

**TO THE COUNCIL OF THE
CITY OF LOS ANGELES**

Your **BUDGET AND FINANCE** Committee

reports as follows:

BUDGET AND FINANCE COMMITTEE REPORT relative to parking validation expenditures.

Recommendations for Council action, as initiated by Motion (Greuel-Parks):

1. ADOPT the following amendment to the City's Financial Policies, to include a Parking Validation Payment Policy, substantially as follows:
 - a. To the extent feasible, employ conference calls or technology to conduct meetings rather than physical meetings among City Staff;
 - b. When a physical meeting of City staff is imperative, utilize a location that is easily accessible by public transportation for the greatest number of required attendees;
 - c. If public transportation is not available, utilize a location that has free parking available for attendees;
 - d. No City funds shall be budgeted or expended from other accounts, including "Petty Cash" for validated parking, or reimbursement of parking expense, except under the following circumstances: Official uncompensated volunteers to the City, including unpaid commissioners (i.e., commissioners who do not receive a salary or stipend); sworn officers who are ordered to appear in court and have another official Los Angeles Police Department (LAPD) or Los Angeles Fire Department (LAFD) assignment on the same day; official City business outside of the City, in which it can be justified that utilization of public transit was infeasible and free parking was unavailable within a reasonable walking distance; or required by an existing Memorandum of Understanding.
2. DIRECT all General Managers to cease expenditure of all City funds (General Fund, Special Funds, grants, etc.) for parking validations and/or reimbursement for parking charges, and to begin informing their customers and employees through posted signs, memos and other means that parking validations will no longer be provided, in accordance with the Parking Validation Payment Policy of the City's Financial Policies.
3. INSTRUCT General Managers to put in place controls that will ensure parking validations are issued in accordance with the Parking Validation Payment Policy, specified in Recommendation No. 1 above.
4. INSTRUCT the Library Department to conduct a 30-day survey relative to Library parking validations to determine who is using parking validations, how often, where Library parking validation users are traveling from, etc., and report back to the Budget and Finance Committee.

5. RECEIVE and FILE the joint Chief Legislative Analyst (CLA)/City Administrative Officer (CAO) report dated August 26, 2008 relative to parking validation expenditures.

Fiscal Impact Statement: The CLA and CAO report that approval of the above recommendations (as amended in Committee) is anticipated to generate savings within departments/Funds, including Police and Building and Safety. It is expected that such savings will be available to offset any deficits within these departments.

SUMMARY

At its meeting of January 26, 2009, the Budget and Finance Committee considered Motion (Greuel-Parks) and joint CLA/CAO reports relative to parking validation expenditures. Motion (Greuel-Parks) instructed the CLA and CAO to report on the amount of funding for which every department and commission is budgeted and expends annually on parking validations; the source of funds used; and the potential for departments and commissions to cease further parking validation expenditures in order to use these funds to offset other City expenditures.

In response to the Motion, all City departments and commissions were requested to provide information regarding their parking validation expenditures for fiscal year 2007-08. In a report dated August 26, 2008, the CLA/CAO reported that department responses reveal that, with the exception of a few City departments, most do not budget for parking validations; rather, expenditures are made on an as-needed basis from various expense accounts. Departments reported a total of \$750,118 in parking validation expenditures for fiscal year 2007-08 (as of May 2008) from the following funding sources: \$197,909 in General Fund and \$552,209 in special funds. While the Motion suggested the possibility of ceasing further expenditures for parking validations to generate savings, the CLA/CAO reported that discontinuing this practice across all departments and commissions may not be feasible. During consideration of the matter before the Transportation Committee on September 24, 2008, the CLA/CAO were instructed to provide additional information on those departments that expend the most on parking validations (Library, Police Department and Building and Safety) and whether there is a parking validation policy in place Citywide or in any department.

In a follow-up report dated January 14, 2009, the CLA/CAO report that in 1995, the Council established the Central Library Parking Validation Program (Program) to encourage usage of the Central Library by providing discounted parking for library patrons. The Program allows for those Central Library patrons who park their vehicles in the Westlawn Garage, which is owned by Maguire Properties, to obtain a validation for discounted parking by presenting their library card at the Information Desk. The CLA/CAO report that there are now more public transit options available to Central Library patrons as compared to 1995, which result in a much less critical need for use of private vehicles to access services at the Central Library. The CLA/CAO additionally report that many of the Central Library's services are accessible through the Internet; therefore, there is less need to physically travel to the Central Library. During the Committee discussion, the Acting City Librarian reported that many library materials, such as reference and historical materials, are not available over the internet and can only be accessed at the Central Library. The Acting City Librarian and Library Commissioner Rita Walters urged the Committee not to discontinue the Program. The Committee instructed the Library to conduct a 30-day survey to determine who is using parking validations, how often, where Library parking validation users are traveling from, etc., and report back to the Budget and Finance Committee.

The CLA/CAO reported that for the past three years, the LAPD has spent approximately \$125,000 annually on parking validations and has budgeted \$136,000 in its Office and Administrative Account for 2008-09 validation costs. Validations are provided to LAPD employees who must travel to various department offices for meetings, boards of review, investigations, therapy and for the pick-up or delivery of materials. Attachment B of the joint CLA/CAO report, attached to the Council file, provides additional details relative to the LAPD parking validation expenditures.

The Department of Building and Safety (LADBS) expended \$368,404 in 2007-08 on parking validations, paid out of the Building and Safety Building Permit Enterprise Fund. Validations are primarily issued to fee-paying customers conducting business at Figueroa Plaza and in Van Nuys related to LADBS Enterprise Fund activities such as plan checks, various permits and inspections.

The CLA/CAO report that the City Council does not have an existing policy applicable to the provision of validated parking. The CLA/CAO recommend that the Council amend the City's Financial Policies to include such a policy.

The Budget and Finance Committee recommended approval of the CLA/CAO recommendations as amended to delete the recommendations relative to the Library Parking Validation Program. The Library was instructed to report back to the Committee upon completion of the parking validation survey so the matter can be re-considered. This matter is now forwarded to the Council for its consideration.

Respectfully submitted,

BUDGET AND FINANCE COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
PARKS:	YES
GREUEL:	YES
SMITH:	YES
ROSENDAHL:	ABSENT
HUIZAR:	ABSENT

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