

SOUTH DAKOTA

SCHOOL OF MINES  
& TECHNOLOGY

OFFICE OF THE PRESIDENT

January 20, 2012

Rapid City Tax Increment Financing Committee  
Community Planning & Development Services  
City of Rapid City  
300 Sixth St.  
Rapid City, SD 57701

Dear Committee Members and Staff:

Hani Shafi shared with us a copy of the St. Joseph St. TIF application he submitted on behalf of Technology Housing, LLC. We are in complete support of this project and the TIF that will be instrumental to the success of this endeavor.

This project is very important to the development of our university and the neighborhood to the west of the South Dakota School of Mines and Technology (SDSM&T) campus. However, this is a private development located on private property. It is not SDSM&T or State property and we have no intention of acquiring this property, making the economics of the TIF solid for the City.

The benefits to the City of Rapid City and to SDSM&amp;T include:

- Redevelopment of a historically blighted property into productive use
- Improvement in the safety and security of the redeveloped neighborhood
- Provision of an affordable and attractive housing option for our students in close proximity to our campus
- Momentum for economic development in the area between SDSM&T and downtown Rapid City.

The proposed project will be a critical building block as we work together to enhance this part of our community. Thank you for considering approval of this TIF as we join together to support this important initiative.

Sincerely,

Robert A. Wharton, Ph.D.  
President

RECEIVED

JAN 24 2012

Rapid City Community Planning  
& Development Services

cc: Timothy G. Henderson, VP for Finance & Administration  
Patricia A. Mahon, VP for Student Life & Dean of Students

**From:** [fredandkaryl@centurylink.net](mailto:fredandkaryl@centurylink.net) [<mailto:fredandkaryl@centurylink.net>]

**Sent:** Thursday, January 26, 2012 10:56 AM

**To:** Kooiker Sam; Sasso Ron; Roberts John; Wright Jerry; Laurenti Steve; Nordstrom Ritchie; Doyle Charity; Mason Jordan; Petersen Bonny; Davis Dave; Brown Gary

**Cc:** KNBN - Kara Strickland; [news@blackhillsfox.com](mailto:news@blackhillsfox.com); Petersen Lyndell; Emilie Rusch; KOTA News - Jack Siebold; Landeen Joel; Hani Shafai; Bulman Karen

**Subject:** TIF"S

Mayor & City Council:

It looks as if the good ol' boys have arisen again with another taxpayers gift of property taxes, specifically the TIF for the student apartments near the School of Mines.

This TIF is reminiscent of the old meat packing plant where a previous Council gave the developers \$1,000,000 to purchase the property and \$1,500,000 to clean up the site, with the taxpayers footing the bill and in the case of the meat packing plant we are still footing the bill.

There is absolutely no sane or legitimate reason(s) for the taxpayers of Rapid City and Pennington County to pay for a developer to purchase the property. The only real portion of this TIF is for the reconstruction of the Alley and a portion of the engineering, the rest is **bogus**. And doesn't the TIF guidelines state that there has to be some "economic development", well guess what this TIF has no economic benefit to the taxpayers. They are simply replacing rental properties with rental properties, with the School of Mines students be the only benefactors. You can argue that the School of Mines students will spend money and hence the economic development, but that will happen with or without this project; and, it is being done by private parties. In the meantime the City and County will do without the increased tax base. Then when Mr. Shafi & Mr. Hall "donate" the project to whomever, guess who will get all the credit and more importantly the tax deduction, Messrs. Shafi and Hall.

If this project is so important to them, then they and not the taxpayers of Rapid City should pay for all of the private improvements including the purchase and demolition. Commissioner Peterson was the lone vote against it at the TIF Committee and with good reason, the County suffers twice as much loss of property taxes as does the City on every TIF and they do not have future sales tax to rely on.

I WOULD ENCOURAGE YOU TO VOTE **NO** ON THIS TIF.

On another issue, I read in the newspaper that when the pay raises for City employees was voted on that it was a 10 - 0 vote which is perplexing at best (I'm not saying that the raises were not warranted). The article noted that Councilwoman Charity Doyle said something to the effect that the raises were necessary because her husband is a police officer for Rapid City. I believe that State Law prohibits anyone with a conflict of interest from discussing or voting on the conflicting issue. And it is morally unacceptable for a Councilperson to not know that they should not vote or discuss an issue in which they have a conflict of interests. Hopefully the City Attorney can enlighten the City Council about the makings and intent of the State Law.

It is also perplexing that during the budget process the City Council said that it was necessary to raise the property taxes in order to help the Police Dept., but then the Feds came through with over \$600,000 to aide in hiring new police officers. So, it now appears, that this Council is using the property tax increase to partially fund the pay

12TI001 – 12TI002

raises! Now are you sure that it was wise to raise the property taxes, it is another case of robbing Peter (Rapid City tax payers) to pay Paul (Rapid City employees). And yes I know that most employees live in the City so in the mind of the other taxpayers the City employees got their tax increase back in the form of a raise, ironic isn't it.

Fred Weishaupl  
2602 Springbrook Rd.  
Rapid City, SD 57702  
342-1928  
[fredandkaryl@centurylink.net](mailto:fredandkaryl@centurylink.net)

PS: Mr. Davis I am still waiting for you to contact me!!!!



# CITY OF RAPID CITY

RAPID CITY, SOUTH DAKOTA 57701

---

## Department of Fire and Emergency Services

10 Main Street

605-394-4180

Fax: 605-394-6754

To: Whom It May Concern

From: Mike Maltaverne, Fire Chief

Subject: 325 & 327 E St. Joe

Date: February 7, 2012

On February 2, I had the opportunity to tour the property at 325 & 327 East St. Joseph. As a follow-up regarding the proposed re-development at the above noted address we have reviewed the preliminary layout for the site and have found the development to be a very proactive and fitting improvement for the area.

The current facilities located on the lots have been a concern from a life safety standpoint for quite some time. The facilities are typical of many older multi tenant occupancies that have slowly degraded, lack current fire protection features and typically house a high risk population. In addition, the older facilities are difficult for our operations division (fire and medical responders) to access or identify the specific location of a call for assistance due to the multiple building configuration and lack of clear signage or direction.

It would be to the community's benefit for us to encourage and support such redevelopment projects, especially those that will have all current construction and fire protection features such as detection and fire sprinkler protection.