



CITY OF RAPID CITY

RAPID CITY, SOUTH DAKOTA 57701-2724

Office of the Mayor

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January 17, 2018

Rapid City Common Council
300 Sixth Street
Rapid City, South Dakota 57701

Re: Future of the Barnett Arena

Dear Council Members:

As I write this letter to you, we are exactly 40 days away from the special City Council meeting in which you are requested to vote on the future of the Barnett Arena. Although this window might seem narrow to some, I am confident this is the appropriate time for a decision to be made for the future of the Barnett Arena, and in turn, the future of our community.

The February 26th special City Council meeting will not only aid us in moving towards compliance with Department of Justice requirements, but this timeline also happens to line up with the June 5th primary election in the event the public refers your decision to the ballot. By aligning with the June 5th primary election, we are avoiding the additional costs we would incur from holding another special election in the ballpark of \$30,000. The primary election would also expose more people to vote on the issue than a single-issue special election.

Our timeline for upcoming meetings and events related to this process includes:

- February 26 – Special City Council Meeting
- February 28 – Notice/publication of Council action
- March 20 – Referendum petition deadline to the Finance Department
- April 2 – Petitions to City Council to set special election
- June 5 – Special election to run in conjunction with the primary election ballot

As elected officials, I am asking you to help me encourage the members of the community to learn the differences between the 2015 proposal and that which I am proposing to you in 2018. This decision, regardless of its outcome, is one that will impact the entire community for decades to come, therefore it is critical that our community members be aware of and informed on this matter. A portion of the community still has negative feelings regarding the last vote, and numerous misconceptions continue to exist including cost projection differences and which area of the Civic Center is under discussion. Such misconceptions can be quickly clarified if people take the time to hear the differences, and the public presentations I have been holding are a perfect opportunity for just that.



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OPPORTUNITY

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On Saturday, January 20th at 2:00 p.m. I will be holding another public presentation in LaCroix Hall A. I encourage you to attend this presentation, and I challenge you to encourage your constituents to do the same. Each presentation is ended with a question and answer session followed by an optional tour of the Barnett Area. I happily will stay as long as needed until everyone has their questions answered. If you know community members that are unable to attend, please encourage them to view the presentation at <http://www.barnettarena.com/> or have them email me at mayorsoffice@rcgov.org.

In addition to hosting public presentations and providing presentations to service organizations to educate the community on this topic, the City is also currently collaborating with Stone Planning LLC in development of an up-to-date feasibility study. This feasibility study is anticipated to be completed in early February, and it will provide information regarding:

- Local Market Analysis
- An overview of Rushmore Plaza Civic Center past and ongoing operations and its individual facilities
- Local market and industry feedback
- The competitive environment for arenas
- Comparable facilities and markets
- Market conclusions and recommendations
- Operating and financial projections
- Demand/operating projections
- Financial projections
- Economic and fiscal impact overview

I believe the additional information provided by the 2018 feasibility study will be highly beneficial, and that it will help you feel confident whichever way you vote.

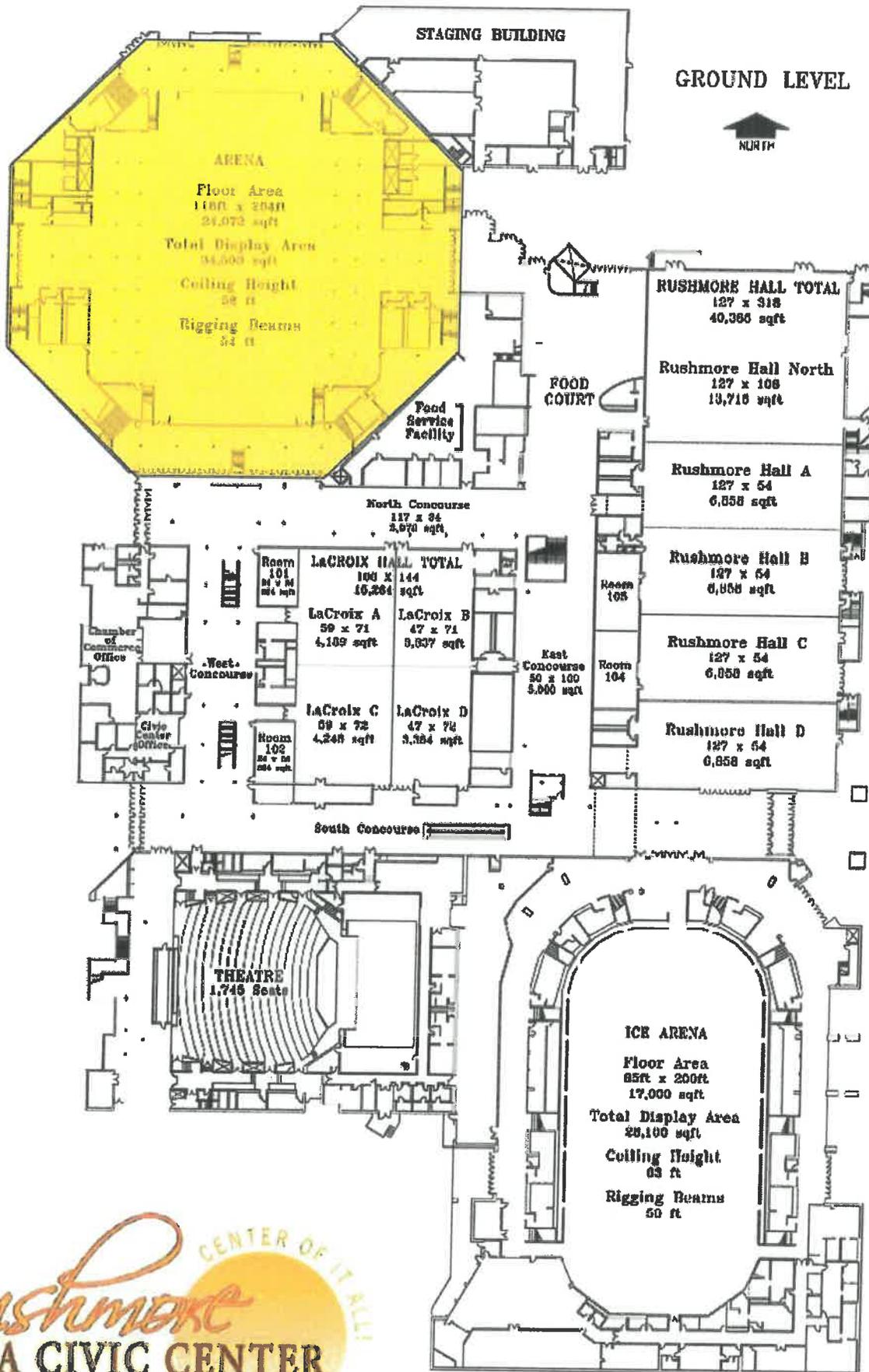
In addition, the City is also consulting with TEGRA to serve as our owner's representative. RFQ's were released yesterday for design and construction for both options – remodel or construction of a new arena. These RFQ's will allow us to narrow the field of potential companies who are capable and qualified to handle either option. Once narrowed, RFP's will be sought from a smaller selection of qualified candidates. The manner in which design and construction companies are selected will be consistent with City of Rapid City established procedures.

If there are questions I can answer, or if you would like to meet with me prior to the February 26th special City Council meeting, please do not hesitate to contact me.

Sincerely,



Steve Allender, Mayor
Rapid City, South Dakota



Rushmore
 CENTER OF IT ALL!
PLAZA CIVIC CENTER