

City Parker

CITY PARK

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Just Say "No" to Raising Parking Tax

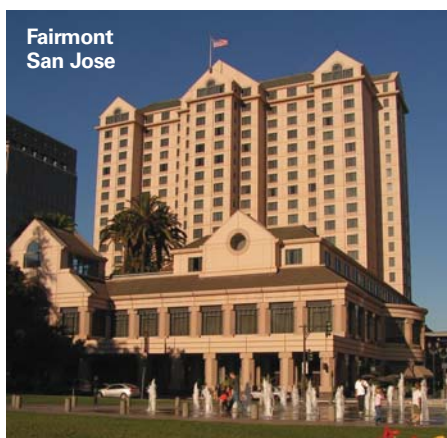
TIM LEONOUKAKIS, CEO

We have recently learned that the Board of Supervisors is considering an increase to the parking tax from 25% to 35%! A 35% tax on the parking industry would be punitive and discriminatory and will have adverse consequences on our fragile economy that is just now getting back on its feet.

In 2006, Supervisor Chris Daly tried to raise the parking tax to 35% by going to the voters with Proposition E. City Park was instrumental in pulling together a team of leading parking operators and major stakeholders in the community that would be negatively impacted by the increase. Our "team" included the San Francisco Parking Association, Chamber of Commerce, BOMA, Teamsters Union, Union Square Association, members of the Board of Supervisors and even Mayor Gavin Newsom, as they joined us in sending the message, "No more taxes!"

When the votes were counted, the results were overwhelmingly **against** the tax increase with a landslide of 67.23% in opposition. It is clear residents of the city are adamantly against any additional parking tax!

City Park and the San Francisco Parking Association team is prepared to stand up and take an aggressive stand against **any** campaign targeting future increases to the existing parking tax. We have already been in contact with members of the Board of Supervisors on our position...NO MORE TAXES! They are aware that we are well organized, know how to raise the funds required and have hired the political expertise necessary to win again. However, our strategy and goal is to make every effort at the Board of Supervisors to turn the idea off now before it ever goes to a



vote. We **will not allow** the parking patrons of our garages to get "taxed" out of visiting and doing business in the downtown area.

As an alternative to raising taxes, City Park has reached out to both the Board of Supervisors and the San Francisco Tax Collector and requested that they consider alternate methods to more effectively **collect** the parking tax in the first place. In the past, "fly-by-night" parking operators have taken advantage of a weak tax code and have made off with millions (US Parking / \$7

million in unpaid taxes). We have asked that the tax code be rewritten with more stringent rules and have requested the enforcement of a transit first rate structuring. We have also encouraged the implementation of the "demand pricing" model in the city. The parking community believes that nearly \$20 million in uncollected tax is available to the City through existing programs that does not require any tax increase whatsoever.

City Park Selected for San Jose 5 Star Hotel!

City Park continues to grow in its management and oversight of the top hotel properties in the Bay Area with the recent award of The Fairmont San Jose. The Fairmont is "the" top five star property in the South Bay and includes 800 rooms and a 250-car valet parking operation. The Fairmont San Jose includes significant convention facilities and meeting places for top Silicon Valley corporations including Google, Visa, Facebook and Intel. Operations began on May 1, 2010, with Max Gamez opening the valet service and Vince Luka stepping up to take on the current Onsite Manager role.



As We Go to Print.....

**SPENCER SECHLER,
DIRECTOR OF MARKETING**

The last week of May proved to be an exciting one as City Park opened three (3) new parking operations! Tensions were high, but calmness prevailed as our experienced team further expanded into the San Jose market, and began operating another Class A office garage in San Francisco.



Blocks 2 and 8, San Jose

The call came in at about 1:00 p.m. on Wednesday, May 26.... "Can you take over the operation of the parking lots tomorrow at 7:00 a.m. (May 27)?" That was the question asked of CEO



Tim Leonoudakis by Mr. Tim Steele, Senior Director of Sobrato Development Companies, the new owner of two parcels of land purchased from The San Jose Redevelopment Agency for a \$20 Million price tag. In unprecedented fashion, Michael Rescigno, City Park's VP of Operations, and his team of hotel managers and personnel from our Fairmont San Jose operation, descended on both parking lots during the morning of May 27 and quickly got the parking operations up and, running and are already finding ways of increasing revenues for Sobrato Development.

Founded by John



Market Center

A. Sobrato in 1979, The Sobrato Organization today remains a family-owned firm, very similarly aligned with City Park's ownership. The company is led by its chairman and founder John A. Sobrato and his son, John M. Sobrato. Today, the firm owns more than 86 commercial

properties in Silicon Valley and over 400 acres of land throughout Santa Clara and Alameda counties. Their office and R&D projects totals near 7.96 million square feet, and also owns 30 apartment communities totaling 7,300 units in the West Coast.

Market Center, San Francisco

While Michael was handling the new locations in San Jose, Spencer was furiously trying to finalize an agreement by the end of the week with the management and ownership of Market Center, located at 555 and 575 Market Street. After being chosen in a competitive bid situation over 3 other parking operators, City Park was able to get a contract in place with CB Richard Ellis, as Agent for RREEF, and make a smooth transition from the previous operator.

John Steele, Irene Camarena, and Stephanie Ho were onsite to open the facility on June 1, and to assist in answering our new customers' questions, reviewing the operation, and providing coffee and pastries as a part of our welcoming team.

Market Center was originally designed as Chevron Corporation's world headquarters, and is located in the heart of San Francisco's Financial District. Two high rise towers are joined by a private garden plaza that provides its tenants with a unique park-like setting at their doorstep. This Class A office complex is one of the true gems of the San Francisco commercial real estate market, and City Park is proud to be associated with it.



Video Cameras Make Impact

**VINCENT LUKA, VALET MANAGER,
WESTIN ST. FRANCIS HOTEL**

High vehicle volume, security of customer vehicles, and reducing damage claims necessitated a change of the operation at the Westin St. Francis Hotel's valet program. To better help this very busy location (over 70,000 valeted vehicles in 2009) in providing the best service, while minimizing the expense outlay of paying inaccurate damage claims to customer vehicles, I proposed the idea to install a high resolution video camera system in the garage and porte-cochere area to assist in processing and settling all the claims filed.



The video camera system can store up to three weeks of non-stop recording and can be viewed remotely from anywhere in the world. As a result of

the camera system being installed, not only have we saved a great amount of money by being able to properly investigate all incidents leading to only 10 paid claims last year, but we have also benefitted by improving our customer service skills by being able to correct actions real-time as management periodically views the video feed.



City Park Congratulates 750 Bush Street Team for a "Claimless" 2009

**JOSEPHINE SKINNER,
CLAIMS MANAGER**

No claims for the year 2009 – an amazing achievement! The 750 Bush Street Garage is one of City Park's busiest parking facilities and we would like to commend Facility Manager – Rich Herren, Supervisor – Jonathan Cayago, and his valet staff for a job very well done. The team of 12 is responsible for parking between 80 - 100 vehicles on a normal day and as many as 200+ vehicles during the summer; that's over 40,000 vehicles a year!

750 Bush Street Garage is a multi-use parking facility, requiring a unique set of skills to successfully manage the parking operation; the garage serves 12 boutique hotels as well as daily, weekly and monthly parkers in the Union Square area.

Facility Manager, Rich Herren, began working at the garage in early 2009 and quickly rose to the challenge. Rich, of course, knew he couldn't make it work without the support of his valet



Jonathan Cayago and Rich Herren

parking attendants and began holding a series of meetings with his staff. They all became part of the solution on how to efficiently run their garage. "Everyone takes pride and ownership in their work," says Rich. He is always there to listen to his staff and to work with them on any issues they may encounter. Supervisor Jonathan Lai is Rich's right hand, and has shown his ability of becoming a manager in the future. Rich gave him more responsibility and he has stepped up to the challenge by being proactive and call-

ing the hotels to check on future events and occupancies.

Regular safety meetings are held in order to keep the staff on track and to remind them of the importance of handling customers' vehicles with care and safety. Rich maintains that, "Customer service is also a high priority and the staff goes to great lengths to attend to our customers' needs." They also realize they are ambassadors for the company and come to work each day well groomed and highly motivated. The staff takes pride in their work, and they look at each day as a pleasure and a challenge.



Alex Baca, Chris Santos and Rich Harren

Read All About It! The Parking Broker Hits the Streets of San Francisco

**SPENCER SECHLER,
DIRECTOR OF MARKETING**

Unprecedented in the San Francisco parking market, City Park launched a bold advertising campaign this spring in The San Francisco Examiner. The advertisement, which included a graphically enticing "Post-It" note on the front page of 100,000 issues, was distributed over a 3 day period by The Examiner's "hawkers" on the street, and placed in The Examiner's news racks in the downtown core. Many of the street hawkers wore City Park hats to help with recognition and branding on the street.

After working with John Kocik, Retail Advertising at The Examiner, for the better part of a year, City Park was finally able to launch this new and "out of the box" style of marketing to new monthly customers. The campaign was

a huge success for the company, and the investment in time and our own money was well worth it. We estimate that, as a result of this new marketing strategy, that we added well over \$40,000 of new monthly parking business to City Park's parking locations throughout San Francisco. In addition to the new customers, there were even a few readers of the daily paper that emailed in, just to say that they loved the ad. In fact, after seeing our ad, another



"Post-It" Ad

competing local weekly newspaper contacted "The Parking Broker" and expressed their interest in teaming up with us to run a similar campaign in their paper.

City Park will run another advertisement in the near future with The Examiner, and we are excited to work with John again. We think that this type of marketing is another reason why City

Park continues to grow as a company. By using our creativity and entrepreneurial spirit, we are able to succeed even in these tough economic times. As one friend of City Park's put it, "You guys never cease to amaze me!"





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The FBI Recognizes City Park's Team

**WENDELL GAMEZ AND
 JACQUES BIDJIMA, FAIRMONT
 HOTEL VALET MANAGERS**

Being recognized by the United States' top law enforcement agent may seem like a dubious achievement to most of us, but for the valet team at The Fairmont Hotel in San Francisco, it is a great honor!

Our team was complimented and awarded a plaque of gratitude earlier this year for their outstanding service and cooperation on behalf of FBI Director, Robert S. Mueller, III. Mr. Mueller's travels to San Francisco, and his stays at The Fairmont Hotel require a great amount of cooperation with the FBI's security team, as the hotel's valet and garage services sometimes have to be completely shut down during his routes to and from the hotel. During these times, it is critical that all other hotel guests are still served and accommodated somehow. It takes a great amount of creativity and communication with staff and valet personnel to ensure that we still hit the service levels required by our guests at The Fairmont.

Mr. Mueller also wanted to thank our team for their outstanding cooperation during the President's Cup Golf Tournament in 2009, held at San Francisco's own Harding Park Golf Course. The Fairmont served as the tournament's host hotel during this biennial event which matched the United States against the world's best non-European players. There were many events held at The Fairmont during the tournament, and several key dignitaries attended, including former Presidents George H. W. Bush and Bill Clinton,



Fairmont San Francisco Valet Team

and Mr. Mueller himself. Coordination and cooperation was very important with not only the FBI, but Secret Service and local law enforcement all affecting the valet services during the events.

The learning experience was invaluable to our team and to City Park, as we were able to use this learning at other hotels and parking garages during President Obama's visit to San Francisco earlier this year.

All the Numbers Fit to Print

**JACK KRASNER,
 DIRECTOR OF FINANCE**

We have a new position and a new face in our Accounting Department at City Park. Mr. Jie (Jay) Zhu joined the team this past year as our Account Reconciliation Specialist. Prior to joining us at City Park, Jay worked for McMorgan & Company LLC as their



Portfolio Accounting Manager, with reconciliation responsibility for over 50 institutional accounts. Jay has his hands full with entering all the activity to our daily clearing analysis and reconciling 50 bank accounts to their respective monthly operations reports for our clients. We're grateful for Jay's diligence and focus, in this newly created position in our company... another "Best Practices" and process improvements initiative that has benefited City Park and our clients.

