

Mayor –

Eva Syverson called to express her opinion about Wal-Mart. She said that it appears to her that it should be a go. She said the area will be developed at some point, and with Wal-Mart there, it will be done nicely. Something else might not be as friendly to the neighborhood. Ms. Syverson said that it is fair now that they have reduced their TIF request.

She does not expect a call back but her contact information is below if needed.

She asked that I pass her comments along to the Mayor and the TIF Committee.

Eva Syverson
829 E Indiana St.
342-9550

Thank you!

RECEIVED

JAN 27 2011

Rapid City Growth
Management Department

Growth Management Department
300 S1xth Street
Rapid City, South Dakota 57701-5035

January 25, 2011

I am opposed to the Proposed Tax Increment District located adjacent to my property. The area certainly does not meet the definition of a blighted area by any stretch of ones imagination.

The use of this location for a BIG BOX RETAIL STORE is inappropriate and will destroy the character and integrity of the area. The natural use for the land along Fifth Street , if zoning is not changed to High Density Residential , is Medical Office or Office Commercial . The Big Box type of development should be south of Catron Blvd .



Donald J. Semancik
Registered Architect (Retired)

253 Enchantment Road
Rapid City, South Dakota 57701
1N 07E SEC 24 RAPID CITY EASTRIDGE ESTATES SUB BLK 4 LOT 9AR

Copy of this letter sent to Alderman Gary L Brown .

From: Fred Weishaupl [<mailto:fredandkaryl@rap.midco.net>]

Sent: Saturday, March 05, 2011 11:31 AM

To: Brown Gary; Waugh Bill; Weifenbach Ron; Costello Aaron; Kroeger Ron; Hadcock Deb; Kooiker Sam; Davis Dave; Petersen Bonny; Mason Jordan; Hanks Alan

Cc: fredandkaryl@rap.midco.net; Bulman Karen; Elkins Marcia; Emilie Rusch; KOTA News - Jack Siebold; news@blackhillsfox.com; KNBN - Kara Strickland; dwwray@rap.midco.net

Subject: South Robbinsdale TIF or TID for the 2nd Wal-Mart store.

We all know that anyone with a \$1000 has the right to request a Tax Increment Finance District for improvements on or near their property. There is also a requirement that the area must have a blighted area of at least 25%, just about any project in Rapid City can qualify for this because of the City's **ambiguous** definition of blight. However, that is no reason to give the **richest retail corporation** in the world our tax dollars.

There are some questions that need to be addressed:

1. **Does the Wal-Mart site deserve a TIF??** The answer to a rational person is **absolutely not**. All of the improvements requested in the TIF are solely for the Wal-Mart development and should be paid for by the developer or end user (Wal-Mart).

2. **Does the Wal-Mart site need a TIF??** Again the answer is resounding **NO**. Why should the tax paying citizen's of Rapid City pay for improvements for the richest retail corporation in the world.

It has been stated by the developer that the TIF is for \$1,495,056 which is only the cost of the improvements but as always the interest is for more than the TIF. The interest in this case is \$1,552,834.73 for a grand total of **\$3,047,890.73**. It like the old adage 'Figures don't lie'. So lets review the facts:

Fact 1 - The existing TIF will have to be paid off first! Which according to City Staff is estimated to take another 5 years. And Rapid City tax paying citizens had to pay **\$2,500,000** as the City's share of the project.

Fact 2 - The developer stated that the TIF could be paid off in 11 years, but that cannot begin until after the first TIF is paid off. So it would be a minimum of 16 years (2027) before the City of County would see any increase in property tax revenues. Is this really worth it **-no!**, when without a new TIF both the City and County would see an increase in property tax revenues in 2016.

Fact 3 - The City's comback is that the City will get sales tax revenues, which is true. However, even if the sales tax revenues were \$50,000/month (which I doubt) it would take 6 years to recoup the \$3,000,000 TIF. So without the TIF both the City and County would see an increase in property tax revenues in only 5 years. So, again is giving the richest retail corporation in the world worth it? **Absolutely not!!**

Now for some general observations:

A. When the Wal-Mart project was on Hwy 16 (2nd try) I heard a few of the City Council members say that they would "never" give Wal-Mart a TIF. But, as always in life, circumstances change and the City Council elections are only 3 months away. So will these same Councilmembers stay true to their word or will they want to get re-elected. There are 5 Councilmenbers and the Mayor up for re-election.

B. In my opinion it is a given that the Planning Commission will approve the TIF unanimously, because they are all appointed by the Mayor and this Mayor wants approval of the 2nd Wal-Mart at any cost as his legacy to Rapid City.

C. Wal-Mart has stated that they will not close the existing store, and from the reaction of the Mayor & City Councilmembers they actually believe them. However, if

history teaches us anything, this has been told to other communities, but as soon as a store does not meet their expectations Wal-Mart closes it down.

D. Also Wal-Mart is like most other large conglomerates and about 2/3rds of their employees are 'part time' so they do not have to pay any benefits. Now for some real irony! The City approved a Business Improvement District for the downtown business district most of whom are direct competitors of Wal-Mart; and now the City Council wants to give Wal-Mart a **\$3,048,000** TIF. Incidentally the downtown BID tax of **\$180,000+ / year** will go on forever, because there was no sunset date on it. So in the 16 years it will take to get the Wal-Mart TIF paid off the Bid property owners will have paid **\$3,024,000+** in additional taxes. Kind of ironic that the BID district will in essence foot the bill for their competitor. **It just doesn't make sense to give property tax dollars to the richest corporation in the world!** Now some of you are thinking that Wal-Mart is not asking for the TIF, and you also know that is not true. All of the improvements are solely for the development of the Wal-Mart site, and Stoneridge Development Co. is owned by a member of the Walton family whom are the major stockholders of Wal-Mart. So don't lie to yourselves this TIF is for Wal-Mart.

The developers have already played their trump card by stating that if the TIF is not approved it could "**kill the project**". And I am sure that there is a majority of Councilmembers and the Mayor that actually believes that. It is too bad that City Council & the Mayor is not as respectful to the citizens of Rapid City as they are scared of a big box developer.

One Councilmember told me, and I'm sure that other Councilmembers and the Mayor believe, that the citizens want another Wal-Mart on the south side of town. However, I don't believe that they indicated that the City Council and Mayor should give away the farm aka our property tax dollars.

Fred W. Weishaupl, Jr.
2602 Springbrook Rd.
Rapid City, SD 57702-7067
(605) 342-1928

PS: Be sure and read the editorial by Dan Baker in today's (Saturday, March 5, 2011) Journal. The only thing he left out is the \$1,555,843.73 in interest.

Wednesday, March 09, 2011

RE: South Side TIF

I would ask that approval of this application be delayed until the public is made aware of probable consequences.

With the economic status of our state and city budget it is eminent that the loss of monies to our city be clarified.

If there are no property taxes paid on this land for up to 20 years how much will NOT go to our city expenses? What percentage of our property taxes goes to our schools? (and fixing those potholes everyone is talking about)

These monies could pay for **our needs** not those of THF / Stoneridge.

THF Realty is the 3rd largest commercial real estate company in the United States! These infrastructure improvement costs are part of Black Hills Center's development and should be paid by the developers and not at the expense of Rapid City's taxpayers.

Please consider all probable outcomes before approving this application. Lets educate ourselves and the taxpayers now so we don't have to make excuses later.

Respectfully,
Maren Ward

Bulman Karen

From: Fisher Vicki
Sent: Tuesday, March 15, 2011 6:51 AM
To: Horton Patsy; Bulman Karen
Subject: FW: South Side TIF
Attachments: FACT.docx

FYI

From: Maren [<mailto:mward@rap.midco.net>]
Sent: Monday, March 14, 2011 10:44 PM
To: Sumption Pauline
Cc: Fisher Vicki
Subject: South Side TIF

Ms. Sumption,

Please find attached an editorial I have submitted to the RC journal for publication.

If you would read and forward to the finance committee members before this weeks meeting it would be appreciated.

I hope that it conveys our concerns as to the allocation of TIF monies to a developer who is capable of funding all the stipulations of the final development plan without the use / freeze of local tax monies. Thank you for your consideration of these facts in your decision.

Respectfully,

John and Maren Ward

Your message is ready to be sent with the following file or link attachments:

FACT

Note: To protect against computer viruses, e-mail programs may prevent sending or receiving certain types of file attachments. Check your e-mail security settings to determine how attachments are handled.

Fact-Final Walmart plan has been approved with stipulations.

Fact-THF Realty and Stoneridge Tax Increment application goes to Rapid City Council on March 21st for final approval.

Fact- THF Realty is the 3rd largest commercial real estate firm in the entire nation. THF Realty and Wal-Mart are connected. The realty company was co-founded by billionaire Stan Kroenke, who is married to a Wal-Mart heir.

Fact – In a TIF property taxes are frozen and additional tax revenue is diverted to pay off the loan the developer used to make the public improvements.

Fact- South Dakota is facing budget cuts and passing on less monies to local governments

Fact-our local government is suffering a budget crisis forcing wage freezes, reduced educational funding and decreased public services.

Fact-Our schools, fire departments and police departments depend largely on tax money.

Question-What happens to our children's education, the safety of our community and repairing our existing infrastructure when the \$3,047,890 million goes to a billion dollar development company like THF Realty?

Answer-Our schools, police, fire and street departments will have to do with less year after year for an estimated 11 years.

Opinion-I believe that giving a tax break to a huge, wealthy, commercial real estate company like THF is immoral, unethical and completely against the Midwestern values of Rapid City.

At present, we the people, have little say in this situation. It is time to take back our city's reputation of a fair and moral government.

We must stand together and protect our tax dollars and how they are appropriated.

Contact your city aldermen via email at www.rcgov.org and link to individual city council members or telephone Mayor's office 394-4110 or Growth Management at 394-4120 and help the members of the Rapid City Council resist granting this TIF. This item is on the agenda for Monday, March 21st so time is of essence.

Don't allow them to cave into accusations that Walmart won't build a 2nd store in Rapid City. Denial of the TIF may mean back to the drawing board but THF Realty has developed projects in many states. Some have received TIF money; some haven't.

Make THF Realty work for us, not our monies work for them.