

HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA

REPORT TO THE COMMISSIONERS

DATE: NOVEMBER 14, 2018

**REGARDING: RESOLUTION AMENDING THE 2018 HRA PARKING ENTERPRISE
FUND BUDGET TO MORE ACCURATELY REFLECT PROJECTED
ACTUAL REVENUE AND EXPENSES, CITYWIDE**

Requested Board Action

Approval of the attached resolution amending the 2018 HRA budget for the HRA Parking Enterprise Fund budget to more accurately reflect projected actual revenues and expenses.

Background

The 2018 budget for the Parking Enterprise Fund was based on actual 2016 revenues and expenses using a 4% inflation factor for expenses to account for potential 2017 inflation. Projected 2018 actual parking revenues, ramp operator agent expenses, and operating expenses are projected to be higher than budgeted for some parking ramps and lots. Budget amendments are needed to capture the revenues and make payments on expenses. Generally, revenues have been higher than projected due to greater than anticipated ramp usage and rate increases, and ramp operator expenses are correspondingly higher as well.

The total budget increase for parking revenue is \$585,500. There were revenue increases primarily at the Lawson Ramp, Block 19 Ramp, Robert Street Ramp, Fox Lot and Seven Corners Lot. Also, at the time of preparing the 2018 budget, staff anticipated that the World Trade Center (WTC) Ramp might be sold as early as May under the terms of the longstanding financing agreement. Instead, the HRA has retained ownership and operation through most of the year, requiring adjustments for both revenue and expense.

The estimated increase to the expense budget for ramp operator expenses is \$979,275, of which \$200,000 is connected to retaining ownership of the WTC Ramp. The largest discrepancy between budgeted and actual expenses is an increase of \$435,000 for the Smith Avenue Ramp. Of this total, \$256,000 is for additional snow removal and approximately \$179,000 for staffing to secure the ramp during non-business hours.

This budget amendment action will also reallocate \$620,000 in excess funds from the capital repairs budget, and allocate \$237,765 from fund equity.

Please see the Financial Analysis for full budget details.

Budget Action:

The attached Financial Analysis amends the 2018 HRA Budget.

Recommendation:

Approval of the attached resolution amending the 2018 HRA budget for the Parking Enterprise Fund to more accurately reflect projected actual revenues and expenses.

Sponsored by: **Chair Chris Tolbert**

Staff: Rhonda Gillquist 651-266-6631
 Mike Marmsoler 651-266-6641

Attachments

- **Financial Analysis (Budget Amendment)**