Importance of airport, parking to new companies disputed

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More than a dozen companies have asked questions about Rapid City's airport terminal and lack of downtown parking in the past 18 months, according to Wes Shelton, Chamber of Commerce economic development director.

That's "hogwash," responded Tom Vucurevich, co-chairman of a citizens committee campaigning against a half-cent sales tax increase to finance a new airport terminal, downtown parking ramp and city hall. "They're here for other reasons. And how do we know how many companies there have been?"

Proponents of the proposed sales tax increase say the projects it will build are needed for a strong economic future.

But tax opponents say new businesses will locate in the area without the new facilities.

The fate of the tax will be decided next Tuesday in a special city election. The tax was approved by the city council in November but referred to a vote by petitions filed in December.

Shelton said he couldn't identify the companies that had shown interest in Rapid City. "These companies like to do their own planning and make their own announcements when they are ready. I can't use their names."

Shelton said many banks have been making inquiries in the state in the last year, and most questions about parking have come from them.

"It's not just the major banks asking questions," he said, "but also local people interested in opening new small businesses. "They all want to know if there will be places for employees and customers to park."

Vucurevich said he thinks parking and airport terminals have little to do with companies' decisions to locate in Rapid City.

"We have no corporate income tax. That's probably the number one reason," Vucurevich said. "We have no usury law. That's probably the banks' number one concern. Banks don't need a different type of airport. They're here because of that usury law."

"And it's a right to work state. I'm sure they can pay lower wages here," he added.

"One of the door openers is the lack of corporate income tax," Shelton said, but businesses have many other questions before they decide to locate in Rapid City.

"I can't say building a new ramp is going to bring new industry to town without question," he said. "But it becomes a major concern. It's not an overriding concern in every case, but it's part of a mosaic of questions they ask."

Rapid City is highly visible now because of four major companies' recent decisions to locate here, Shelton said.

The more than 80,000 square feet of vacant space downtown is a great attraction for new businesses seeking office space, he said. But they may not come here if their employees have no place to park.

"A thousand new jobs would be a wonderful shot in the arm," Vucurevich said. "But is the only reason they aren't here because of the airport?"

"If we can lure them across that magical border between Minnesota and South Dakota, they can save a lot of money. I honestly don't think a business is going to say the only reason we aren't coming to Rapid City is because of your airport."

Vucurevich said he had not heard Shelton list the airport terminal and downtown parking as reasons businesses weren't coming to town until recently. "He's always talked about the corporate income tax."