Should Bethlehem bet on future development with new parking deck?

Bethlehem City Council is being asked to bet on the success of the South Side by backing the debt associated with a $17.75 million 626-space parking deck, a parking consultant says.

The Bethlehem Parking Authority wants to build a controversial garage at New Street and Graham Place. The authority hopes to begin construction in June and open the deck in May 2017.

It will be connected via a pedestrian walkway to Dennis Benner's six-story Greenway Park building proposed at Third and New streets, which St. Luke's and Lehigh University are both planning to move into.

Thursday night, city council held a committee meeting to discuss a parking demand and feasibility study for the garage completed by Desman Design Management.

Council is asked to back the bonds needed to finance the project, something some council members are reluctant to do given financial projections for the garage. The deck will be paid for with user fees unless the authority goes under.

"I think it's going to severely hamstring the parking authority for years to come," Councilman Eric Evans said.

Council also grappled with the idea that only 186 of the 626-parking spaces are currently spoken for.

"We don't want to build for today and find out we won't have enough for tomorrow," said Tim Tracy, of Desman.

Lehigh University says it will test water for lead
Lehigh University to test water for lead

Testing is scheduled days after one of its professors aided a media report discredited by public school officials.

Councilman Michael Colon asked if Tracy knows of municipalities where parking systems failed due to being overbuilt.

Yes, but that's more due to the collapse of a downtown versus an overbuild, Tracy said.

"The demand needs to be there," he said, adding it's essentially a gamble on the stability of the South Side.

Financial projections for the garage find it operating in the red by 2029 but the authority emphasized those are conservative figures.

The project assumes only 270 spaces in the garage are filled the day it opens and no additional permits are bought, said Kevin Livingston, authority executive director. Anything above and beyond is gravy, Tracy said.

The projections assume no South Side development other than Greenway Park and that parking rates only increase every five years, Tracy said. But much more development is planned in the neighborhood.

The development brings retail back to a prominent corner at the foot of the Fahy Bridge in the heart of South Side.

ArtsQuest is considering expanding the Banana Factory, Lehigh University is considering redeveloping a building at Fourth and Adams Street and there are projects in the works for Third Street, said Alicia Miller Karner, director of community and economic development for the city.

Benner has announced plans for a building on Fourth Street but has not submitted formal plans to the city. His project at Fourth and Vine streets has been issued a certificate of appropriateness but no land development plans have been submitted to the city.

Karner said she thinks Benner is trying to get the first project financed and built.

Evans said he's concerned about the timing, the size of the deck and finances of the project.
"Once it's there, it's there," he said.

The cost-per-space, the development demand and the layout of the site helped to determine the number of spaces in the garage, Tracy said. This is the only location that can support a multi-story parking facility, he said.

Council President J. William Reynolds noted that the North Street garage was built under similar circumstances. It spurred development that led to the reuse of surface lots, he said.

The northside parking garages are located on the outskirts of the downtown and funnel visitors past many businesses to get there, said Breena Holland, Lehigh University South Side Initiative chairwoman.

Many residents turned out to continue voicing their opposition to a project that they say is out of place in the neighborhood and sure to worsen traffic congestion. They pushed for redeveloping surface lots into smaller decks and some suggested Benner, Lehigh and St. Luke's chip in for the project.

"You don't have the street grid to support all of this," resident Dana Grubb said.

Couture Salon and Spa owner Christina Haus said there's a major need for parking in South Side that makes visitors feel safe and supports business.

"We don't actually have feet on the street," Haus said.

WHAT'S NEXT?

April 5: Council hearing on the vacation of Graham Place to make way for the garage.

April 19: First reading of the ordinance approving the bond.

May 3: Second reading and vote on the bonds.

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