

BID undemocratic

South Dakota law on Business Improvement Districts (BID), provides that "proceedings shall terminate if protest is made by users of 55 percent of the space." The percentage applies to the space, not the number of users. Voting rights are determined by square feet in the BID.

This may be fair when the shareholder voluntarily associates with an enterprise. It is patently undemocratic in an involuntary association.

Under the only "assessing" method ever proposed, the assessments are by legal definition a "general business license or occupation tax" based on the square footage of the user's place of business.

While the BID proponents, and I'm sure the mayor and many aldermen, would prefer to avoid using the foul word, if they stay the present course they must call it a tax.

The BID's budget need not be subject to annual approval by the common council. The council can determine the "costs for each period since costs were last taxed ..." and tax the businesses for such costs.

The BID has a blank check, drawable on the business owners, as long as the board is spending money on improvements that someone determines are consistent with the resolution of intent.

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