

# Campaign begins for BID election

**DOWNTOWN:** Supporters, opponents aim to reach out to entire city with messages about tax district.

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A public vote on the new downtown Business Improvement

District will go forward June 29 after a review last week found that opponents collected more than enough signatures from registered Rapid City voters.

Supporters and opponents of

the new taxing district now have the task of educating voters city-wide about an issue that has, up until now, mostly interested only property and business owners downtown.

The district, if voters allow it to continue, would raise revenue through taxes on downtown property to pay for the maintenance

and operations of a proposed Main Street Square at Sixth and Main streets. It would not pay for the \$6.5 million construction of the park, a venue for public events including concerts, ice skating and farmers markets.

Supporters began a campaign Friday to promote the district, passing out literature downtown

and writing letters to the editor of the Rapid City Journal.

"What we want to do now is come to the community with what it's all about," said Dan Senftner, president of Destination Rapid City, the group of property owners, developers and investors that

See BID, Page A4

# BID: Proposed Main Street Square seen as place for families.

From Page A1 **05.10.10 Journal**

formed in 2008 to execute economic development projects for downtown.

He said the park will become a favorite place for families to spend time together, and along with future projects that the BID could fund, will generate new tourism and sales tax revenue for the city.

"This is the best thing that could happen to Rapid City that we've ever had the opportunity of doing," Senftner said.

He said voters should know that the city council unanimously approved the creation of the district and that by any measure, the majority of property owners downtown are behind the plan.

Private donors have committed \$3 million to the construction funding and also have agreed to cover any park operating costs beyond what the BID funds, so the city would have no responsibility there.

Homeowners and property owners outside of downtown won't be taxed.

"Say you're a homeowner anywhere in Rapid City. The question you need to ask yourself is, 'How much is this going to raise my taxes?' The answer is zero," said Mayor Alan Hanks, a supporter and member of the Destination Rapid City board. "There is great momentum for creating this vibrant downtown, and it's not going to cost me, as a homeowner in Rapid City, any money."

Hanks said the idea for the project did not come from city government.

"If the business owners in downtown Rapid City are willing to step up to the

plate and assess themselves, why wouldn't the public support that?" Hanks said.

But opponents collected more than 2,300 valid signatures to refer the issue to a public vote, according to a Destination Rapid City review. Some opponents support the idea of the park, but all oppose the idea of funding it with a downtown tax, especially because there is a cap on the total amount of money any one property will be taxed. They say the cap is unfair to the owners of lesser-valued property.

"We do want people to understand that this is not a vote for or against the fountain," said Mary Renka, office manager at Black Hills Psychiatry Associates. "It's for or against the business improvement district."

The opponents will appeal to public antipathy for taxation.

Renka said citizens are concerned about the economy and are opposed to the idea of spending millions on a new park, \$3.5 million of which will likely come from the city's Vision 2012 fund.

"Businesses are telling me they are seriously considering whether they can stay in business or not because of taxes," Renka said. "They've got to stop increasing taxes and realize there's going to be a point where we can't afford to pay them anymore."

If voters turn down the district, Senftner said, Destination Rapid City will dissolve, and plans for the square will go unrealized.

If they endorse it, he said, the Main Street Square will be self-funding within five years, and the district tax revenue can go toward supporting other projects to benefit downtown.

"I think we have a good downtown; this just gives us the opportunity to have a great downtown," Senftner said. "Main Street Square is only the beginning."