

City to put up \$165,000 for new downtown bus terminal

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A new downtown bus terminal, on the drawing boards since 1974 but threatened with federal funding cutoff, was kept alive Thursday when the Common Council chipped in more city funds to help construct it.

The city agreed to put up another \$165,000 in revenue sharing money after the terminal's largest user refused to pay its rent in advance. Withouth this "up-front" money, the city could have lost a \$400,000 Federal Highway Administration grant, nearly half the money for the project, by Oct. 1.

The city's offer means fewer street improvements than originally budgeted for 1982. Based on the popularity of street projects, some city officials expressed surprise that the council approved the plan.

Alderman Mike Madden, worried that taxpayers would not approve of using street money for the terminal, proposed replacing some of the funds with downpayments the city will receive by selling the old library (former police headquarters), quarry grounds and several lots near the Southside Fire Station. The three properties were appraised at about \$256,500, and if the city can get one-third down the sales would replenish the street program with about \$85,000.

Rapid City has been unable to sell the library in recent months. However, Mayor Art LaCroix said Thursday he has received two or three inquiries since the council agreed to finance the purchase at 10 percent.

The new terminal will cost about \$774,200 which includes buying, clearing and developing land. The terminal itself is estimated to cost about \$450,000.

The city's original share to finance the work included the \$400,000 grant, \$65,000 from Community Development funds and \$150,000 of 1981 revenue sharing monies. The rest was to come from pre-paid rents nine tenants would pay based on the space they needed (\$25 per square foot).

But Trailways, needing the most space, 1,452 square feet, would not furnish its \$85,000 share ahead of time. The

firm told city negotiators it would pay \$22,500 more in rent instead. The other renters felt that arrangement gave Trailways preferential treatment.

City Finance Officer Kent Brugger proposed the revenue sharing plan, as well as offering the higher rent agreement to the other tenants. The higher rents, \$1.30 per square foot per month, compared to \$1, would offset interest the city could have earned on the revenue sharing money.

Alderwoman Norma Thomsen cast the lone dissenting vote against using additional revenue sharing, saying the city would lost money. She suggested tying the leases to a consumer price index.

Some council members criticized

Trailways' uncooperative attitude.

The new terminal will be located on both donated and purchased property between Sixth and Seventh Streets south of the railroad tracks and north of Rapid Street.

Prospective tennants include Rapid Delivery, Rushmore Air Freight, Black Hills Car Rental, Airport Limousine, A-1 Taxi and Car Rental, Trailways, JackRabbit, Western South Dakota Transportation Authority and a restaurant.

Next Tuesday, at the regular council meeting, leases with the renters will be drafted. The city will also be negotiating to buy the additional land and demolition of the existing buildings could begin this winter, officials said, with construction starting next spring.