BID could unite downtown core

Editor's note: The author is president of Rushmore State Bank, and he is chairman of the Rapid City Downtown Development Corp.

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The desire of a community to match reality with great expectations has been characterized as the “American dream.” This is what we have been pursuing in downtown Rapid City, through the implementation of a business improvement district (BID).

The BID concept is nothing more than an effort to take the bull by the horns to revitalize and redevelop the downtown area.

It is an effort to buck the national trend that has been fatal to downtown business districts.

In a recent article on this page (James Gabel, “BID law still undemocratic,” Feb. 24) it was written that the state statute allowing for creation of improvement districts was undemocratic. That is simply not the case.

The law provides for mandatory defeat of a BID if a majority of petition signatures are submitted to the city council. What could be more democratic than that?

Furthermore, the state Legislature in its recently adjourned session, spent many hours discussing the issue, and it essentially re-endorsed the law, after amending the statute to make it even more democratic.

The proponents of the BID in downtown have only become so after full consideration of the economic development selections available to us as business people in an urban core that may be on the down side of its prime competitive state.

Those selections indicate that:
A. With over 350 businesses, if properly organized we could realize our potential to attract the largest consumer base within several hundred miles.
B. Fragmented, voluntary programs do not work.
C. We, as business people busy with our businesses, don’t have the time to devote to “managing” the affairs of downtown, even though these affairs affect us.
D. With the reconstruction of our major thoroughfares pending, we would be better off if we planned for it, got organized, and had the resources to improve our business environment.
E. Any combination of the above.

For years, the plan of the day has been early morning meetings, organizing and funding promotions via small committees, and approaching the local government, hat in hand, for assistance with any significant improvements.

Is it so radical an idea to pool our resources in a BID and collectively solve the problems we all share as a result of our common business location?

No, it is not, and the large shopping centers figured that out years ago.

The author of the previous article cited several inequities of the proposed BID.

The BID funding formula is currently under revision by a committee with mixed views on the subject. As of this writing, the details are just beginning to come into focus, so it perplexes me how anyone can criticize a formula that hasn’t even been submitted yet.

Furthermore, I take issue with the statement that all citizens should be interested because, “as consumers they are going to have to bear many of the consequences of the BID.”

Ah, the consequences, such as: improved parking, a more user friendly downtown, a cleaner urban core, stronger businesses with more selection, additional activity, and more employees downtown.

Consequences indeed.

Maybe Gabel meant that if it costs businesses through an assessment, they would pass that on to the customer.

Let’s examine that one. If we take his spouse’s business as an example, via a formula that is currently under discussion, the cost to that business would be $71.28 annually. That’s 20 cents a day.

That size of investment shouldn’t be too great for any business to contribute.

And, if someone wants to ask the entire citizenry for tax-funded assistance, without asking the downtown businesses to pony up — that is a plan I would find unconscionable.

The proponents of the BID feel we should pull ourselves up by our own bootstraps and make it a public-private partnership.

There are those who say it’s not the money, it’s the fairness.

Well, we can meet forever trying to make everybody happy. We’ll never do it — that is not an attainable goal.

What is attainable is for the downtown business operators to put together the best effort we can and try to work together to address an issue most of us feel is worthwhile — strengthening our downtown economy.

After 20 years in the banking business, all of them on Main Street, I see Rapid City being presented a great opportunity to make its downtown truly the “Star of the West.”

The business improvement district can and would be an extremely positive economic development tool for our downtown. Representatives from the downtown would devise the program and oversee its execution.

Will it require some investment? Yes. Does it have some risks? Yes. Is your business either investment or risk free?

I am continually reminded of a quote I read in a recent news article regarding successful economic development in another city. When asked what the economic development executive attributed his city’s success to, he said “...you have to be able to participate in the arena (of business) or you are not going to be successful. I mean, that’s the real world.”

It sure is.