

Sales tax to fund third high school/aqua park?

— By Nick Vazquez —

According to city Finance Director Richard Wahlstrom, Rapid City could build a proposed aqua park, as well as help to finance construction of a new high school, by keeping its one-cent sales tax.

Cities are allowed under state law to use the one-cent sales tax to fund capital improvement projects, pay off debt or purchase land. It can also be used to finance public areas in schools such as theaters, playing fields, gymnasiums, sewage systems and parking lots.

The tax cannot be used, however, to pay for school programs, teachers or classroom construction.

The city sales tax is said to bring in between \$8 million and \$9 million in revenues annually. Wahlstrom estimated 44-50 percent of that is paid by residents of Rapid City. Ten percent is paid by tourists, and the remaining 40-46 percent is paid by individuals who live outside the city yet do business in Rapid City.

Revenues from the one-cent sales tax have been divided in half. One half has been used to finance such projects as the reconstruction of Main and St. Joseph streets and also the remodeling of O'Hara Stadium. This half of the sales tax is permanent and, according to Wahlstrom, "revenue from that half-cent sales tax is already in the bank and would fund the aqua park."

The Rapid City School District wants to use the remaining half of the penny sales tax, which is set to expire when payments on the Rushmore Plaza Civic Center are completed, tentatively slated for 1995.

The tax relates to Mayor Ed McLaughlin's 2012 plan—a capital improvement plan for Rapid City—which includes the construction of roads, buildings and other projects.

"We're trying to gain input from the chamber, service clubs, senior

citizens and as many civic organizations as possible to develop a viable plan for the future of our city," stated McLaughlin.

He said that petitions are being circulated to inform the public and bring the various points to a public vote, instead of just the council voting on certain development.

The tax has been a way of funding capital improvement projects, such as the city/school administration building, Rapid City Regional Hospital and both Stevens and Central high schools.

McLaughlin pointed out that the city has to consider other projects as well, including recycling and increasing tourism.

"When people come here and they want to know what there is to do, they're immediately sent out of town, to attractions such as Mount Rushmore and Deadwood. Our city still does not have a major attraction where everyone will want to see and by doing so, they would remain in our city for a short period before going on to see other areas," said McLaughlin.

In spite of these possible expenditures, many citizens are concerned that a merger between the Common Council and the School Board could tip the scales in favor of investing the tax revenues in the building of a new high school. But according to McLaughlin, this is not the intent.

"This is definitely not and has not been our intention. The city has said it will not get into the same boat regarding the bond issue, but that doesn't mean we won't support it either. We must continue to work together as a community, and unity and input between all persons in this city is vital to its growth," McLaughlin said. "We're not trying to circumvent the election process or the bonding issue. What we're interested in are good schools and this is one of the reasons that people from other areas are inter-

ested in our community. We're not just another cow town that has never heard of a theater. ... We have a caring community with a small-town atmosphere and good schooling."

He added, "I fully believe citizens will make the right decision, if they have all the facts." School Board President Sharon Lee agrees.

"We never thought of it as just for the benefit of the high school. What we're hoping to do is work out a program and share in the revenues. This is possible as there are laws on the books and all over the United States others are using the law that provides for a joint-powers agreement," said Lee.

"It's a matter of cooperative building for the benefit of the community. We (the School Board) hope to be able to do that as well. I really feel badly that a few people look at it as a trick to obtain a new high school, and this is not the intent of the School Board either. It's simply a way to find another source of revenue, less painful to the property owners, in a way that would benefit the entire community," noted Lee.

"We have to find the means. Property owners feel that they're paying as much as they can right now, but we still have the need. Our responsibility is to look at as many creative ways as possible to make something positive happen.

"The half-cent tax is the city's tax which they want to use for the 2012 project, which we wholeheartedly support. In fact, it's crucial to the well-being of our community improvements. These are things we can all enjoy as citizens and, hopefully, we can all be players and a part of the process," Lee said.

She concluded, "We're not interested in pitting one project against another, but rather a method of finding a way to create a win/win situation for Rapid City."