

No Standing News

Since we have no standing, we stand with those left standing

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There are EIGHTEEN TIF areas!

The “TIF Master Plan” threatens 1,502 residents, 626 homes and Businesses in 407 acres over 10% of Rolla’s total land area!

We found it suspicious that in Kaplan Co.’s TIF Plan (recently approved 7 to 4 by the TIF Commission), Appendix C contained a council resolution passed back in June 4, 2001, that said the Highway 63/72 area was part of an amendment to the city’s 1996 comprehensive plan. Appendix C just contained a few pages removed from some larger document called the “**Highway 72 Corridor Development Plan, An element of the Rolla Comprehensive Plan, December 2000.**” We got a copy of the whole 36 page document and sure enough the Hy 63/72 intersection was marked for “redevelopment” in the amendment but that wasn’t all. We found not one, not two, not seven but **EIGHTEEN potential TIF areas had been added to the city plan two years ago.** Approximately 1,502 persons and 626 homes are directly effected by the **EIGHTEEN** potential TIF areas and thousands more people owning property next to these zones will also be impacted by it.

The ‘Corridor’ plan includes the area currently being TIF’d which is labeled as a “redevelopment area,” *and seventeen other potential TIF areas on both sides of a line from Bridge School Road through Ridgeview subdivision, through the Hy 63/72 intersection and continuing down Hy. 72 to the city limits!* The maps mark out six “Redevelopment” areas, five “Conservation” areas and seven “Development” areas. “Redevelopment,” “Conservation” and “Development” are unusual planning terms not found in the old 1996 Comprehensive Plan, in fact, they aren’t defined in this amendment to the plan either. The only place you can find definitions of those terms is in the TIF statute. Last December, when the council started the TIF process as casually as if they were vacating an old alley, we didn’t remember anyone saying anything about SEVENTEEN more development areas just like it. The TIF Commissioners didn’t mention the importance of the resolution in Appendix C and that this was just the first of many TIF areas they would control.

The council resolution says that this new ‘Corridor Plan’ supersedes any part of the old 1996 city plan that conflicts with it which means that everything in this new plan amendment will be used to create more TIF’s and make P&Z decisions on permits and rezoning in the future. It’s no mistake; they definitely adopted this ‘Corridor Plan’ to lay the groundwork for all these TIF’s because it says on page 11, of the 38 page **Hy 72 Corridor Development Plan:**

a. *“The City and RMU should utilize the full range of government powers, e.g., subdivision regulations, eminent domain, special assessment districts (that’s more taxes), etc. to achieve the equitable and proportionate financing of needed improvements.”* Item d.: *“The City should participate with private redevelopment proposals to finance public infrastructure investments using Tax Increment Financing and other public redevelopment tools.”* It explains that: *“Tax Increment Financing is based upon the premise that public improvements spur redevelopment that can produce and incremental increase in property and sales taxes that, in turn, can be dedicated to finance specific infrastructure investments.”*

Well, that’s sort of an explanation of TIF but not one clear enough to alert the unsuspecting taxing districts or 1,502 residents and property owners that the Black Hand of government condemnation and tax seizure was about to fall on them.

The Secret TIF Master Plan. It’s clear that Morgan, Butz, Petersen and others have been quietly working on this for a very long time; in fact, they seem to have started work on it not long after Kaplan Co. failed to get Warren Dean to sell his land in the summer of 1999. The “Corridor Plan” shows work started on it in September 2000. The Planning and Zoning Commission resolution shows that P&Z recommended this amendment to the 1996 City Comprehensive Plan on March 13, 2001. The Rolla City Council passed what was called the “Highway 72 Corridor Development Plan” but was actually a secret TIF ‘master plan’ at the council workshop on April 21, 2001 (remember Morgan’s council ‘workshops’ where no votes would be taken?), without a word of discussion, question or objection. No citizen would have caught on that anything out of the ordinary was being passed because it was Petersen’s habit to drag in about 6 rezoning ordinances a month to be processed and this was just slipped in among them. They have made no mention, then or since, of these **EIGHTEEN potential TIF areas** that are now city policy since they were added to the city comprehensive plan.

When they unanimously voted for the secret TIF plan, not one council member asked what it meant to *“utilize the full range of government powers”* from Bridge School Road through Ridgeview all the way out Hy. 72 to the city limits. No one on the council asked what the “TIF” or

“special assessment districts” on page 11 meant before they voted. Not one council member said that redesigning 407 acres, over 10% of Rolla and the homes and property of 1,502 people was much too vast a change to be given a routine vote with one of Morgan’s ten-second ‘public’ hearings. Before they voted Petersen reminded them he had provided them with this document on April 16, five weeks earlier so they had plenty of time to read it if they read it. Did they just not care what they were about to do, or were questions about this major change in public policy answered behind closed doors so thousands of people whose homes, businesses and lives would be affected wouldn’t be alerted to the danger until the city and Kaplan Co. were ready to strike? Although the council has been suspiciously silent about their TIF master plan for over two years one council member, **Charlotte Wiggins** recently admitted to **Robert Fleming** that: *“TIF was a tool we identified several years ago was [sic] one of the tools we could consider using to try to improve Rolla’s economic situation.”* In which public meetings was it decided that the “TIF tool” would be used and who, besides Wiggins, decided they would plant EIGHTEEN TIF land mines in Rolla’s future?

Arrogant schemers or useful idiots? In the three years since they started work on it and in the two years since this major policy change was quietly passed, four council seats have changed on the city council. We asked the four new council members if they had been given this TIF planning document after they took office and if they knew what it was. Only **Councilman Terry Ruck** replied and said he hadn’t heard of it and didn’t even have a copy of it. The Phelps County Commission and the two representatives on the TIF Commission weren’t warned that this was just the first of a long line of TIF tax seizures the city will trigger one by one. What about the six Rolla members of the TIF Commission appointed by the city? Were they told they were being appointed to manage eighteen possible TIF projects? The school board couldn’t make up their minds and “declined” to establish a position on the first TIF project; now they will have seventeen more opportunities to decide how much school tax revenue they can afford to give the city.

Is the city council just a bunch of arrogant schemers who have contempt for the people they are supposed to represent, or are they useful idiots - not useful to their constituents – but useful to those who find them easy to manipulate to pull off not one tax and land grab but EIGHTEEN? Either way, several of them need to be replaced in April.

Who has already profited from the TIF Plan? There may have been some good ideas in the plan amendment, then again maybe not. As long as it’s contaminated with Tax Increment Financing it’s a bad plan. Normally, any significant change in a land use plan is developed by a special citizens committee, (the original 1996 city comprehensive plan had 20 citizen members) reviewed in detail, with many open meetings before it is voted upon by P&Z and the city council. Publicity, open meetings and

public discussion provide a level playing field for future sellers, buyers and speculators because everyone knows before it becomes final what impact the new plan will have on property values going up or down as a result. No one can take unfair advantage or be accused of profiteering because they had advance knowledge of future development trends provided to them by cronies on the inside.

But the people of Rolla didn’t have a chance to go to meetings, see the maps, have TIF explained to them and give their opinions on it before it was voted on. Yes, there was one of Morgan’s usual five second public hearings during the council meeting before they voted. Yes, a notice of the “public” hearing may have been posted on the bulletin board inside city hall or buried in the sports section of the paper. But without any of the twelve council members insisting that more effort be made to inform their constituents of this major policy change, without the council members calling their own ward meetings in the effected wards to alert them to the changes, it slipped through without 1,502 people knowing they were being set up for TIF.

Which local banks, mortgage lenders and real estate speculators (in or out of town) were given a heads-up about this new land use plan long before the property owners would find out about it? Who else knew and has already taken advantage of this lucrative information? Kaplan Co. was nosing around in 1999, and we find it even harder now to believe that their appearance last May as the ‘sole bidder’ was merely a coincidence. The “land survey” for this plan amendment was “conducted in September 2000.” The maps are dated November 2000. The ‘Corridor Plan’ was adopted just four months later. Who, in the Highway 72 Corridor beside Warren Dean has received offers for their property within the last three years? Who has been turned down for a home or business loan because the lender knew the property was part of the secret TIF plan and was destined for the bulldozer? Who has been able to pick up residential properties cheap knowing that the city has marked them for commercial development? Who has dumped property knowing that the secret TIF plan would cut off that property and whole neighborhoods from access to the highway? Those questions will last as long as the smell from city hall.

Is your property in the next TIF zone? If you want to know what’s in the real TIF Plan and find out whether your home or business property is in one of the EIGHTEEN future TIF zones that could become apartments, strip malls and gas stations, or if you were anticipating selling at a small profit someday because your property might have commercial value, you’ll have to go to city hall and pay \$4 for a copy of the **“Highway 72 Corridor Development Plan.”** Remember, as you read the words “Redevelopment Area” that means a TIF area just like the one they’re doing at the intersection; when you read “Conservation Area” that also means TIF just like the one they’re trying to do at the intersection. A TIF “conservation” area is any residential area where 50% of the homes are over 35 years old, “is not yet a blighted area but *“may become a blighted area”* someday (or may not) due to any three of 15 flimsy reasons such as “lack of ventilation” in a house. You think your

house has enough ventilation? Not if Petersen tells the council it doesn't. They get to pick which three excuses they want to use to declare the area "blighted" and then the whole TIF process starts again. A TIF "Conservation" area is just like a TIF Redevelopment area. They pick a 'preferred developer,' they condemn property, they confiscate more school, county and disabled taxes, they issue TIF bonds and the developer gets another subsidy to put up apartments, motels, gas stations or anything else they decide Rolla needs.

The Chorus of the Conflicted. The Great Communicator Ronald Reagan said: *"Reality is a condition that can be overcome."* Since TIF turned into a public relations fiasco, it's been no small source of amusement to hear avowed political conservatives struggling to 'overcome the reality' of the heavy handed, collectivist, pork barrel nature of TIF and strain think up some good things to say about this scheme without actually appearing to condone this egregious abuse of the meanest and most unpopular anti-republican power government has – condemnation used to strip citizens of their property for commercial purposes. Conservatives are supposed to be against the heavy hand of Big Government; they're supposed to be opposed to Big Government's interference in the marketplace and they're supposed to be for private property rights. As we all know they're positively rabid about welfare in any form except the single-mothers-should-get-off-of-it kind. Along comes TIF, the Perfect Storm of anti-republican ideas; a mechanism for government to arbitrarily seize taxes that don't belong to them, confiscate private property and give welfare to developers. TIF however, pushes certain local greed buttons so after some squirming they set out to rationalize and overcome this uncomfortable clash between ideals and dollars and hopefully turn the tide of public opinion.

First **Steve Sowers**, sounding like a dropout from the Goldwater School of Limited Government, pronounced that TIF would be OK if not for the unfortunate need to condemn the property of the Williams Road residents, leaving his readers to conclude that 'but for' the bad PR created by evicting homeowners he has no real objection to the high-handed seizure of school and county taxes, welfare for developers or government seizure of private property... that is property someone doesn't actually sleep on. Tempted by visions of new advertising sugarplums, Sowers then tried a personal attack on **John Keller's** opposition to TIF saying Keller's motives are "self-serving" because he's afraid of competition from Walgreens. Keller doesn't worry about Walgreens because his many successful businesses were built the good old capitalist way; he risked his own money, didn't steal anyone's taxes, didn't get handouts from city hall and didn't inherit it from Daddy. Sowers snipe was useful however; he single-handedly created a run on Keller's supply of "STOP TIF" signs.

Councilmember Matt Williams encouraged a pro-TIF letter writer, **Steve Jones** to send their mutual correspondence on TIF to the newspaper which Jones did. Jones calls the Williams Road residents and anyone else who doesn't like TIF "a very vocal minority." (People often criticize the "vocal minority" as if only the majority has the

right to be vocal or as if it would be OK to be a minority if they weren't vocal, but if the minority weren't vocal no one would know there was a minority and without a minority there can't be a majority...) Their objections Jones says are "snivels." Mr. Jones says we don't have to "dig very deep to see what this special interest group is up to..." but declined to enlighten us as to what we would find. That they're protecting their homes? Objecting to a collectivist land grab perhaps? Matt Williams refers to Mr. Jones formally as if they are not acquainted. It's possible they aren't, but you would think since Mr. Jones is living in Mr. William's former home at 802 Greenbriar Drive, they might have progressed to first names by now. It's always refreshing to hear from someone like Mr. Jones who hasn't lived here long enough to know the people he's insulting. We particularly relish reading opinions on local policy issues of someone like Mr. Jones who isn't registered and doesn't vote.

The Chorus of the Conflicted was joined by **Susan Bartlett**. Susan is the Director (that's a big "D") of PAT the Parents as Teachers program. That's where the government teaches parents how to be parents which for the last 10 million years parents have somehow managed to do without the government providing an instruction manual. Susan and her staff are employed by the school district and their salaries are paid with grants, a combination of our local and state taxes. Susan applauds Mr. Jones and TIF despite the fact that TIF will deprive her employer of taxes to pay for fringe programs such as hers. Susan has the luxury of biting the hand that feeds her (district taxpayers) because her PAT program is pointedly not on the list of 'expendables' to be cut...just 55 real classroom teachers. Her security is due more to the fact that **cutting PAT would deprive two school board members' wives of employment** than any political broadmindedness on the part of the board. On the other hand she may have interpreted the school board's wobbling indecision on TIF as a signal that the district has new priorities – local development now comes before education. Don't think for a moment we criticize these people for expressing their opinions; on the contrary we think everyone should follow their example and speak up. We just note that these few TIF defenders don't seem to be able to come up with any well reasoned justifications for TIF's smash and grab methods and unfortunately have to fall back on attacking those who have rational reasons for opposing what many call this liberal, commie pinko crap.

News from outside the bubble. Bill Sands, local businessman, provided the council with TIF news they should have already had but which was never reported in the local paper. Waynesville already has a TIF zone and Powell Lumber was their first customer. The city spent \$500,000 putting in the infrastructure, but Powell was only in business for a short time then they closed up and the building sat vacant and ceased to produce TIF sales taxes to pay off the debt. The school district recently bought the building so now it produces no property taxes either. So Waynesville has no TIF sales taxes to reimburse the city for their \$500,000 TIF investment. Waynesville is discussing suing Powell to try to

recover their money. This provides a perfect and very close to home (close enough even for Petersen) example of the big fallacy of Tax Increment Financing. TIF is designed upon the myth that any TIF retail businesses cannot fail to be successful and sustainable – something retail businesses are not. You may have noticed that the new CK Clothing next to the Rolla Cemetery packed up and vanished overnight. That’s the trouble with chains large and small that have little investment other than their inventory, when they decide to bug out all they need is a moving van. The economic damage and blasted expectations they leave behind does not concern those at far-away corporate headquarters. Remember how many years rental units sat empty in the Forum after tenants moved out? The council has never considered the very real possibility that some or all of the retailers Kaplan brings in may not outlast the TIF debt, just like they never considered the possibility that they wouldn’t get enough dues paying members to pay the \$1.3 million annual overhead on their huge recreation center. Like Regan said: “Reality is a condition that can be overcome.” Some people overcome it easily.

Reed v. Rolla School Board. A Federal process server is knocking on the doors of the school board members and administrators with notice of the charges filed against them by Lynne Reed. Her suit against the Rolla School Board and each of the school board members was filed in the Eastern District Federal Court on November 24, 2003. There are four counts in her suit: 1. “Gender Discrimination Under Title VII and the Missouri Human Rights Act,” 2. “Retaliation

Under Title VII and the Missouri Human Rights Act,” (includes several things such as threatening she would lose her children if she fought her dismissal), 3. “Malicious Prosecution Under Missouri Law,” (that means they changed their mind about firing her, paid out her contract instead then lied about why they were doing it) and 4. “Prima Facia Tort.” That one means they denied Reed due process and generally jerked her around. At this point the charges make dry reading, giving no hint of the dirty laundry that will be aired as members of the Rolla School Board, Administration and various employees are deposed and then testify before a Federal Jury as to whether Reed was discriminated against when she was fired for allegedly having an affair with a co-worker when they have historically given a wink and a nod to male administrators and employees who have done the same thing. What the local public ‘jury’ needs to know is how in this day and age did our very highly paid professionals, Adams, Zalis and Giger and seven elected school board members bungle this so completely? Are sexual discrimination and due process concepts they are not familiar with? When the Zalis report leaked it was obvious he couldn’t conduct a proper personnel investigation if Dick Tracy was holding his hand. Their problem, other than not reading or following their own disciplinary policies, is in their attitude that any problem that might damage their carefully cultivated image of perfection must be covered up no matter what procedural corners they have to cut. They deserve the humiliation they are about to experience but the district deserves better than the antics of this bunch of amateurs.

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