

Is new South Bethlehem parking garage a 'concrete elephant'?



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A proposed 626-space parking garage in South [Bethlehem](#) will cost more than \$1 million annually, although its users are only expected to be willing to walk 300 feet from their parking spots.

City residents have been pressing for information for months on the \$17.7 million garage, asking to see copies of the [parking demand and feasibility study](#) prepared by Desman Design Management.

The [Bethlehem Parking Authority](#) released the study to [lehighvalleylive.com](#) last week in response to a Right-to-Know request, a day after the authority board voted to raise parking garage rates and signed off on the study.

The analysis actually found there's currently a surplus of parking in South Bethlehem.

Parking won't become a major headache unless developer [Dennis Benner](#) goes forward with two planned projects.

While Benner has yet to break ground on either project, the parking authority is taking steps to build the garage at New Street and Graham Place. It raised rates to help cover pay for it and has city approval to tear down homes at the proposed site.



It'll cost more to park in Bethlehem

After reviewing the parking study, some residents are staunchly opposed to a garage they say makes zero financial sense. They argue city taxpayers and visitors should not be subsidizing the dreams of one developer.

"This is a big, big white elephant money loser," resident professor Al Wurth told [Bethlehem City Council](#) on Tuesday night. "To build this thing is going to cost you \$1 million a year. "

The New Street garage will cost about \$1.16 million in annual debt payments and about \$165,000 to operate and maintain in the first year. It's projected to generate almost \$255,000 in revenue in the first year.

Repairs needed

Those costs don't include the millions of dollars of repairs the Walnut and North street parking garages need. The authority will borrow another \$7 million in 2019 for that work, according to the study's financial projections.

"There are several other projects in the city of Bethlehem that need extensive work," said Councilman Bryan Callahan, liaison to the parking authority.

Parking authority Executive Director Kevin Livingston has said the parking rate increases were necessary to help fund the New Street project and the repairs.

Barring further development, the authority can operate in the black without raising rates until 2029, officials said. But then rate increases will be needed.

Council President J. William Reynolds said he disagreed with many of the residents who spoke Tuesday night, but their concerns highlight the need for giving a comprehensive parking plan to the public. It's a discussion he said he's been pressing the city administration to have with the public.

Mayor Bob Donchez and city Director of Community and Economic Development Director Alicia Miller Karner didn't attend Tuesday's meeting.

But on Wednesday Donchez defended the need for the parking garage.

"We are not just looking at the Benner project. We are looking at future projects," he said. "That has been kind of lost in this discussion"

Lehigh University has plans to develop a building at Fourth and Adams Street, the Banana Factory is considering a major expansion and an office building is under consideration on Third Street, Donchez said. All of these projects will need parking.

The study looked at the existing parking demand of South Bethlehem -- from the Lehigh River to Packer Avenue and Webster Street to Montclair Avenue -- and projected the impact of Benner's projects.

It rules out many existing parking options, such as the Riverport Garage, because the study says the new office building's visitors won't be willing to walk more than 300 feet.

Benner's proposed **Third and New streets building will have retail** and restaurants on the first floor. St. Luke's University Health Network and **Lehigh University** will occupy office space on the other five floors. It will generate a weekday demand of 300 parking spaces and 70 spots on Saturdays, according to the parking study.

Pedestrian walkways will connect the building to the garage. Construction on the building is expected to wrap up in the spring of 2017.

Benner building a 'game changer'

Benner also has plans for a 13-story building on West Fourth Street, which the study projects will create a demand of 380 spaces on weekdays and 530 spaces on Saturdays.

That assumes that 72 percent of the 335 Lehigh students living in the building will park in the garage.

Only 27 percent of Lehigh undergraduate and graduate students have university parking permits, according to the university. Freshman are not allowed to have cars on campus.

Critics slam plan

Fountain Hill resident Peter Crownfield asked council if it was embarrassed by the absurdity of the proposal.

"You're talking about losing \$1 million a year to benefit one developer," Crownfield said.

The study shows a surplus of parking in South Bethlehem currently.

At 1 p.m. on a weekday, 53 percent of the area's 502 on-street metered spaces were filled, while only 33 percent of the 392 off-street spaces were in use.

The study claims that will all change if Benner's projects are built.

People don't want to park blocks away from their employment."

"For this type of development and factoring in the car-centered culture in this area of the country, we assume that 300 feet is the maximum walking distance that the average person would consider reasonable in order to reach this destination," the study stated.

According to Crownfield, it makes no sense that Lehigh students won't walk more than 300 feet to an apartment if they'll walk six blocks to class.

This small walking radius eliminates the majority of South Bethlehem's parking options, leaving only 144 on-street and off-street spaces. At peak times only 40 of those spots will be open, the study says.

If the Benner projects are built, the neighborhood would need 700 more parking spaces to meet the parking demand, according to the study.

Resident Kim Carrell-Smith said it's clear to her the spike in parking needs is all based on an unapproved "developer's dream" project on Fourth Street. Spending all that money on an enormous "concrete elephant" is appalling, she said.

The study is meant to project South Bethlehem's future parking needs and it did that, Callahan said. St. Luke's and Lehigh never would have signed a lease for the Benner building without parking, he said.

"People don't want to park blocks away from their employment," Callahan said.

The mayor said he was very involved in getting St. Luke's and Lehigh to sign leases for the project.

"Without a garage, there's be no commitment from those two to move into Third and New streets," Donchez said.

Lehigh University South Side Initiative Chairwoman Breena Holland questioned the planning assumptions used to determine how far users would walk, noting the 300-foot figure references certain types of retail. The garage will be largely used by office workers and they can be expected to walk up to 1,500 feet, she said.

"It is pretty obvious we don't need this parking garage," Holland said. "The study is not demonstrating it."

Desman was tasked with determining whether the authority can generate enough money through parking fees and tickets to cover its operating, debt and capital costs.

The authority will operate with a surplus until 2029 if there's no parking demand growth in the study's area. If there is more development, the authority will need to raise parking rates and the city may have to guarantee the authority's debts and operating expenses.

The garage's capital cost per space is \$150 a month, or \$1,850 a year, city resident Wurth said. And the projected net operating revenue is less than \$100,000.

"This is extremely expensive parking," he said.

The garage will be funded by \$2.1 million in state grant funding and a 30-year bond.

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Bethlehem Parking Authority feasibility study

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