

Fewer shoppers than expected are parking in the River Park Square garage and the structure is not generating enough revenue to make an upcoming payment on its bonds.

But the public agency that operates the garage said it did not want to tap into the city of Spokane's parking meter funds to make the bond payment.

The Spokane Parking Public Development Authority voted Thursday to study whether it should refinance the \$31.5 million in bonds for the garage or seek a line of credit from local banks.

Parking meter funds should be the last resort, not the first, said City Councilwoman Roberta Greene, a member of the development authority's board.

“We did, in public, make promises to the city of Spokane,” Greene said.

The cost of establishing a line of credit or refinancing the bonds will be presented at a development authority meeting in the next two weeks.

Consultants expected the garage to make substantially more money than it is receiving, the board was told.

The development authority, which was set up by the city, must make a \$700,000 bond payment this year. A study by Walker Parking Consultants of San Francisco, written before the project was built, estimated that in its first year, the garage would take in \$3.4 million after its operating expenses were paid. That would have been more than enough to make that bond payment.

But in November, the garage cleared only \$14,000 after the operating expenses were subtracted from the revenues.

Since the garage must also pay rent for the land it sits on, and interest and principal on the bonds, the garage actually had a November deficit of \$156,450.

The development authority heard several reasons why revenues are less than had been projected:

The garage was built to handle parking for the entire mall, which is only 65 percent complete, said Roy Koegen, an attorney for the development authority. Parking numbers are expected to increase after the mall is finished this year.

Retail sales at the mall are meeting projections, but fewer shoppers than expected are parking in the garage, said Duane Swinton, attorney for Cowles Publishing Co., which owns the companies renovating and operating the mall, as well as The Spokesman-Review. Consultants estimated that 85 percent of the shoppers would park in the garage; the current figures are about 50 percent.

Some shoppers may have had problems parking in the garage when the mall first opened and have not been back, even though those problems have been corrected. Parking revenue at downtown meters is 14 percent higher than last year, suggesting that some shoppers are parking on the street.

Consultants estimated the average stay in the garage for shoppers would be three hours; the average stay has actually been two hours. They also projected higher parking rates; the development authority reduced rates for movie patrons, and instituted some bargain rates for "early birds," although few people use them.

The mall owner is willing to contribute \$100,000 toward a marketing campaign to convince shoppers to use the garage, Swinton said.

"We think the cars are coming downtown, but for whatever reason, they're not parking in the garage," he said.

The garage does not have monthly rates for parking, even though such rates were available at the garage for the old River Park Square. The development authority voted to develop a monthly parking rate by next month costing from \$90 to \$100.

The mall's largest tenant, Nordstrom, has opposed monthly parking that could take up spaces its shoppers would need at peak sales periods. But Greene said that should not be a concern at this point.

"If the garage has as many spaces as it does ... I don't see what the problem is," she said.

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