

Why build a parking Structure in the North Barstow Redevelopment area

The North Barstow Redevelopment Area has been dealing with intermittent parking shortages since Phoenix Park was completed in 2003 due to the better than expected community usage of the park and farmers market. For the last eleven years the park and Royal Credit Union (RCU) have been served by 228 RCU and 67 RDA off street parking spaces for a total of 295 located on the lot north of RCU. During that time parking has been adequate on normal business days, but lacking on weekdays and Saturday mornings when the farmers market was operating, on Thursday nights during the summer concert series and when there are special events in the area. The parking was reduced by 40 spaces upon the RDA's 2011 sale of land for the first phase of the Riverfront Terrace apartments.

In 2012 RCU agreed to sell part of their parking lot, an area set aside for a second RCU building, to Pablo Properties, LLC for the construction of the JAMF office building and the RDA sold their remaining parcel adjacent to the RCU parking lot for the construction of the second phase of the Riverfront Terrace apartments. Because the parking on the RCU lot would be reduced to 141 spaces, the RDA and City agreed to construct a temporary parking lot on Block 7 containing roughly 200 parking stalls to serve the short term needs of the area. It was clearly understood that additional parking would be needed as part of a long term solution and that it should be a shared facility that could be used by the businesses during the weekdays and by the public on weekends and evenings. It was obvious at that time that a parking structure would be the best solution, but it was also determined that the City's obligation could be met with surface parking.

The JAMF office building currently under construction is approximately 72,500 S.F. and they expect to have roughly 150 employees when they take occupancy this fall with continued growth of up to 300 employees within a couple of years. The 105,000 S.F. RCU building requires over 300 parking spaces on a regular basis. With what is left of the RCU lot and the temporary lot on Block 7 there will be roughly 341 off street parking spaces available this fall as shown on the attached **Diagram A**. With the use of the Railroad Street parking lot the existing parking situation can provide the required parking for the JAMF and RCU buildings through the first half of 2015, but there will be a shortage of available parking for other businesses and special events in Phoenix Park.

The existing Development Agreement between Pablo Properties, LLC and the City of Eau Claire related to the construction of the JAMF office building requires the City to provide 145 parking spaces within 800 feet of the JAMF building upon occupancy of the building and another 65 by July of 2015. The existing Development Agreement between RCU and the City of Eau Claire signed in 2003 and later amended in connection with the development of the JAMF office building requires the City to provide the balance of 300 parking stalls, for a total of 510 spaces within 800 feet of the two office buildings. As previously mentioned the City's obligation can be met with surface parking and attached is a sketch of the North Barstow Area, labeled **Diagram B**, showing the entire post office site being used for surface parking as well as all of Block 7 and the existing parking north of the RCU building. There is a total 486 off street parking spaces shown on this plan. Additional spaces at the Railroad Street parking lot would allow the City to meet its obligations within the development agreements, but there are numerous reasons a surface parking option would not be a wise decision and would represent a lost opportunity.

First off this surface parking configuration creates a sea of asphalt which would not contribute to the desired urban atmosphere. Every urban concept plan done for this area over the past decade and a half has shown structured parking facilities. It is a foregone conclusion that to create an exciting and inviting urban environment you need to eliminate large surface parking lots.

Second a large surface parking lot is not environmentally friendly. The heat generated during the summer months and the runoff with suspended solids from road waste throughout the year are harmful to the environment and should be avoided if possible. The proposed ramp would almost eliminate the heat gain and would reduce the runoff considerably.

The Third reason would be for the convenience and comfort of the workers in the area. Covered parking is a big advantage during the winter as we all know, but is also desirable throughout the rest of the year. A structured parking facility puts parking closer to the offices for the occupants saving them time and making them more productive as they come and go. This convenience and comfort will enhance the area and make it easier for RCU and JAMF to recruit and retain top talent.

The fourth reason surface parking would be a bad idea relates to the lost opportunity for generating real estate tax revenue from Block 7 and the post office site. The projected incremental value from the 2013 amendment to TID 8 for Block 7 is \$8,500,000 and \$2,000,000 from a small building proposed for the post office site. I personally believe these projected valuations are low. The eventual value of the JAMF office building and the Riverfront Terrace Apartments will each exceed \$10,000,000 and there is no reason to allow anything to be developed on Block 7 that would have a value of less than that and with some of the suggested plans for the parking structure location a project on the post office site with a valuation of at least \$5,000,000 is not unreasonable. TID 8 is currently performing without the benefit of the increased incremental revenue from the JAMF building and the second phase of the Riverfront Terrace Apartments which will both be completed in 2014. When Block 7 and the post office site are developed the cost of the parking structure investment will be fully covered. When the district is closed and the bonds retired the City will end up with \$15,000,000 to \$20,000,000. of additional valuation that would not have been realized without a parking structure.

The perceived savings of not constructing a parking structure may not be as significant as suggested either. The City's estimated project cost of \$10,000,000. includes over \$2,000,000. for the reconstruction of Hobart and Galloway Street as well as the razing of the Post Office building, soils work, construction of a pedestrian walkway and other improvements. The parking structure itself is estimated at approximately \$8,000,000. The cost of constructing the surface parking shown on the attached plan would be at least \$500,000 resulting in a project cost of between \$2,500,000 and \$3,000,000 even if the ramp is not built. It should be noted that the existing development agreement only obligates JAMF to pay for parking once there is a facility in excess of 330 parking stalls on the post office site. The RCU development agreement has similar language. At the current City rate of \$32.00 per month for each parking space the annual revenue from 500 parking stalls would be \$192,000. The ramp would also be available to the general public evenings and weekends resulting in additional revenue which would more than offset the operating and maintenance costs.

Using Block 7 and the post office site for parking instead of allowing them to be developed would result in a huge loss of revenue to the City for generations to come and in a much less densely populated area countering efforts to shape the neighborhood as an urban renewal district. The bottom line is we can afford to build a parking structure now, the community needs it, will use it and delaying the project will raise the cost and jeopardize the development momentum for downtown Eau Claire.