

No Standing News

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

Volume II

January 20, 2006

Number 41

Eminent domain - A “significant tool” in the city’s “toolbox”

“**He has a price.**” Because of the comments made by **Councilmember Wiggins** regarding the potential eviction of the Koboldt’s from their home, the TIF issue has boiled down to whether Sansone and the TIF proponents in City Hall appear to be treating **Marie Koboldt** in a cold and heartless manner. They are but there’s nothing new about that, they were perfectly willing to boot her out with TIF I and only public disgust caused them to leave out the 4-acres of residential property when they started TIF II. But Sansone wanted the 4 acres so they put it back in for him after they gave him the project. **Kevin Guffey**, the other bidder on the TIF II project, says that’s bait and switch and he’s quite right. He based his bid, as required by the RFP, on a 10-acre project. Changing the rules, the price and the project parameters after the project was awarded to **Sansone** is a violation of the bidding rules in any other city - but the City of Rolla doesn’t follow any rules and Guffey should have known that.

The whole sorry history of TIF has laid bare a crude and materialistic attitude by some in City Hall that “the ends always justify the means” even if the ‘means’ include a corrupted bidding process, corporate apple polishing and evicting a woman suffering from Alzheimer’s from her home of 50 years. This is how **Charlotte Wiggins** expressed to the RDN the “everyone has a price” philosophy of Rolla’s economic development:

“Wiggins, who serves on the TIF Commission and voted “yes” to recommend the plan, would not say how she will vote as a council member. Wiggins said she was moved by the testimony given at the TIF public hearing, during which Ralph Koboldt said his wife is not healthy enough to move from their Williams Road home. But Wiggins also said Koboldt would sell at the right price. “He has a price,” she said. “It’s a heartbreaking reality but at some point they’re going to have to have care in another facility or get some professional assistance. He knows that. How much longer can he stay there?” Wiggins said she is confident the Sansone Group will fairly negotiate with Koboldt and the other homeowners but said eminent domain is a necessary alternative, “I believe that local government should have eminent domain as a tool in their toolbox, she said. “Eminent domain applied in the right place at the right time in the right circumstances is a significant tool.” – **RDN 12/16/05**

If you can get past the “get out of our way sooner rather than later” attitude, there are other huge dangers in this project and none of them have ever been discussed by the TIF Commission or the council. The first failed TIF project was going to cost \$15.6 million with the city paying only \$3.6 million of that. This TIF project was bid at \$19 million, but Sansone has already jacked the price up to **\$21+ million with the city paying \$10+ million**. The “+” part is because Sansone wants an open-ended development budget in case...well just in case he wants to spend more. Sansone also wants the council to bless his plan to create **Transportation Development District (TDD)** and/or a **Community Improvement District (CID)** in addition to the TIF. Sansone wants a TDD or CID so he will have more tax money to spend but he doesn’t say how much these TDD taxes will be, who will pay them, why they’re needed or what he will spend them on. Both TDD and CID are rogue taxing mechanisms like TIF that are established by only 50 petitioners and a Circuit Court Judge, *not by the voters of Rolla*. Both can levy taxes without voter consent and *the TDD board can also condemn property*. This project reads like a no-bid Halliburton contract and if the council approves Sansone’s TIF Plan without reading it (again) they’ll be approving a plan containing more TIF-like tax-debt monsters without having the slightest idea how they work. Like Halliburton, Sansone has sized up his council chickens and knows they’re ripe for plucking.

The “Whatever” cost/benefit analysis. The really ludicrous thing about both TIF projects is that each one has had a cost/benefit analysis, which is where everyone pretends that some consultant is going to tell taxpayers the truth about whether the whole plan will work or whether it will leave us bankrupt and paying off TIF bonds. The same consultants who did both studies said whether the project costs \$15 million or \$21 million it will work out just peachy keen. We repeat: They said the same development *on the same land*, will cash-flow whether it costs \$15 million or \$21+ million. That’s called a “Yeah, whatever” cost/benefit analysis. Has that struck anyone on the council as being a little odd? Has anyone on the council even noticed that no matter how this project changes and no matter how high the cost goes up it is always predicted to be a great success? Do they understand that the only difference between TIF consultants and hookers is the price they charge?

We’re glad to see five council members, **Sibley, Hicks, Ruck, Jordan** and **Matt Williams**, have announced

publicly that they will not vote for the TIF project because of the condemnation issue. We wish the whole council had studied all the gaping flaws in this project and in the TIF system and understood that there are many more reasons to vote against it than just sympathy with the Koboldt's.

Another illegal TIF vote. By a 6-4 vote, the TIF Commission approved the badly flawed TIF II Plan on December 13th. It was ready for the council to vote on at their January 3rd meeting but there was a problem. With the four acres included enough council members are opposed to it that it might not pass so Morgan postponed the vote until Feb. 6th when Sansone can meet with the council in closed session to do some head-banging and arm-twisting. That's what they do when they need to pass a dirty plan that people hate – break the law, connive and make deals in secret so the public won't see them playing with the dirty linen. Butz and Morgan have already announced (without the council voting to go into closed session) that this critical *public policy discussion will be done illegally in closed session*. Of course the council could refuse to vote to go into closed session and force Morgan, Butz and Sansone to do their lying and arm-twisting in public. We doubt that will happen because Butz has already said what their vote will be.

Are we UMR's lab rats? Do you feel like a lab rat? We feel like lab rats. What else explains UMR's involvement as a charter member of the RREC - the manipulator's of TIF and EEZ – and the sudden 'endowment' of a UMR Chair on the TIF Commission? As an institution supported by all state taxpayers UMR should either dabble in the economic development politics of every Missouri community or they should dabble in the internal politics of none of them. Apparently no one at UMR thought it was inappropriate to allow **Vice Chancellor Connie Eggert** (\$148,580 a year) to sit as a voting member on the Rolla TIF Commission to, as the Mayor said, "represent UMR." Eggert lives in **Dent County** not **Phelps County**, she doesn't vote here and she doesn't pay city, school or county taxes here, so she and UMR will escape all of the tax consequences of TIF. We know Morgan was desperate for votes he could count on but why were **Chancellor Thomas** and UMR so very willing to provide him with a shill? Did they want to see how the lab rats would react when they put juice in the electrodes?

The TIF statutes specifically designed eleven TIF Commissioners to represent the local taxing districts that will have their taxes ripped off by tax increment financing. UMR isn't a local taxing district; UMR doesn't pay property taxes and won't lose any. Easy for them to toy with our community then watch with scientific detachment to see if the retail experiment works out or not. UMR is a charter member of RREC. All these "creative" development plans have been hatched out of the secret RREC board meetings and **Steve Mallot (V. Chancellor of Admin. Services - \$150,520)** as the RMU representative to RREC, has enthusiastically approved all of them. Easy for Mallot to play these games. Easy for Connie Eggert to cast her vote to dispossess an elderly woman suffering from a dreadful illness from her home. Easy for Eggert to vote to deprive our taxing districts

for 23 years. Connie's \$148,580 annual salary won't be touched to make up the school district, county or handicapped taxes lost to TIF and her home is far away in Dent County, safe from TIF condemnation and our taxes.

If they cared, UMR could pick from a few hundred employees who do live in Rolla and/or Phelps County who would meet the residency requirements, but they didn't care. Local citizens who also *happen* to work for UMR, should be encouraged to participate in local government – but because it's their civic duty, not because the boss has an agenda. UMR's casual condescension in appointing Eggert is insulting but we're sure they don't care about that either.

What's the city's cure for an \$800,000 deficit? SPEND MORE MONEY! That must be the idea because at the city's January 9th "special workshop" the council discussed the latest "bold" Butz spending project – buying the \$511,000 Forest Service property. After admitting they already have a **\$781,280** deficit from the Rec Center operation and other overspending, Butz proposed the city buy the **\$511,000** Forestry Service property so the city can hand out Branson brochures instead of the Chamber. It will cost about \$25,550 a year to buy it and much more to develop the 5-acres at the back of the property (that's the part with the sheer 50-foot drop) for another city park. The 4 acres at the front has the buildings and Civil War trenches which the state demands the new owner preserve and maintain - more cost to the city.

That's another park to develop and pay to maintain annually in addition to the two parks they bought last year that they also don't have money to develop. They bought a 100-acre park next to Mayor Joe's subdivision (**Joe's Park** goes with Joe's Road and they have already started work on it) and a new **Northside Park**, also undeveloped. Then there are all the other city parks they've had for decades they also don't have money to develop and all the existing parks with aging equipment that hasn't been kept up and that great sucking sound you hear is the annual Rec Center deficit. Yesirree Bob, another park to develop is just what Rolla taxpayers need. That's what the city does to cure a deficit – they spend more money they don't have to buy more land so they will have more stuff to spend more money on.

The Chamber Estate property was supposed to be a snap to pay for. According to the original Butz-Morgan plan the Buehler Park suit would be settled in Morgan's favor in just six weeks (Morgan actually said that last spring), Buehler Park would be sold and he'd have \$900,000 in his sweaty little hands to buy the land for the Chamber of Decorators. That's why he rushed the sale of the Buehler Park equipment; he really thought everything would happen on The Joe Morgan Schedule. Joe didn't understand that it takes the appellate court a week to take a coffee break, but then the vast number of things Joe doesn't understand could bankrupt a city. Hey, what a coincidence. The vast number of things Joe doesn't understand *is* bankrupting a city!

What will happen to the Chamber of Decorators? The Chamber will of course be a problem but Butz plans to get them out somehow and the council has turned him loose to negotiate another contract towell, we're not sure what

he's supposed to negotiate but you can bet your last tax dollar that Butz The Negotiator will wind up with another foolish giveaway scheme to acquire something we don't need, never said we wanted and pay for it with money we don't have.

The Hargis "Campus" and City Hall. And that's not all. They're also buying land for what Butz calls a "campus" for Steve Hargis to give him a fancy new place for trucks and gravel. They will have to spend a lot of money to fulfill the "Campus Vision" Hargis and his consultants have been working on. Then there's the city hall renovation project which is eating money like a ...well, like a Butz Machine. How much has it cost? That's something Butz never tells the council and it's a question the council never asks him. Then there's the big unfinished gaping hole in Ber Juan Park that's supposed to be a drainage hole and soccer field but they said they can't afford to finish the soccer part. There's just a frenzy of expensive new "bold projects" underway. Maybe the council is hoping you will get your utility rates hiked often enough this year so they can pay for them.

Anti-Clayton Blog. Someone (we can't imagine who) has started an **anti-Clayton** blog site called **ABC** or "**Anyone But Clayton.**" It lists a huge string of case numbers that they invite people to look up...somewhere. Wasn't that the same thing **Don Blankenship's** sidekick **Roy Day** was asking the public to do when Blankenship and his department were having their public temper tantrum about Clayton last year - go look up some records they were in a snit about? True they are public records but only cops and lawyers would have easy access to them or use them as a reference. The blog site is: <http://anyone-but-clayton.blogspot.com/> and it promises future revelations about Clayton's prosecution record.

While highway construction and the Attorney General's drop-ins interrupted their 'fund-raising' on the Sugar Tree overpass this summer, the Sheriff and His Merry Men were forced to take a break from their Sugar Tree business enterprise but now they're back to their old tricks. Someone needs to start a blog called **GRID-MISMo**, "Get Rid of the Most Incompetent Sheriff in Mo." GRID-MISMo could post the sheriff's own horrible record of performance which has been well-documented by the State Auditor and then we could compare their relative levels of incompetence.

Sneaky, sneaky RCDC. A good way to make an announcement without really letting anyone know what you're announcing is to put a press release in the paper buried in section B on Christmas Eve. Yes, Christmas Eve, the one day of the year when the fewest number of people have time to read the paper. Someone (it looks as if it originated from the "city officials" who are first quoted in the first sentence of the release) planted it just that way in the RDN on December 24th to announce that **RCDC** purchased **128 acres** for another industrial park east of Rolla. Few people are aware that the east edge of the Rolla city limits are already about half-way to St. James because about two years ago the city quietly ran a skinny little piece of Rolla's eastern border out along I-44 toward St. James in preparation for this very event.

In the press release **John Butz** applauds **RCDC** **President Jim Sowers** for solving "a portion" of Rolla's

"dilemma" That ignores the fact that our dilemma is that we now have more than **666** acres of industrial land in Phelps County that has been going begging for years.

Jenks resume was incomplete. When mayoral candidate **Bill Jenks** announced he had filed, he provided his resume to the newspaper. Jenks forgot to mention one important distinction in his list of accomplishments - his position as a member of the **RCDC Board of Directors**. Now why would he leave out such a prestigious accomplishment? Perhaps Jenks doesn't want to have voters asking him when RCDC is going to start paying their property taxes. If elected, will he see that RCDC continues to get their private property mowed and manicured by city employees at the taxpayer's expense? As the RCDC Mayor will Jenks help his friends develop their new 128-acre industrial park also at the expense of Rolla taxpayers? Given RCDC's 38 year history of ripping-off city taxpayers it's a fair question and he should have to answer it in public whether anyone runs against him or not.

Guffey isn't kidding. Developer **Kevin Guffey** is demolishing the old Callen building to get started on exactly what he said he was going to do. Develop *his* land with *his* money the way *he* planned to do it. That's how business develops best - not an opinion shared by those running the City of Rolla. They think government knows best so they like to stomp around in with their big government boots, condemn private property, subsidize developers, evict people, and interfere with the marketplace. The development-comes-first crowd thinks that government should be run like a business and the business of government is interfering in business.

If the economic development know-it-alls hadn't meddled in something they know nothing about - retailing - Walgreen's would already have been in operation for about a year and Warren Dean and his daughter and son-in-law would have just finished developing his property. All this would have taken place without evicting anyone or stealing anyone's taxes. Both projects would now be generating sales taxes for the city, county, schools, library, parks and the disabled, the "blight" would be gone, some people would have new jobs and it all would have happened without the taxpayers spending a dime or guaranteeing \$21 million in TIF bonds.

TIF I died. The EEZ was run out of the county by irate county citizens and TIF II is in rigor. What great new economic development ideas will the RREC come up with next?

Steamy sex and sin. Rolla was marked to the world in 2003 as a porn-friendly community by lowering the city ordinance standards against pornography for the benefit of Family Video. Now another merchant-of-sleaze is preparing to locate in the old Barnes truck stop at the eastern edge of Rolla. The owner is from St. Louis and has a number of these grubby businesses around the Lake Ozark area. This new sex shop is just barely outside the Rolla city limits but because county residents don't want county planning and zoning, the county can't do a thing about it. It wouldn't matter if it were a few feet closer and inside the city limits because thanks to

Morgan, Butz, Petersen and the Rolla City Council, the city couldn't have done anything about it either. Now we welcome porn in Rolla because, they tell us, it's good for economic development and economic development, they tell us, is more important than anything.

It's more than just a little ironic that the new porn palace is sitting cheek to jowl with the Community

Christian Church located in the former Crown Shoe/Golden Catfish building. The good Christians won't lack for something to pray about as they drive up to the church under billboards and signs shrieking out messages of steamy sex and sin.

IT MAY BE YOUR MONEY – but its City Hall's Pork

The Spirit of Gouging. The GRACE Christmas charity found much greater need for help this year among Rolla families so they got together with RMU, a group that needs an image upgrade, to ask that utility payers donate something to the poor through their utility bills. The problem with the nice charity plan was that City Hall had taken care of their own charity first so out of every \$1 generous people may have donated through their utility bills, 5¢ of it didn't go to buy a toy for a child; it was raked off for City Hall's 5% graft tax. How's that for Christmas Spirit?

Pork Unlimited – the 5% windfall tax. But there's more. At the December 19, council meeting RMU announced another 10% utility rate hike. Some council members couldn't help licking their lips. This newest rate hike will fatten the city's new 5% pork tax charged on RMU's gross revenues and it will carry the city way over their \$1 million goal. Last year they received **\$610,000 plus free utilities** from RMU (remember, you pay for the free utilities too). This year, from their new 5% pork tax they would get about **\$969,000 plus free utilities** just from the September 10% rate increase. With this second 10% rate increase **CITY HALL WILL GET A SECOND BIG WINDFALL RIGHT OUT OF YOUR FREEZING FINGERS.**

Bad enough that they pretended their 5% tax wasn't a violation of the Hancock Amendment (it was) because they didn't dare submit it to a public vote, but they now they're pretending not to notice they are getting huge windfalls from

their 5% pork tax every time our utility bills go up. But that's not all. **Check your utility bills.** The city's 5% pork tax is also being charged on RMU's \$16 a month "service availability fee." **They're even charging a 5% tax on your \$16 fee!** This is even more lucrative than the sales tax increase they're going to ask you to pass – and pay - to bail-out their Rec Center deficit.

Having a hard time choking down your energy bills? Stoffer says they're going to double and unless you are prepared to complain loudly to the council about their 5% unlimited pork tax and **demand they amend the ordinance to exempt the \$16 meter service fee and cap their obscene 5% windfall profit scheme,** you will continue to get ripped-off by your own city government every time RMU raises their rates. With the windfall revenues from the tax they won't let you vote on, the council will keep raking in more of this back-door tax to throw away money on Frisbee Golf, finance RREC's development projects (like TIF), mow RCDC's private industrial park and spend these windfalls on lot of other things you didn't tell them you wanted. A good question to ask all the mayoral and council candidates (even if they are running unopposed) is this: **When will they amend the ordinance to exempt the meter fees, cap the 5%, and when are they going to put this violation of the Hancock Amendment up for a public vote?**

(How can you tell when a "fee" is really a tax? Use the Mo S.C. Keller Test in: http://www.rollanet.org/~rwnash/nsn_02_32.pdf)

To receive " No Standing News " by e-mail, free of charge, send a message to rwnash@rollanet.org with the word SUBSCRIBE in the Subject line.

To unsubscribe send a message to rwnash@rollanet.org with the word UNSUBSCRIBE in the Subject line.

Editors note: Copies of No Standing News can be obtained free from the Rolla Public Library and at the General Machine Shop at 801 E. 18 St. Rolla MO. Also visit our web site at: <http://www.nostandingnews.com>

I encourage distribution of " No Standing News ." Please feel free to copy and distribute any issue.
