

# 2010 Annual Report

## Department of Off-Street Parking





## Message from the Chair of the Board



MPA operates on the premise that most people are willing to pay a fair price for parking as long as the payment process is simple and reliable. As we explore and implement new parking technology, customers respond positively—and the city has reaped the benefits in the form of higher parking revenues and fewer citations.

Pay by Phone, launched in Miami in May 2008, is transforming our operation. More than 54,000 vehicles have been registered with the service, and Pay by Phone now accounts for nearly six percent of monthly on-street parking revenues. Pay & Display technology has also advanced. We are excited about the capabilities of the next-generation Pay & Display units and hope to introduce new features in the coming year.

Innovations such as these lower our operating costs and allow us to generate greater profits for the city. The critical need for this income was highlighted this year when voters considered a referendum enabling the Commission to sell the city's parking assets to generate cash. Though the measure was defeated, it did renew our resolve to run as lean and efficient an organization as possible, and to work as allies with our elected officials to achieve shared goals.

Looking to the future, we will continue to aggressively seek out opportunities for public-private partnerships, a development model we have found highly effective. We invite inquiries from the business community about how we can work together.

  
**Jami Reyes**  
*Chair of the Board*

## Message from the Chief Executive Officer



March 2010 marked one of the most significant occasions in our organization's 55-year history: the opening of our Courthouse Center Garage. This 11-story development in the heart of downtown Miami combines 844 parking spaces with 41,000 square feet of office space (now partially occupied by MPA's administrative office) and 4,100 square feet of retail space. The garage is open to the public and offers both short-term public parking and monthly contract parking. The return of this property to income-generating status after two years of construction had a significant effect on our bottom line this year.

Courthouse Center is among the nine facilities that are now fully automated with state-of-the-art equipment. Automation reduces our staffing needs and provides tighter financial controls. We will complete automation of the Convention Center Garage in the coming year.

In our continued drive to identify efficiencies and reduce expenses, we converted our variable-rate debt to a fixed-rate debt structure and aggressively renegotiated numerous vendor contracts. MPA also made a significant contribution to the City of Miami of \$7.5 million this year, compared to just over \$2 million the previous year.

MPA was again recognized with the Award for Outstanding Achievement in Popular Annual Financial Reporting from the Government Finance Officers Association of the U.S. and Canada for its 2009 report. This marked the second consecutive year of winning the award.

As always, we welcome the public's feedback about how we can improve our operations and better serve our community.

  
**Arthur Noriega, V**  
*Chief Executive Officer*



## City of Miami Mayor and Commission



**Tomas P. Regalado**  
Mayor



**Wilfredo (Willy) Gort**  
*Chair*  
Commissioner District 1



**Marc Sarnoff**  
Commissioner District 2



**Frank Carollo**  
*Vice Chair*  
Commissioner District 3



**Francis Suarez**  
Commissioner District 4



**Richard P. Dunn**  
Commissioner District 5

## Miami Parking Authority Board of Directors



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President  
Jami Reyes & Co.



**Stephen Nostrand**  
Managing Director  
Colliers International South Florida



**Arthur H. Hertz**  
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**Marlon A. Hill**  
Founding Partner  
delancyhill, P.A.



**Thomas B. Jelke, Ph.D.**  
President & CEO  
t.jelke solutions

## Miami Parking Authority Senior Management

**Arthur Noriega, V**  
Chief Executive Officer

**Alejandra Argudin**  
Chief Development Officer

**Angela D. Hernandez**  
Director of Human Resources

**TBA**  
Chief Operations Officer

**Lavern Smith**  
Director of Information Technology

**Rolando Tapanes**  
Director of Planning and Development

**Scott Simpson**  
Chief Financial Officer

**Luis Choter**  
Director of On-Street Operations

**Margie Carmenates**  
Controller

## Overview



The Miami Parking Authority, also known as the Department of Off-Street Parking, manages and develops on- and off-street parking in the City of Miami, Florida. It shares responsibility with the City of Miami Police Department and Miami-Dade County for enforcement of parking regulations.

MPA is a semi-autonomous, self-sustaining agency managed by parking industry professionals and financed by parking revenues; it receives no taxpayer support. Funds not used by operations are returned to the City of Miami, and all ticket citation revenues are payable directly to Miami-Dade County.

The Authority is governed by a five-member Off-Street Parking Board, which has the customary duties and powers of a private corporation's board. The Miami City Commission retains authority for approval of MPA's annual budget and rate structure, the confirmation of appointments to the Board, and the issuance of parking revenue bonds. As a component unit of the City of Miami, MPA's financial statements are incorporated as a proprietary fund into the City of Miami's Comprehensive Annual Financial Report.

The MPA Board and management view parking as a vital component of the community's public infrastructure and economic health. MPA conducts its operations according to its Mission: "We will meet the City's parking needs by working in partnership with, and being responsive to, our internal and external customers by continuously and measurably improving performance and striving for excellence in all aspects of our business."

With more than 30,000 parking spaces under management, MPA wholly owns five garages; the remainder are either leased or managed on behalf of other owners, including the City of Miami and other government entities, non-profit organizations, or public/private partnerships.

## Operations

### On-Street Operations

On-street revenues for the year totaled nearly \$12.1 million, an increase of \$1.8 million over the prior year. 487 new spaces were added to the on-street parking inventory.

146 additional Pay and Display master meters were installed throughout the city and malfunctioning units were replaced in several areas. Improvements in Pay and Display technology have enabled “flex zone” pricing in areas such as Coconut Grove, where parking rates have now been reduced after 6 p.m. to encourage evening usage.

MPA’s Pay by Phone program results continue to exceed expectations as customers discover the speed and convenience of the payment method. Since the program was introduced in May 2008, nearly 400,000 Pay by Phone transactions have been completed, totaling nearly \$1 million in parking revenue.

Improved technology has also resulted in a drop in citations to 238,170 this year, compared to 285,911 last year.

### Off-Street Operations

The facility automation program begun last year is nearly complete, with five of six garages as well as several lots now fully automated. Automation has improved cash controls and increased operating efficiencies. A new operations command center is being developed to monitor and respond to all operational issues around the clock.

**SAVE ON PARKING IN THE CITY OF MIAMI**

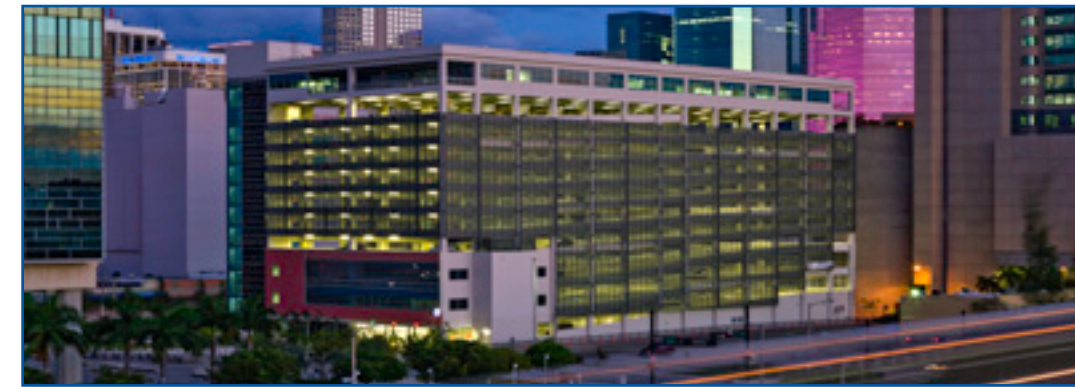


**QUICK-VISIT PARKING**  
Now FREE in every MPA garage, all the time.  
If you’re in and out in 30 minutes or less, your parking is FREE!  
Regular rates apply after 30 minutes.  
For more information, visit [www.miamiparking.com](http://www.miamiparking.com).



Department of Off-Street Parking (DOSP)

## Planning & Development



### Courthouse Center

The state-of-the-art Courthouse Center project officially opened in January 2010. MPA’s administrative operations were moved from subterranean offices in the College Station Garage to Courthouse Center in June. The additional office space is partially occupied. Leasing efforts continue for the remaining office space as well as the ground-level retail space.

### Discount Programs

MPA rolled out several discount-parking promotions this year to support businesses in the Central Business District and Coconut Grove:

- Quick-Visit Parking is now free in every MPA garage, all the time. There is no charge for in-and-out visits of 30 minutes or less. Regular rates apply after 30 minutes.
- Free Flagler Parking is available on Flagler Street from Biscayne Boulevard to 1st Avenue from 6 pm-7 am.
- City of Miami residents receive a 20% discount on on-street Pay by Phone parking (not valid with other discount programs).
- Park & Shop offers customers of downtown Miami businesses discounted parking in MPA’s four downtown garages. Participating merchants provide a validation coupon to customer that is valid for up to three hours of parking for a flat rate of \$1.00 in the daytime. In the evening, the coupon is valid for four hours.
- Nights & Weekends Monthly Parking offers downtown residents monthly discounts at three MPA facilities. On-street parking decals valid for nights and weekends are also available for a discounted fee.
- Downtown visitors may park overnight in an MPA downtown garage or on the street for a discounted flat rate.
- In Coconut Grove, a residential decal pilot program was launched.
- Coconut Grove parkers now receive discounted rates when parking with Pay & Display.
- \$25 monthly parking in MPA’s Oak Avenue is available for employees of Coconut Grove retail, restaurants and entertainment businesses. Evening parking is also discounted for regular customers.

Complete details on these discount programs are available on the MPA website.

### Public Information

MPA increased its efforts to inform and educate citizens on its role and contributions to the community. The public information campaign was launched in the summer and included media outreach, letters to the editor, targeted advertising and print promotions.

## Information Technology



### Information Technology

Information technology underlies every aspect of MPA's business, from parking access, enforcement and revenue control to administrative and accounting systems. Our increasing focus on automation and efficiency requires a substantial IT investment and continued attention to best practices.

### Courthouse Center Relocation

The move of MPA's headquarters to a new location necessitated the replacement or upgrade of several critical systems:

- New, state-of-the-art VOIP telephone system was installed to transmit voice traffic over an IP-based network.
- To provide a safe and secure office environment, a new office access control system was implemented.
- Secure wireless Internet access points were installed throughout the administrative office area.

### Operations Support

To support the parking-facility automation program, a fiber optic Metropolitan Ethernet (Metro E) backbone network was installed to provide the necessary Internet and communication connectivity. Metro E technology helps eliminate barriers to speed and performance by simplifying networks and connecting facilities more efficiently.

### New Website

MPA's website, [www.miamiparking.com](http://www.miamiparking.com), underwent an extensive redesign to incorporate a fresh graphic look and improved functionality. A new "Ask the CEO" feature enables users to communicate directly with management and receive speedy answers to parking inquiries. The site's new blogging and Twitter features enable news and information to be distributed rapidly. The new site is optimized for mobile use; customers can access it from any mobile device (such as a smart phone or iPad) to find convenient parking options while on the go.

## Human Resources



### Web-Based Performance Review System

Managers and supervisors can now track and evaluate their employees' performance and goals using a Web-based performance review system implemented through the MPA payroll system. The new system provides information on employee attendance and disciplinary records as well as performance against specific measures.

### Safety Program

Whether they are in the office, in a parking facility or on the street, keeping employees on the job and productive is key to MPA's success. Our Safety Program undergoes continuous review and improvement. We have minimized general liability claims typical for our operation (such as slip/trip/falls, gate issues, and walking surfaces) by taking appropriate safety measures and administering routine facility inspections.

Our Safety Inspection program performs safety checks on a quarterly basis. This includes touring the facilities and completion of a safety checklist. We also have a proactive hazard identification process to address potential safety concerns.

We have implemented monthly and quarterly safety training sessions for all employees that include:

- Safety Tips
- Preventive Measures
- Personal Protective Equipment
- Safe Handling Techniques
- Safe Equipment Operation
- Safe Driving

### Employee Benefit Statements

Production of annual employee benefit statements, previously outsourced to a third party, was brought in house this year, resulting in substantial cost savings.

### Emergency Procedures

We have begun work on a new Emergency Procedures Plan that will be rolled out in the next fiscal year.

## Gusman Center for the Performing Arts

### Operations

Rental revenue increased by 33% and concessions revenue increased by 28% over the prior year. National arts consulting firm The North Group conducted an organizational and fundraising assessment to clarify priorities across all aspects of our operations. Work to replace all Olympia Building windows is ongoing. Initiatives to modernize and streamline processes continue.

### Marketing

Cost-effective marketing tactics include a monthly e-newsletter with 7,000 subscribers; an up-to-date website and event calendar; a Facebook page with 1,000 followers; and in-theater promotions such as the Gusman Theater Guide. A "production shoot special" e-mail campaign was launched to a targeted list of production companies.

Publicity highlights include being featured in a taping of the HGTV program Color Splash: Miami and benefiting from the City of Miami's 114th Birthday Party at the American Airlines Arena as well as Macy's "Shop for a Cause." We have developed relationships with Yelp.com, Magic 102.7 FM and numerous downtown businesses.

### Business Development

Theater Director Margaret Lake has nurtured valuable business relationships through involvement in national industry associations as well as local business and civic organizations. In August 2010, Lake was elected to a three-year term on the board of directors of the League of Historic American Theaters.

### Fundraising

In March 2010, we engaged a seasoned grants management professional who has significantly improved our success rate, including the following grants:

- A \$100,000 Knight Arts grant from the John S. and James L. Knight Foundation toward the creation of a Theater Rental Subsidy Fund to support resident companies during the 2011-2012 season and beyond;
- \$85,000 from the Miami-Dade County Department of Cultural Affairs Cultural Advancement Grant Program for administrative support;
- \$22,931 from the Miami-Dade County



Department of Cultural Affairs Capital Grants Program toward the repair and renovation of the north alley fire escapes and exits;

- \$10,000 from The Villagers toward the same north alley project.

### Programming

The Flickin' Summer movie series returned for a second season, funded by \$22,000 in grants and sponsorships from the Downtown Development Authority, Miami Parking Authority and Friends of Gusman, with additional support from nearly 40 downtown businesses.

### Advocacy

In summer 2010, due to the municipal budget crisis, the city announced that it would cease subsidizing the theater's operations for fiscal year 2011. A flurry of news coverage highlighted concerns about the theater's ability to sustain operations. Friends of Gusman launched a fundraising and advocacy campaign including:

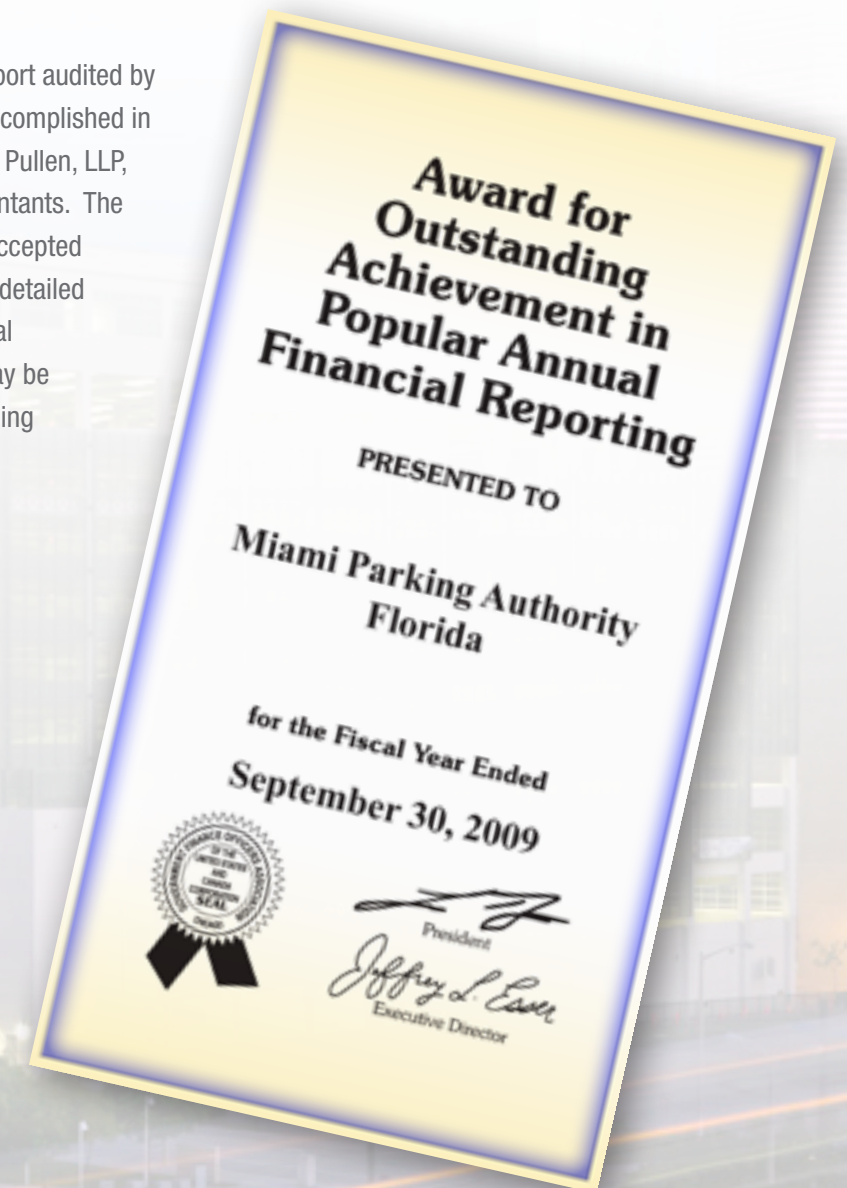
- A text-to-give program;
- A letter-writing campaign to elected officials and the print media;
- A community call to action to raise awareness and recruit volunteers for fundraising and advocacy subcommittees; and
- An appeal to the community to support the theater as patrons and renters.

Meanwhile, a local executive and philanthropist stepped forward with a plan to create a new non-profit organization to assume management of the theater. The legal and financial groundwork necessary to effect this change is in progress.

## Financial Statements

The following is a condensed presentation of the Authority's Comprehensive Annual Financial Report (CAFR) for fiscal year ended September 30, 2010, completed January 2011. As a condensed report, the presentation of financial information does not conform to established generally accepted accounting principles and related reporting standards. However, this simplified version of the financial data does utilize the basis of accounting as the CAFR for presenting information.

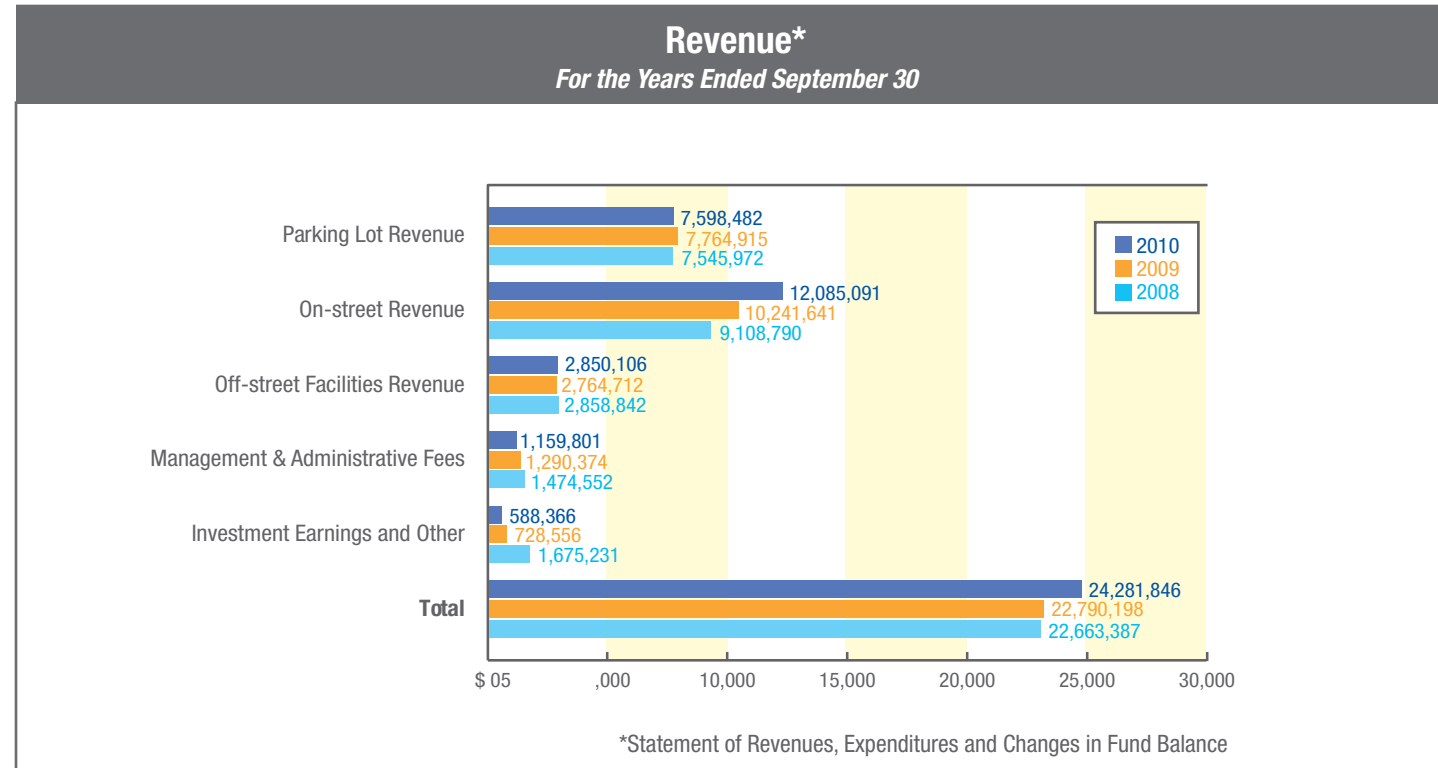
Our CAFR is a detailed financial report audited by independent auditors. This was accomplished in the current year by McGladrey and Pullen, LLP, independent certified public accountants. The CAFR fully conforms to generally accepted accounting principles. For a more detailed summary of the Authority's financial statements, a copy of the CAFR may be viewed and downloaded by accessing the Authority's website at [www.miamiparking.com](http://www.miamiparking.com).



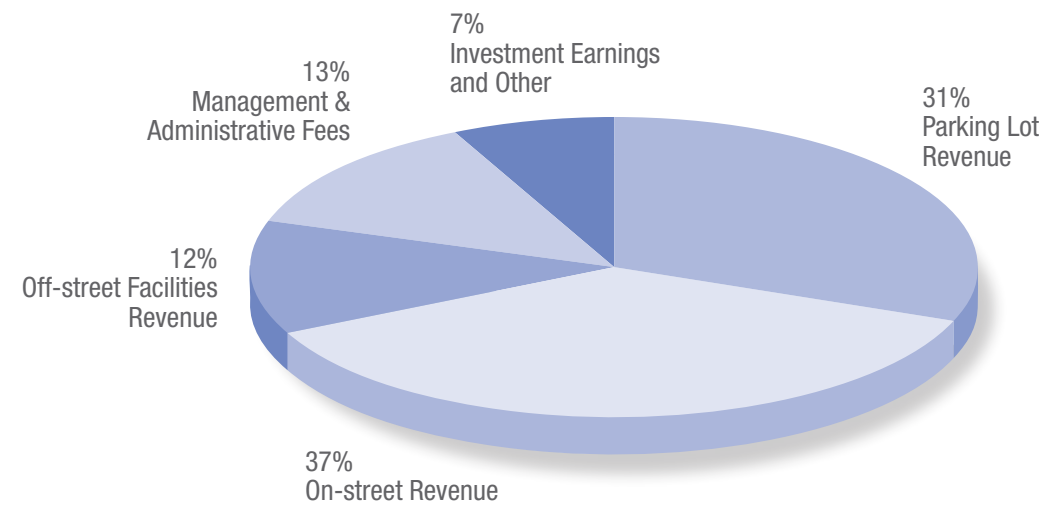
## Where the Money Comes From

### Revenue

Major sources of revenue include charges for parking services and management and administrative fees. The Authority does not receive any taxpayer support. Total revenue for fiscal year 2010 were \$24.2 million, which exceeded prior year by 7%.



### Total Revenues for the Year Ended September 30, 2010



## Where the Money Goes

### Expenditures

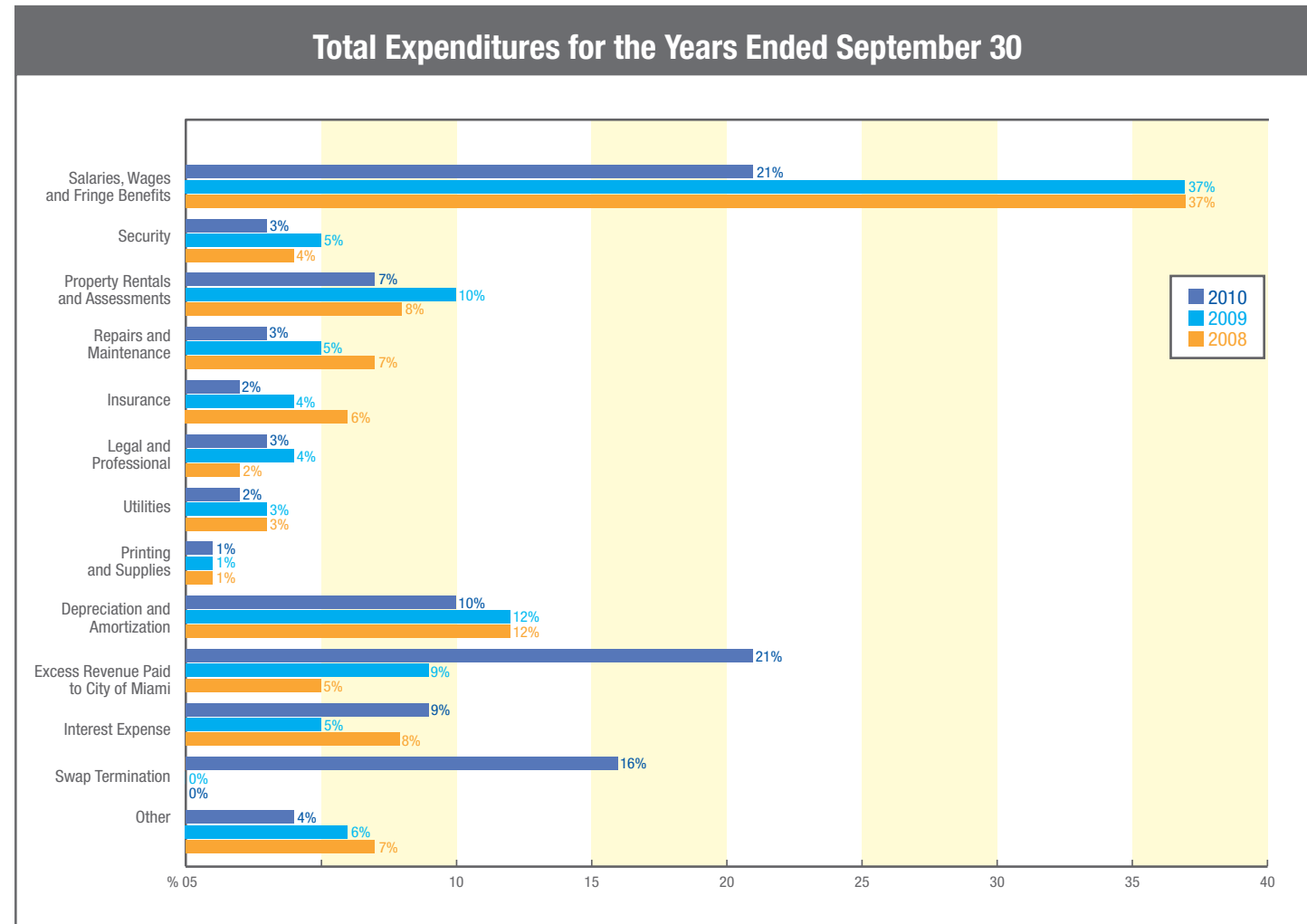
The Authority's most significant operating expenditure is personnel salaries, wages and benefits, which decreased by 7% when compared to the previous year, due to operational efficiencies that were created by automating our facilities. Additionally, we made a significant contribution to the City of Miami during the current year amounting to \$7.5 million as compared to only \$2.0 million in prior year. We continue to strive to reduce our present and future interest and related debt costs. We converted our existing variable-rate debt to a fixed-rate debt structure thereby incurring debt related expenses and swap termination costs in fiscal year 2010. However, this conversion was necessary to substantially reduce future debt-related expenditure over the life of the debt.

**Expenditures\***  
For the Years Ended September 30

	2010	2009	2008
Salaries, wages and fringe benefits . . . . .	\$7,384,903	\$7,928,286	\$7,649,924
Security . . . . .	1,224,329	1,026,145	852,625
Property rentals and assessments . . . . .	2,325,855	2,110,595	1,676,687
Repairs and maintenance . . . . .	987,068	1,155,117	1,453,712
Insurance . . . . .	559,637	804,418	1,229,119
Legal and professional . . . . .	964,697	833,364	477,892
Utilities . . . . .	545,378	649,849	582,405
Printing and supplies . . . . .	178,063	203,001	207,426
Depreciation and amortization . . . . .	3,429,841	2,545,454	2,500,475
Excess revenue distribution to City of Miami . . . . .	7,500,000	2,010,000	1,000,000
Interest expense . . . . .	3,232,379	1,024,037	1,551,110
Swap termination . . . . .	5,835,611	-	-
Other . . . . .	1,397,140	1,359,878	1,455,663
<b>Total . . . . .</b>	<b>\$35,564,901</b>	<b>\$21,650,144</b>	<b>\$20,637,038</b>

\*Statement of Revenues, Expenditures and Changes in Fund Balance

## Where the Money Goes (Cont'd.)



## Miami Parking Authority As A Whole

### Statement of Net Assets

The Statement of Net Assets looks at the Authority as a whole and is a useful indicator of the Authority's financial position. The table below provides a summary of the Authority's net assets for fiscal years 2008 through 2010.

	<b>September 30</b>		
	<b>2010</b>	<b>2009</b>	<b>2008</b>
<b>Assets</b>			
Current and Other Assets . . . . .	\$23,776,985	\$14,506,830	\$38,523,572
Capital Assets, Net . . . . .	76,943,652	74,801,511	49,248,016
<b>Total Assets . . . . .</b>	<b>100,720,637</b>	<b>89,308,341</b>	<b>87,771,588</b>
<b>Liabilities</b>			
Current and Other Liabilities . . . . .	10,279,339	10,000,209	8,496,693
Long-Term Liabilities:			
Due Within One Year . . . . .	1,025,000	985,000	950,000
Due in More than One Year . . . . .	71,713,879	49,337,658	50,479,475
<b>Total Liabilities . . . . .</b>	<b>83,018,218</b>	<b>60,322,867</b>	<b>59,926,168</b>
<b>Net Assets</b>			
Invested in Capital Assets, Net of Related Debt . . . . .	20,048,294	27,191,412	23,328,486
Restricted for Capital Projects . . . . .	-	408,048	358,323
Restricted for Debt Service . . . . .	1,275,023	-	-
Unrestricted . . . . .	(3,620,898)	1,386,014	4,158,611
<b>Total Net Assets . . . . .</b>	<b>\$17,702,419</b>	<b>\$28,985,474</b>	<b>\$27,845,420</b>

Total assets increased by \$11.4 million in fiscal year 2010 as compared to the prior year. The most significant change was due to increased cash reserves required for debt compliance as well as, to a lesser extent, costs incurred to complete the Courthouse Center Garage.

Total liabilities increased by \$22.7 million as compared to fiscal year 2009 mainly due to increased debt requirements needed to fund the completion of the Courthouse Center Garage.

Unrestricted net assets are the part of net assets that can be used to finance day-to-day operations without constraints established by covenants, enabling legislation or other legal requirements. In fiscal year 2010, unrestricted net assets decreased by \$5.0 million, primarily due to the contribution made by us to the City of \$7.5 million.

