

MAR 04 2002

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11 UNITED STATES DISTRICT COURT
12 EASTERN DISTRICT OF WASHINGTON

13 IN RE RIVER PARK SQUARE
14 PROJECT BOND LITIGATION

No. CS-01-0127-EFS

ANSWER OF CITY OF SPOKANE
TO THE SPOKANE PUBLIC
PARKING DEVELOPMENT
AUTHORITY'S CROSSCLAIM

15
16 The City of Spokane answers the crossclaim of the
17 Spokane Public Parking Development Authority ("PDA") as
18 follows:
19

20 **ANSWER**

21 I. - VII. This defendant admits the allegations in
22 paragraphs I through VII.

23 VIII. This defendant admits the allegations contained
24 in the first sentence of paragraph VIII. This defendant
25 lacks knowledge or information as to the powers and
26
27

28 ANSWER OF CITY OF SPOKANE TO
THE SPOKANE PUBLIC PARKING
DEVELOPMENT AUTHORITY'S
CROSSCLAIM - 1

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1 purposes of the Foundation that were identified by its
2 incorporator and therefore denies the allegations of the
3 second sentence.

4
5 IX. - XIII. This defendant admits the allegations in
6 paragraphs IX through XIII.

7 XIV. This defendant denies the allegations in
8 paragraph XIV and by way of further answer states that
9 Ordinance C-31823 was adopted in 1997.

10
11 XV. This defendant denies the allegations in paragraph
12 XV and by way of further answer states that the bonds were
13 issued in 1998.

14
15 XVI. This defendant denies that paragraph XIV
16 accurately reproduces ordinance C-31823.

17 XVII. - XVIII. This defendant denies the allegations
18 in paragraphs XVII and XVIII.

19
20 XIX. This defendant admits the allegations in
21 paragraph XIX as to the Official Statement.

22 XX. This defendant admits that the Official Statement
23 discussed the flow of funds agreed to by the PDA. The City
24 denies all remaining allegations in paragraph XX.

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28 ANSWER OF CITY OF SPOKANE TO
THE SPOKANE PUBLIC PARKING
DEVELOPMENT AUTHORITY'S
CROSSCLAIM - 2

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1 XXI. - XXIII. This defendant denies the allegations in
2 paragraphs XXI through XXIII.

3 XXIV. This defendant admits that the City of Spokane
4 claims that it is obligated to lend money to the PDA only
5 when parking garage revenues failed to meet the total of
6 the Ground Lease Payments and the Operating Expenses
7 without regard to debt service but denies the remaining
8 allegations in paragraph XXIV.
9

10 XXV. This defendant admits the allegations in
11 paragraph XXV.
12

13 XXVI. This defendant denies that it is the Official
14 Statement that creates the PDA's obligation to pay debt
15 service first. This defendant admits the remaining
16 allegations in paragraph XXVI.
17

18 XXVII. - XXVIII. This defendant denies the allegations
19 in paragraphs XXVII and XXVIII.
20

21 XXIX. This defendant denies the allegations in
22 paragraph XXIX, including on the basis that the allegations
23 are incomprehensible.
24

25 XXX. - XXXI. This defendant denies the PDA's
26 characterization of its contentions in deference to its own
27

28 ANSWER OF CITY OF SPOKANE TO
THE SPOKANE PUBLIC PARKING
DEVELOPMENT AUTHORITY'S
CROSSCLAIM - 3

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1 crossclaims, which speak for themselves, and further states
2 that the City of Spokane has loaned money to the PDA in the
3 past.
4

5 XXXII. - XXXV. This defendant denies the allegations
6 in paragraphs XXXII through XXXV.
7

8
9 **AFFIRMATIVE DEFENSES**

10 The City asserts the following affirmative defenses to
11 PDA's counterclaim:

- 12 1. Failure to state a cause of action.
13 2. The PDA's counterclaim was not duly authorized.
14

15
16 WHEREFORE the City of Spokane prays as follows:

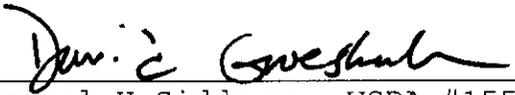
- 17 1. For dismissal of the PDA's crossclaim with
18 prejudice, and
19 2. For recovery of its fees and costs incurred in
20 defense thereof.
21 3. DATED this 4 day of February, 2002.
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28 ANSWER OF CITY OF SPOKANE TO
THE SPOKANE PUBLIC PARKING
DEVELOPMENT AUTHORITY'S
CROSSCLAIM - 4

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ANSWER OF CITY OF SPOKANE TO
THE SPOKANE PUBLIC PARKING
DEVELOPMENT AUTHORITY'S
CROSSCLAIM - 5

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CERTIFICATE OF SERVICE

I hereby certify that on this 4 day of February, 2002 I caused a true and correct copy of the foregoing to be served on the parties to this action or their counsel at the address and in the manner set forth below:

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ANSWER OF CITY OF SPOKANE TO
THE SPOKANE PUBLIC PARKING
DEVELOPMENT AUTHORITY'S
CROSSCLAIM - 6

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ANSWER OF CITY OF SPOKANE TO
THE SPOKANE PUBLIC PARKING
DEVELOPMENT AUTHORITY'S
CROSSCLAIM - 7

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ANSWER OF CITY OF SPOKANE TO
THE SPOKANE PUBLIC PARKING
DEVELOPMENT AUTHORITY'S
CROSSCLAIM - 8

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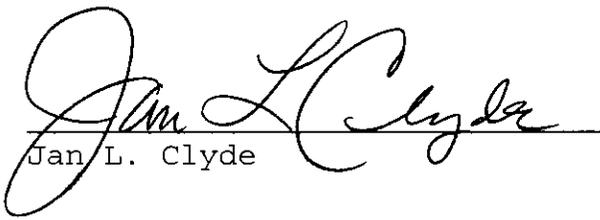
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ANSWER OF CITY OF SPOKANE TO
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DEVELOPMENT AUTHORITY'S
CROSSCLAIM - 9

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