

S. Tahoe parking garage bonds to be refinanced

Bonds on the 10-year-old South Lake Tahoe parking garage are going to be refinanced.

While the interest rate will be lower, the payment date will be extended another 10 years from the original 30-year end date. However, financial experts have told the city it's possible the debt could be paid off in 20 years. And a decade ago the city was also told this concrete structure would be a money-maker.

The paperwork is such that the garage would not be able to be refinanced in the next 10 years.



South Lake Tahoe's parking garage has been problematic since Day 1. Photo/LTN

The interest rate is estimated to be about 6.3 percent. The goal is to have the transaction done by December before the next payment is due on the current bonds.

The City Council at its meeting last week unanimously agreed to this deal.

The original bond in 2002 was for \$9 million.

The garage takes in about \$650,000 in revenue. But the operating expenses and debt payment are close to \$750,000. The \$100,000 shortfall was been double that in past years before management changes were made.

The South Tahoe Joint Powers Parking Authority owns the garage. The council acts as that entity's board of directors.

– Lake Tahoe News staff report