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VIP Parking

Public-sector expertise and top-notch customer service helped Parking Concepts Inc. win a contract with the city of Beverly Hills.

Around the country, tough economic times are squeezing city budgets. But as cities and municipalities seek to cut costs by outsourcing more services to private companies, tough times can be boom times for parking operators who contract with the public sector.

Opportunity Knocked for Change

For Parking Concepts Inc. (PCI), which has offices in California and Dallas, Texas, opportunity arose when they learned that the city of Beverly Hills, Calif., was seeking a replacement for its existing parking contractor.

PCI won the contract and today manages off-street parking at four of the city's 14 parking facilities, monitors the monthly parking program city-wide and provides valet service at several stations throughout Beverly Hills and for special events at the recently opened Wallis Annenberg Center for the Performing Arts.

PCI obtained the fiveyear contract through a competitive process by responding to an RFP from the city. "One of the main reasons (our proposal was) successful is that the city was looking for something that's hard to quantify: an operator that can provide the best customer service," says Richard Raskin, director of Internal Audit and Financial Analysis at PCI.

"We focused on that and provided a range of managers with extensive backgrounds in hospitality—four of them had spent years running hotels or departments within hotels."

Plan Ahead to Handle Unexpected Hurdles

PCI's extensive experience in the public sector was also a major factor in helping it win the business. "We have a range of public sector accounts throughout California, including contracts with the cities of Los Angeles and Norwalk, Old Town Pasadena, Orange County and San Francisco," says Robert Hindle, vice president of PCI.

That experience was helpful not only in landing the Beverly Hills contract, but also in dealing with the challenges of taking over from a prior operator. "You can never be too prepared prior to contract commencement," Hindle

Beverly Hills Locations

Wallis Annenberg Center for Performing Arts 9390 N. Santa Monica Blvd

Beverly Cañon Facility 240 N. Beverly Drive

Beverly Cañon Facility at the Montage Hotel

225 N. Cañon Drive

PCI also provides valet service at the Beverly Cañon Facility and for the Wallis Annenberg Center for Performing Arts



says. "There are always surprises, but by being diligent and proactive, we were prepared for a smooth transition."

Procedures Create Positive Results

PCI took over the contract in August 2013, and just a few months later, transient revenues had already increased—a fact Hindle credits to well-defined procedures and training processes that leave little to employee discretion.

In addition to the bottom-line results, PCI is just as proud of the positive feedback the company has received from city officials and customers. "A unique challenge in regard to Beverly Hills is that

the clientele expects the highest level of service," Hindle explains. "With lots of VIPs, politicians and entertainment industry people, it's not your typical municipal operation." Adds Raskin, "We're proud that what we're doing has made a difference and that people are noticing it."

PCI Brings Expertise to the City

The positive feedback highlights what both Hindle and Raskin believe is another reason the trend toward privatizing parking operations is growing. "Parking operators have expertise that a municipal parking operator may not," Raskin explains.

"An operator typically runs hundreds of locations in different areas and is exposed to more ideas and more new technology than a municipality would be." As a result, it can be more creative and responsive in dealing with problems and updating facilities.

PCI, for example, works with the city of Beverly Hills to source vendors to modernize equipment, gates, meters, payment systems and other technology. The firm was recently given carte blanche to bring in a new software program to handle much of the city's monthly billing.

Because the city still operates some of its own facilities and has its own parking employees, cooperating closely with that team has been key for PCI. "The city has a parking department staff of six, and we interact with all of them daily in a variety of ways," says Raskin.

Municipal Operations Require Different Standards

Those considering public-sector contracting should know that working with a city or municipality has requirements that



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not all parking operators can handle.

"Companies looking to break into public sector contracting have to recognize that it's quite different than commercial operations," says Hindle.

"There is a higher standard for recordkeeping and fiduciary responsibility; you're dealing with public funds. You must maintain a credible audit trail on everything you do; many (cities) require outside audit certification. A lot of small companies aren't set up to comply with that."

And, Hindle notes, working with the public sector requires a tolerance for bureaucracy.

For those parking operators who are up to the challenge, however, contracting with cities and municipalities provides unique rewards. "It can be very high-profile, exposing you to a lot of potential clients," Hindle says. "Regionally, (leaders of) municipalities know each other, and if you're reputable and do a good job, the word will get out."



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