NOTICE TO RAPID CITY AND RURAL PENNINGTON COUNTY TAXPAYERS

BEWARE OF TAX INCREMENT FINANCING
AS ADOPTED BY THE CITY OF RAPID CITY!

Although sometimes used to finance public projects - IT IS OFTEN USED TO SUBSIDIZE PRIVATE BUSINESS INTERESTS!

Tax Increment law permits the city to set aside all the increased taxes that result from development in the tax increment district to repay the costs of a "project" for a period of 15 years, possibly more. These tax revenues are lost to counties, schools, and other city needs.

The city can acquire property in the tax increment district, by CONDEMNATION, IF NECESSARY, improve it, and SELL IT TO A PRIVATE BUSINESS AT LESS THAN ITS COST TO THE CITY!

SHOULD TAXPAYERS IN RURAL PENNINGTON COUNTY BE FORCED TO SUBSIDIZE PRIVATE DEVELOPMENT IN DOWNTOWN RAPID CITY? The same question applies to all taxpayers in Rapid City as well.

The City says that it is doing this to finance a parking ramp, but THEY ALSO HAVE THE POWER TO DEVELOP OTHER PROJECTS FOR PRIVATE BUSINESS PEOPLE IN THE TAX INCREMENT DISTRICT AT ANY TIME BY ACTION OF THE CITY COUNCIL.

ALL OF THIS CAN BE DONE WITHOUT A VOTE OF ALL AFFECTED TAXPAYERS. Rapid City voters could refer it to a vote if they sign and submit referral petitions, BUT AFFECTED TAXPAYERS OUTSIDE THE CITY LIMITS CANNOT VOTE ON THE CITY'S ACTION EVEN THOUGH THEIR TAXES ARE AFFECTED! They are disenfranchised in this case.

TAX INCREMENT FINANCING IS USED TO AVOID THE NECESSITY OF SUBMITTING A GENERAL OBLIGATION BOND ISSUE TO THE VOTE OF THE PEOPLE. THAT MEANS THAT THE CURRENT CITY COUNCIL CAN COMMIT HUGE SUMS OF OUR TAX REVENUES FOR 15 YEARS OR MORE INTO THE FUTURE, WELL PAST THEIR TERMS OF OFFICE.

Tax Increment is a bad law that should never have been enacted by the legislature.

LET'S NOT LET TAX INCREMENT ADD TO OUR FUTURE TAX BURDEN IN RAPID CITY AND RURAL PENNINGTON COUNTY. VOICE YOUR OPINION TO YOUR COUNCIL MEMBERS AND ASK THEM TO RESCIND THEIR ACTION IN CREATING A TAX INCREMENT DISTRICT!

If they don't rescind it, you have only 20 days from date of publication to submit petitions to refer the proposal to a vote of the people.

Rapid City Taxpayers
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