



# Year of the Neighborhood

Public Parking Authority  
of Pittsburgh  
2006 Annual Report



A new Parking Authority Board of Directors was appointed in fiscal year 2006 by the late Mayor Bob O'Connor. The group included Yarone Zober who served briefly as chairman before being appointed to the Board of the Urban Redevelopment Authority by Mayor Luke Ravenstahl. Mayor Ravenstahl appointed Patrick Ford to the Board near the close of the fiscal year; Mr. Ford was elected chairman at the October meeting.



From left: Patrick Ford, L.C. Greenwood, Dan Deasy, Linda Judson and Michael Jasper

## EXECUTIVE MESSAGE

I am pleased to introduce this annual summary of Pittsburgh Parking Authority activities. Again in fiscal 2006, those activities ranged well beyond our core function as a provider of public parking services.



David Onorato

As the information presented on the following pages will demonstrate, our involvement advanced the objectives of a number of public and private sector initiatives. And we feel that the value of our contributions to those projects will become more evident with each passing year.

Authority operations during the reporting period ended September 30, 2006 featured our first full-year management of Parking Court, the organization we established in January 2005 to replace the former Traffic Court of the City of Pittsburgh. Efficiencies in Court operations adopted during the year generated an increase, to \$4.8 million, in payments to the City. The payment total was in accordance with an agreement governing the Court's function reached at the time of its transfer to Authority control. The year was also marked by substantial progress on the Grant Street Transportation Center, the combination parking garage/bus terminal we are building downtown. The project's environmental and site preparation phases have been completed and construction is now underway.

Fiscal 2006's results included the impact of the installation of 185 additional street meters, downtown and on the South Side, and our expanded use of multi-space meter technology. Typically, revenue collections improve following the adoption of multi-space equipment, and nearly 750 on-street and off-street spaces are now

managed by the new units. Conversely, the first full-year loss of Schenley Plaza from our parking system and the reduction of 300 spaces in our Second Avenue surface lot – to house Greyhound Lines' Pittsburgh terminal operations during the Grant Street construction project – also were reflected in the year's performance.

Importantly, the December 2005 resolution of an extended labor action by garage attendants contained a first-time provision requiring our unionized employees to join their salaried counterparts in contributing to the costs of the Authority's medical benefits program. The action is consistent with other cost-containment measures, notably the decision to increase the number of attended facilities managed in-house, which have enabled us to manage operating costs more effectively. Benefiting to some degree from strike-related savings in personnel costs accrued during the first quarter, fiscal 2006's expense total was just 1.6 percent higher than in 2005. With those costs returning to more normal levels in 2007 and our obligation to meet the requirements of a balanced budget, the importance of limiting year-to-year expense increases will intensify – both to comply with the financial coverage ratios which govern our operation and to maintain the Authority's traditional position as the market's low-cost parking provider.

*David H. Onorato*





PNC BANK

STARBUCKS COFFEE



Eva Szabo  
Spa

# YEAR OF THE NEIGHBORHOOD

When the Pittsburgh Parking Authority was formed nearly six decades ago, its founding purpose was far less inclusive than the one that guides its operation today. Then, the focus

was solely to provide an inventory of affordable parking sufficient to ensure the continued economic vigor of the downtown business district.

Now, the organization's reach extends to all of the city's neighborhoods where its function is to locate and manage an adequate level of parking supply while serving as a catalyst for the commercial and cultural growth of those neighborhoods as well. Fiscal year 2006 operations resulted in progress toward realizing those core objectives of the Authority's expanded mission.

## A GROWTH LEADER

During a period when many Pittsburgh neighborhoods have experienced positive change, no one area has been transformed more dramatically than East Liberty's business district. Growth continued there during the year with the additions of a mega-pharmacy, high-traffic coffee shop, wine and spirits store and a national bookseller to the commercial corridor anchored by the region's only Whole Foods market. Again, as in the case of the development package that brought Whole Foods to the city, the leveraging of Authority

property assets were critical to assembling the site that houses those new businesses.

Another Authority-owned property, purchased in 2001 to provide a reliable parking component to East Liberty's ability to accommodate additional commercial growth, is central to a planned third phase of the expansion initiative that began with the arrival of Whole Foods. In November 2006, the Authority's Board authorized the sale of the property to the developer of the project's first two components, with the action being contingent upon approval of a specific plan for the site.

Similarly, the organization continued its participation in a Lawrenceville initiative that extended the scope of redevelopment in that resurgent neighborhood. The 2004 transfer of a small Butler Street surface lot to private ownership – in return for a nearby parcel of comparable size – enabled a developer to include additional properties in a now-completed renovation project. In 2006, the Authority evidenced its commitment



Plans for a new surface lot on Butler Street in Lawrenceville moved forward in fiscal 2006 while the leveraging of Authority property assets permitted the completion of the second phase of a major redevelopment project in East Liberty (left).



to the project's success by retaining an architect to convert the property it obtained in the transaction to an off-street lot. The facility's construction in early 2007 will return the number of metered spaces in the Lawrenceville business district to its previous level. And, featuring design advances employed elsewhere in the city, the new lot's appearance will represent a significant upgrade from the off-street location it replaces.

## SPACES ADDED

The Authority's role in the already-thriving South Side has followed the more traditional pattern of adding strategically situated spaces to meet increasing parking needs. That practice continued in fiscal 2006 with the installation of 138 new street meters and the conclusion of a sales agreement for a site to construct an off-street metered lot capable of parking 80 vehicles. The newly metered street spaces help manage daytime parking for patrons of South Side Works, the popular new dining, entertainment and retail complex built just east of the community's commercial core. And the planned Wharton Square lot, located on Sidney Street between 21st and 22nd streets, will add needed parking to support business activity west of the Birmingham Bridge. Consistent with recent Authority off-street additions to the South Side, the design and quality of the brickwork, fencing and lighting of the Wharton facility will reflect the historic character of the community that surrounds it. The new lot's customers, moreover, will be serviced by the Cale multi-space meters that have proven popular in other installations across the city.

The Authority frequently applies its investments to leverage and/or complement neighborhood improvements being funded by other sources. The installation of the city's first multi-space meters to manage on-street parking, for example, enhanced the aesthetic appeal of the now-completed project to create a distinct Oakland portal to Schenley Park.

In fiscal 2006, the organization recorded similar contributions to streetscape improvements in Beechview and the West End. With funding in hand from the state and the Port Authority of Allegheny County, Beechview leaders selected the Beechview Boulevard surface lot to realize a long-standing objective of establishing a gateway to their business district. The brightly illuminated LED sign they commissioned for the site serves as a bulletin board for community events. And the sign's setting was enhanced by a Parking Authority investment to resurface and restripe the lot. Similarly, the Authority's commitment to install 40 new meters along Main Street in the West End was central to that community's ability to obtain funding to complete a two-year streetscape renovation project.

## LIVING DOWNTOWN

When construction of the new Grant Street Transportation Center is completed early in 2008, the downtown garage capacity available for the commuting public will be increased by 1,000 lined spaces. In recent years, however, Authority operations have been broadened to include attention to the parking needs of a growing number of Pittsburghers who are choosing downtown for their home address.



Property was acquired to locate a new 80-space metered facility on the South Side.

The sale of spaces in the Oliver Garage was essential to development plans to construct condominium residences above the underground downtown facility.





An electronic message board installed in the Authority's Beechview surface lot alerts residents and visitors to upcoming events and serves as a portal to the neighborhood's business district.

*Authority operations have been broadened to include attention to the parking needs of a growing number of Pittsburghers who are choosing downtown for their home address.*

The initial demand was met by setting aside a limited number of garage leases for residential use. But with nearly 2,700 new units under construction or planned in or near the city's central core, the market segment is increasing rapidly. And even though most major housing additions will be required to include a parking component, the Authority has demonstrated its willingness to support residential expansion when privately sourced supply is unavailable. In fiscal 2006, that support took the form of the sale of 50 spaces in the Oliver Garage to the developers of Piatt Place. The spaces will be used by purchasers of a condominium residences now being built above the garage.

The year featured other non-traditional applications of Authority assets, most prominently the continued use of the Second Avenue Parking Plaza as the temporary home of Greyhound Lines' Pittsburgh operations. The firm's terminal

was transferred there to permit construction of the Grant Street Transportation Center and will return to its original location when the project is completed early in 2008. At that time, the 300-space area now being occupied by Greyhound will again be available for commuter parking.

## NEW RIVERFRONT PARK

Second Avenue's return to full capacity could well coincide with the loss of approximately 250 spaces on the Monongahela Wharf, a 700-space surface facility leased from the City. In August, the Authority's Board authorized an agreement with the Riverlife Task Force that will result in the construction of a park and trail between the river and the portion of the Wharf property that will continue to accommodate parking. Following discussions with representatives of another civic group, the Board granted permission to the Sprout Fund to commission a mural project utilizing



A vibrant Sprout Fund mural brightens the Seventh Avenue/Liberty Avenue intersection downtown. It is the organization's largest in the city.

The Authority's full-year administration of Parking Court functions generated \$4.8 million in payments to the City.



the Liberty Avenue exterior of the Smithfield/Liberty Garage. The Fund selected artist Brian Holderman for the assignment and his proposed subject for the space was subsequently approved. Installation of the work, "Yesterday's Tomorrow," was completed in October. Sprout Fund-sponsored murals are on view across the city but the Holderman production is the organization's first on an Authority facility and its largest to date.

## CITY-WIDE

Although their impact is not limited to any single service area, two other fiscal 2006 developments merit mention in this review. The Authority's adoption of computerized, hand-held ticket writers several years ago markedly increased

the efficiency of its enforcement operations. The year's decision to replace those units with smaller, more technologically proficient equipment permits wireless printing; adds cell-phone and photo capability; and provides real-time communication with other electronic components employed by the authority. These improvements speed the ticket-writing process and, through the communications gains, help ensure the safety of enforcement personnel. The technological upgrade, moreover, was achieved with no capital outlay. The contract covering acquisition of the new units specifies payments based on the volume of violations cited.

Many of the on-street and off-street meters monitored by enforcement officers, meanwhile, were examined for accuracy during 2006. Conducted by the state Bureau of Weights and Measures, the testing concentration was on electronic meters. The timing mechanisms of all of the Authority's downtown meters were found to be accurate, while 99 percent of the neighborhood units tested met that accuracy standard.



The system-wide adoption of a new generation of computerized, hand-held ticket writers increased the efficiency and security of Authority enforcement operations.



# FINANCIALS

## Public Parking Authority of Pittsburgh

### STATEMENTS OF NET ASSETS

As of September 30, 2006 and 2005

#### ASSETS

##### CURRENT ASSETS:

	2006	2005
Cash	\$7,005,023	\$7,035,413
Investments	10,625,741	6,615,214
Accounts receivable	399,185	613,156
Notes receivable—current portion	991,096	223,103
Accrued interest receivable and other assets	928,817	804,369
<b>Total current assets</b>	<b>19,949,862</b>	<b>15,291,255</b>

##### NONCURRENT ASSETS:

Investments	54,888,823	60,097,091
Notes receivable	4,961,898	4,053,642
Bond issuance costs—net of accumulated amortization of \$468,946 and \$278,475	2,754,927	2,945,398
Fixed assets—net	97,478,867	94,708,259
Leasehold improvements—net	492,655	423,171
<b>Total noncurrent assets</b>	<b>160,577,170</b>	<b>162,227,561</b>
<b>TOTAL ASSETS</b>	<b>\$180,527,032</b>	<b>\$177,518,816</b>

#### LIABILITIES AND NET ASSETS

##### LIABILITIES:

###### Current liabilities:

Accounts payable	5,525,250	3,233,617
Accounts payable—City of Pittsburgh	1,993,215	2,337,626
Accrued expenses and deferred income	1,052,723	1,019,927
Accrued interest payable	1,490,824	1,580,362
Current maturities of bonds payable	4,210,000	3,945,000
<b>Total current liabilities</b>	<b>14,272,012</b>	<b>12,116,532</b>

###### Noncurrent liabilities:

Bonds payable—noncurrent portion	107,890,743	111,408,404
Other non current liabilities	6,484,740	6,279,448
<b>Total noncurrent liabilities</b>	<b>114,375,483</b>	<b>117,687,852</b>
<b>TOTAL LIABILITIES</b>	<b>128,647,495</b>	<b>129,804,384</b>

##### NET ASSETS:

Invested in capital assets—net of related debt	19,979,445	18,178,067
Restricted for—		
Expendable:		
Capital	2,825,756	2,461,373
Debt service	10,148,966	9,812,687
Indenture funds	9,775,323	9,852,839
Total expendable	22,750,045	22,126,899
Unrestricted	9,150,047	7,409,466
<b>Total net assets</b>	<b>51,879,537</b>	<b>47,714,432</b>
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<b>\$180,527,032</b>	<b>\$177,518,816</b>

# STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS

For the years ended September 30, 2006 and 2005

## OPERATING REVENUES:

	2006	2005
Parking facility receipts	\$25,381,342	\$25,948,389
On-street/off-street meter receipts	5,838,091	5,353,148
Residential permit parking receipts	244,211	244,598
Commercial rentals	412,550	343,731
Parking court	7,630,781	3,632,781
Other income	22,912	473,541
<b>Total operating revenues</b>	<b>39,529,887</b>	<b>35,996,188</b>

## OPERATING EXPENSES:

Salaries	3,911,739	4,104,190
Retirement	327,360	486,633
Payroll taxes	371,210	368,206
Health benefits	1,012,533	1,042,078
Supplies and equipment	294,208	371,259
Utilities	949,890	873,626
Insurance	599,850	560,706
Repairs and maintenance	503,118	473,452
Fleet expenses	82,801	47,572
Facility and parking court management fees	2,651,289	1,546,024
Taxes and licenses	8,977,111	9,137,337
Contractual and professional services	1,125,893	1,473,264
Security	1,393,281	1,387,259
Depreciation and amortization	4,450,159	4,374,719
Other expenses	351,787	271,493
<b>Total operating expenses</b>	<b>27,002,229</b>	<b>26,517,818</b>
<b>OPERATING INCOME</b>	<b>12,527,658</b>	<b>9,478,370</b>

## NONOPERATING REVENUES (EXPENSES):

Interest income	2,720,132	1,840,132
Other income	776,875	328,278
Interest expense	(5,104,439)	(4,898,424)
In lieu of real estate taxes to City of Pittsburgh	(1,305,217)	(1,708,733)
Meter, wharf, and parking court payments to the City of Pittsburgh	(5,423,632)	(2,784,428)
Other expenses	(26,272)	(86,436)
<b>Net nonoperating expenses</b>	<b>(8,362,553)</b>	<b>(7,309,611)</b>
<b>INCOME (LOSS) BEFORE OTHER REVENUES, EXPENSES, GAINS, OR LOSSES</b>	<b>4,165,105</b>	<b>2,168,759</b>
Capital grants		942,982
<b>INCREASE (DECREASE) IN NET ASSETS</b>	<b>4,165,105</b>	<b>3,111,741</b>
NET ASSETS—Beginning of year	47,714,432	44,602,691
<b>NET ASSETS—End of year</b>	<b>\$51,879,537</b>	<b>\$47,714,432</b>

# STATEMENTS OF CASH FLOWS

For the years ended September 30, 2006 and 2005

## CASH PROVIDED BY OPERATING ACTIVITIES:

	2006	2005
Parking facility receipts	\$25,466,682	\$25,835,036
On-street/off-street meter receipts	5,838,091	5,353,148
Residential permit parking and commercial rental receipts	683,567	559,649
Parking court receipts	7,606,035	3,566,446
Payments to and on behalf of employees	(5,335,543)	(6,076,525)
Payments to suppliers	(330,510)	(232,511)
Payments for utilities, insurance, repairs, and maintenance	(2,302,936)	(2,008,513)
Facility management fees	(2,651,289)	(1,256,481)
Taxes and licenses	(8,977,111)	(9,137,337)
Contractual and professional services	(1,125,893)	(1,762,807)
Security	(1,393,281)	(1,387,259)
Other receipts (expenditures)—net	(330,480)	167,493
<b>Net cash provided by operating activities</b>	<b>17,147,332</b>	<b>13,620,339</b>

## CASH USED IN NONCAPITAL FINANCING ACTIVITIES:

In lieu of real estate taxes to City of Pittsburgh	(1,305,217)	(1,425,000)
Meter, wharf, and parking court payments to City of Pittsburgh	(5,768,043)	(1,140,997)
Advance payment of rent		6,242,000
Other receipts—net	773,359	390,945
<b>Net cash provided by (used in) noncapital financing activities</b>	<b>(6,299,901)</b>	<b>4,066,948</b>

## CASH USED IN CAPITAL AND RELATED FINANCING ACTIVITIES:

Additions to property, plant, and equipment	(6,295,845)	(8,840,749)
Additions to capital meters and leasehold improvements	(286,773)	(183,955)
Capital grants		942,982
Issuance of bonds		82,273,024
Repayment of bonds	(3,945,000)	(46,732,996)
Interest paid	(4,501,638)	(4,165,547)
<b>Net cash provided by (used in) capital and related financing activities</b>	<b>(15,029,256)</b>	<b>23,292,759</b>

## CASH PROVIDED BY INVESTING ACTIVITIES:

Sale of investments	101,571,108	4,024,613
Purchase of investments	(100,373,367)	(43,208,246)
Payments received on notes receivable	223,751	207,662
Interest received	2,729,943	1,584,991
<b>Net cash provided by (used in) investing activities</b>	<b>4,151,435</b>	<b>(37,390,980)</b>

<b>INCREASE (DECREASE) IN CASH</b>	<b>(30,390)</b>	<b>3,589,066</b>
CASH—Beginning of year	7,035,413	3,446,347
<b>CASH—End of year</b>	<b>\$7,005,023</b>	<b>\$7,035,413</b>

## RECONCILIATION OF NET OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:

Operating income	\$12,527,658	\$9,478,370
Adjustments to reconcile net operating income to cash provided by operating activities:		
Depreciation and amortization	4,450,159	4,374,719
(Increase) Decrease in accounts receivable	213,971	(239,462)
Increase in other assets	(33,004)	(41,977)
Increase (Decrease) in accounts payable and accrued expenses	(11,452)	48,689
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>\$17,147,332</b>	<b>\$13,620,339</b>
<b>NON-CASH TRANSACTIONS:</b>		
Capital additions in accounts payable	\$2,547,502	\$574,843

See notes to financial statements.



# BOARD OF DIRECTORS

## Patrick A. Ford, Chairman

Director, City Planning  
City of Pittsburgh

## L.C. Greenwood, Vice Chairman

Owner  
Greenwood Enterprises Co.

## Michael S. Jasper, Secretary

Partner  
Jasper Group, Inc.

## Linda S. Judson, Treasurer

Attorney  
Fried, Kane, Walters, Zucshlag & Grochmal

## Dan Deasy, Asst. Secretary & Asst. Treasurer

Pittsburgh City Council  
Council District 2

# EXECUTIVE STAFF

## David G. Onorato

Acting Executive Director

## Anthony Boule

Director of Administration

## Judith DeVito

Director of Enforcement

## Catherine Qureshi

Director of Project Management

## Christopher Speers

Director of Parking Services

## Jo-Ann Williams

Director of Finance

# NEIGHBORHOOD LOTS

## EAST LIBERTY

Sheridan/Harvard  
Sheridan/Kirkwood  
Tamello/Beatty  
Station/Collins  
Eva/Beatty  
Stevenson Place  
Harvard/Beatty  
Penn Circle N.W.  
Ansley/Beatty

## SQUIRREL HILL

Beacon/Bartlett  
Forbes/Shady  
Douglas/Phillips  
Forbes/Murray (Library)  
Forbes Avenue (JCC)

## SHADYSIDE

Ivy/Bellefonte

## BLOOMFIELD

Friendship/Cedarville  
Taylor Street

## LAWRENCEVILLE

42nd & Butler

## BEECHVIEW

Beechview Boulevard

## OAKLAND

Centre/Craig

## SOUTH SIDE

18th & Sidney  
12th & Carson  
Southside Vietnam  
Veterans Memorial Lot  
(18th & Carson)  
19th & Carson

## CARRICK

Brownsville/Sankey

## WEST END

Main/Alexander

## ALLENTOWN

Asteroid/Warrington  
Walton/Warrington

## BROOKLINE

Brookline Boulevard

## NORTH SIDE

East Ohio Street  
Observatory Hill

## MT. WASHINGTON

Shiloh Street

## HOMEWOOD

Homewood/Zenith

# GARAGES

## DOWNTOWN

First Avenue Garage  
& Station  
Fort Duquesne/Sixth  
Ninth/Penn  
Smithfield/Liberty  
Third Avenue  
Wood/Allies  
Mellon Square  
Oliver Garage at Lazarus

## OAKLAND

Forbes/Semple

## SHADYSIDE

Shadyside

# ATTENDED LOTS

## DOWNTOWN

Monongahela Wharf  
Second Avenue  
Parking Plaza



**PUBLIC PARKING AUTHORITY  
OF PITTSBURGH**

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