00</b>	<b>\$ 594,899</b>	<b>0.00</b>
<b>2013 - 2014 Proposed Budget</b>	<b>\$ 9,359,058</b>	<b>0.00</b>	<b>\$ 8,687,760</b>	<b>0.00</b>

# Parking Garage Operations Fund

## Description of Incremental Budget Changes

### Proposed Policy Changes

#### Funding for Equipment and Position - \$1,242,000

This proposal adds funding to cover the replacement of the ticket dispensing equipment which is at the end of its useful lifecycle. In addition, funding is added to cover a position that will perform more intensive management oversight to the Pacific Place Garage.

### Proposed Technical Changes

#### Technical Adjustments - \$24,197

This adjustment increases the budget and brings it into alignment with the cost of operating the garage due to inflation and other cost increases.

## Expenditure Overview

Appropriations	Summit Code	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Pacific Place Garage Budget Control Level	46011	7,840,322	8,092,861	9,359,058	8,687,760
<b>Department Total</b>		<b>7,840,322</b>	<b>8,092,861</b>	<b>9,359,058</b>	<b>8,687,760</b>
<b>Department Full-time Equivalents Total*</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.

## Revenue Overview

### 2013 Estimated Revenues

Summit Code	Source	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
587001	General Subfund	0	0	2,813,058	2,031,760
	<b>Total General Subfund Support</b>	<b>0</b>	<b>0</b>	<b>2,813,058</b>	<b>2,031,760</b>
462300	Parking Fees	5,930,748	6,246,721	6,540,000	6,650,000
469990	Other Miscellaneous Revenue	6,127	6,000	6,000	6,000
	<b>Total Parking Fees</b>	<b>5,936,875</b>	<b>6,252,721</b>	<b>6,546,000</b>	<b>6,656,000</b>
	<b>Total Revenues</b>	<b>5,936,875</b>	<b>6,252,721</b>	<b>9,359,058</b>	<b>8,687,760</b>
379100	Use of (Contribution to) Fund Balance	1,903,450	1,840,140	0	0
	<b>Total Use of Fund Balance</b>	<b>1,903,450</b>	<b>1,840,140</b>	<b>0</b>	<b>0</b>
	<b>Total Resources</b>	<b>7,840,325</b>	<b>8,092,861</b>	<b>9,359,058</b>	<b>8,687,760</b>

## Parking Garage Operations Fund

### Appropriations By Budget Control Level (BCL) and Program

<b><u>Pacific Place Garage Budget Control Level</u></b>				
The purpose of the Pacific Place Garage Budget Control Level is to provide appropriation authority for the City's expenses to operate the Pacific Place Garage, which is located between Sixth and Seventh Avenues and Pine and Olive Streets in downtown Seattle. The City took over responsibility for the Garage in November 1998.				
<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Pacific Place Garage	7,840,322	8,092,861	9,359,058	8,687,760
<b>Total</b>	<b>7,840,322</b>	<b>8,092,861</b>	<b>9,359,058</b>	<b>8,687,760</b>

### Parking Garage Operations Fund Table

<b><u>Parking Garage Operations Fund (46010)</u></b>					
	<b>2011 Actuals</b>	<b>2012 Adopted</b>	<b>2012 Revised</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
<b>Beginning Fund Balance</b>	<b>-1,322,651</b>	<b>-3,255,338</b>	<b>-3,226,098</b>	<b>-4,881,959</b>	<b>-4,881,959</b>
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	5,936,875	6,252,721	6,437,000	9,359,058	8,687,760
Less: Actual and Budgeted Expenditures	7,840,322	8,092,861	8,092,861	9,359,058	8,687,760
<b>Ending Fund Balance</b>	<b>-3,226,098</b>	<b>-5,095,478</b>	<b>-4,881,959</b>	<b>-4,881,959</b>	<b>-4,881,959</b>
<b>Ending Unreserved Fund Balance</b>	<b>-3,226,098</b>	<b>-5,095,478</b>	<b>-4,881,959</b>	<b>-4,881,959</b>	<b>-4,881,959</b>

