

BID supporters file lawsuit to stop citywide referendum

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Almost one-fourth of the signatures were invalid on petitions that call for a citywide vote to repeal the new downtown Business Improvement District (BID), according to a lawsuit filed Friday.

Because of the alleged illegal peti-

tions, a referendum on Tuesday, July 24, that would determine BID's future should be permanently called off, pro-BID spokesmen said at a news conference.

The suit was filed in 7th Circuit Court by John Brewer, chairman of the BID board of directors, and Darline Yeoman, a downtown Rapid City businesswoman.

Defendants are Mayor Keith Carlyle and the Rapid City Common Council, because it had authorized the election, and Kent Brugger, city finance officer and custodian of the petitions.

Judge Merton Tice Jr. will hold a 3:30 p.m. Monday hearing to rule on the validity of the petitions, spokes-

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men said.

The BID, enacted by the common council at the request of the Downtown Development Corp. and others, would assess merchants and/or property owners 10 cents per square foot per year on the structural space of their businesses. The maximum any one business would be assessed is \$2,000 a year. The assessments would raise about \$185,000 a year.

The money would be used to promote and improve the downtown area.

However, BID opponents said the assessment cap was unfair to small businesses. A recent straw vote showed 138 in favor of BID and 128 opposed, but opponents said the vote was not a secret ballot and some opponents were too intimidated to vote.

Meanwhile, the Committee for Fairness, which opposes the BID, will hold a news conference at 10 a.m. Monday at BJ's Grinder King, 902 Main St.

Walt Bradsky, attorney for the committee, will be featured speaker.

The group will begin its citywide campaign with media packets, posters and other information, according to a press release.

"I don't feel there is merit in the allegations of the BID proponents," Bradsky said. "Possibly there are some signatures that might be held invalid," but the committee was extremely careful in advising people how to properly circulate the petitions.

"We feel the BID proponents are very concerned about losing in event this goes to an election ... because they know what they are proposing is unfair to the small business occupants," Bradsky said.

However, last December Carlyle appointed 19 small business people and two from large businesses to a bipartisan interim committee that studied the BID plan for three months before unanimously approving it, said a BID proponent who asked not to be identified.

"It was the small guys who put the cap on the big guys," he said.

Brewer said an initial routine check

of the petitions, submitted to the city council in June, revealed irregularities in the signatures.

"Not only did we find very few signatures from the downtown, but a routine sample showed we had a high proportion of unqualified signatures," he said.

A full investigation eventually showed 400 invalid signatures among the 1,841 that were on the petitions, Brewer said, adding that 1,500 were needed to bring the dispute to a vote Tuesday.

Signatures are invalid if the signers aren't registered voters, aren't Rapid City residents or don't meet other legal requirements, said Harry Christianson, the attorney for Brewer and Yeoman.

Brewer said both large and small downtown businesses favored the BID. "If a handful of people don't want to join this heroic effort to save our downtown, that is unfortunate.

"But if they are to use the governmental system to fight us, we will ... hold them to the same standards of legality and fair play by which we

have had to abide," he said.

State law requires that each referendum petition signer do so in the presence of the person circulating the petition, according to the lawsuit.

But one petition, for example, contained 39 signatures that should be ruled invalid because it was "observed being signed while left unattended at a rummage sale," the suit said.

The petitions also contained 189 signatures of non-registered voters, 57 signatures of persons who weren't residents or qualified voters, 17 signatures that weren't accompanied by dates of signing, 15 persons who didn't give their addresses, 16 duplicate signatures, three signatures in which both the written and printed names were illegible and 10 signatures that didn't designate county of registration, it said.

Also, the suit said, petitions were circulated by non-registered voters, a set of 26 signatures were made after June 18 although its circulator had verified the petition on June 18, and one petition had an undated verification by its circulator.