

BID opponents to circulate referral petitions

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Rapid City could have a second special election this summer if opponents of the downtown Business Improvement District (BID) succeed in referring the BID to a popular vote.

"It looks like there will be a referral," said Walter Bradsky, the attorney for BID opponents.

The Rapid City Common Council on Monday night set a special election for July 24 to decide the size of garbage cans in Rapid City. The council also passed second reading of an ordinance to create the BID.

That is the ordinance opponents would like to refer, Bradsky said Tuesday. He said opponents would begin circulating referral petitions as soon as the BID ordinance was published in a legal notice. Publication could be within the next week.

After publication, opponents would have 20 days to gather about 1,500 signatures needed to put the BID to a vote.

"It's our position that the assessment is very unfair to the smaller businesses because of the cap they're facing against larger business owners or operators," Bradsky said. "They limited the big business owner's tax liability but not his control of how the money is spent and who is going to benefit the most."

The BID would assess business and/or property owners 10 cents per square foot per year of their business' structural space, but with a maximum of \$2,000 per business. BID supporters want to use that money to pro-

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mote and improve the downtown.

"Once the people see what's happening to the smaller business owner by the assessment of this unfair tax, they will do what's fair and right and side with the smaller business person," said Bradsky.

Meanwhile, Downtown Development Corp. Executive Director Bryan Schnell said businesses assessed under the BID would vote June 14 to elect 25 directors to administer the BID.

"The board of directors election will go forward," Schnell said Tuesday after learning of opponents' referral plans. "We will have to make an attempt at making progress despite other efforts. We'll meet the next challenge as we've met every other one and just keep trying to do what's right for the community."

The BID has been a hot topic in downtown Rapid City for more than a year and has shown few signs of cooling down. On Monday night, an embittered BID opponent told council members who supported the BID that they could "go to hell."

The Downtown Development Corp., which proposed the BID, has called the BID a way to provide a stable funding source to promote downtown shopping, to keep existing businesses and to attract new businesses to empty storefronts.

In November, BID supporter John Brewer said he had attended countless meetings of volunteers who were trying to keep the central business district vital and alive.

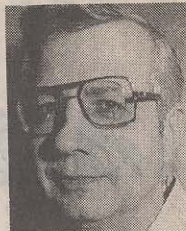
"But in central business districts across the nation, that (volunteer) system, that plan, is failing," he said at that time. The result in Rapid City and other communities was going-out-of-business sales and declining property values and tax revenues, he said.

But others said they didn't need or want the BID, which they said was splitting the downtown merchants rather than promoting the unity BID promoters had called for. Mayor Keith Carlyle then appointed a committee of BID opponents and supporters to try to compromise on the BID.

In March the committee announced it had reached a unanimous com-



Schnell



Bradsky

promise. Among other things, the committee cut back the assessment rate and called for a straw vote of downtown businesses to see if the majority supported the BID.

The straw vote was 138-128 in favor of the BID. BID opponents then said because the election was not a secret ballot, some had been too intimidated to vote against the proposal.

Since then, the council has taken the necessary steps to approve the BID.

In the June 14 election, those that will be assessed will vote for 25 directors, including 10 at large and 15 representing specific districts in the downtown area.

Schnell said the BID area would be divided into five districts, with three representatives from each.

Board members would serve two-year terms, but in order to stagger the terms, top vote getters in the June 14 election would serve two years, and runners-up would serve one-year terms, Schnell said. In subsequent elections, directors would be elected for two years.

Schnell said letters explaining the election procedure would be mailed Wednesday. People who want to be candidates for the board should call the Downtown Development Corp. office at 394-6036 before 3 p.m. June 12.

Those who would pay the assessment are eligible to run. The candidates should be the principal of the business (owner or manager), or the principal's designee.

Schnell said the Common Council could vote to seat the new board at the June 18 council meeting.

"The BID will probably be in effect the first week in July, and we need to get organized and get some policy decisions made," he said.