

# No Standing News

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

Volume II

December 24, 2007

Number 72

## Why is Walgreens ripping Rolla off?

Whenever a new business moves into a town, or an existing business expands, it is normal for city government to put in the sewer, curbs, electric and water the business needs up to the property line but no further. All this is done quite legitimately at the taxpayer's expense and it's done for all taxpayers. That's what normal towns do but Rolla is not a normal town. They ran Walgreens off four years ago because Butz, Morgan and Petersen wanted to play Great Land Developers with TIF tax money. Walgreens wanted to locate on Callen's corner but they asked the city to take the TIF stink off the property because they didn't want to be part of a TIF which steals money from their customer's schools, libraries and other public services. Butz, Petersen, Morgan and the City Council refused so Walgreens walked. We were rather impressed that Walgreens management put their principles first and corporate greed last and weren't willing to do business at the cost of little children and the disabled.

That was three years ago but now Chuckey's B-a-a-a-k and he's become a mean and greedy little reptile. Now **Walgreens** and their agent, **Mark Wittenberg** of **Batis Development**, are in bed with **Butz** and our **RMU Mayor Bill Jenks** and they're collaborating to rip off Rolla taxpayers by pretending that a lot of extra property has to be purchased and homes demolished to make way for the Walgreens store.

The fact is two of the three houses they want to buy and bulldoze are three blocks away from the Walgreens store site which is curbside facing Hy. 72 where the Muffler Shop is now. The whole thing is a city scam so they can get Wittenberg to be their Judas Goat and negotiate the sale of the other properties as if he's doing it for Walgreens. Walgreens is more than willing to help bully people in the Ridgeview neighborhood to help the city because the city is going to pay all Walgreens infrastructure costs except for a token \$150,000 which they get back with interest.

Below is the money we don't have that will be spent on the "Walgreens" project by the Rolla City Council. The ones who said they couldn't afford to give their employees a decent raise or patch the leaking roof of the police station or clean up their stinking toilets. The money will come out of the city's reserve fund, the Little Oaks street work and probably next years city employee raises.

**From the city resolution and contract:**  
"COMMENTARY: For the last 90 days it seems as if Walgreens and the Highway 72 extension have dominated the City's efforts. The attached Development Agreement between Walgreens, Batis Development, and the City is the culmination of those efforts. The focus of the agreement is an assurance that the City is committed to the reconstruction of

Ridgeview Road adjacent to the proposed Walgreens site in a way that is consistent and compatible with MoDOT's preliminary design for the Highway 72 extension. Walgreens insists that the improvements to Walker Street prove a critical link to Wal-Mart, Highway 72 and Highway 63 so much so that they are advancing \$150,000 towards the construction of the road. The City in exchange gets a new Ridgeview Road from Highway 63 to Walker Street including all additional right-of-way that would have been required to construct the first 600' of the Highway 72 extension (an improvement valued at **\$950,000** in the eyes of the State). The City's costs are as follows:

*Walgreens Repayment* - **\$170,000** (over 5 years)

*Residential Structure* - **\$110,000** (Juanita Bailey property)

*Church property* - **\$110,000** (Hawley property)

*New Church Parking Lot* - **\$25,000** (paving for church)

*Demolition* - **\$20,000**

*Closing Costs* - **\$10,000**

**TOTAL - \$445,000**

"Approximately 37% of the cost will be paid by future tax revenues from Walgreens and the remaining \$275,000 will come from the Street/Capital Improvement Fund from reserves and the delaying of some street projects (i.e. Little Oaks Road, micro-paving) up to six months. **Recommendation:** Motion to Approve the Resolution executing the Walgreens Development Agreement." And the council did approve it unanimously, of course.

Administration's claim that Walgreens is so insistent on the "improvements" on Walker Street (bulldozing the homes of **Mrs. Bailey, Mr. & Mrs. Fields** and **Mr. & Mrs. Hawley**) because they are so critical to their own project is ludicrous. The Walgreens store is three blocks away from the Fields home and it faces Hy. 72. They're so insistent, Butz claims in his commentary that Walgreens is "loaning" the city **\$150,000** to do some of the street work. Hogwash. You can't pave much more than a tennis court with \$150,000.

**The usual city quid pro quo.** When Mark Wittenberg and John Butz met it was like getting lucky in a singles bar. Mark needed a home for his **\$4,000,000** deal with Walgreens and John Butz, Rolla's Negotiator and Master Creampuff will agree to any deal. John Butz and the council are renowned for giving out-of-town developers anything they want but all they give local developers is a hard time. In anticipation of all the new sales taxes they imagine they're going to get from Walgreens (an illusion) city administration is willing to do anything to make up for their earlier Walgreens black-eye.

But our city officials are not just waiving a few fees and expediting utility hookups for Walgreens. Oh no, Mayor Jenks, Butz and the Council are buying up more land than is necessary to expedite the Walgreens project. They're moving a major road, buying the Ridgeview Church parking lot and buying three residences nearby to provide the church with a new parking lot then they will use city employees, city equipment and city cash to pave the parking lot for the church. Little of this is for Walgreens despite their story, it's for the Ridgeview bypass they hope will materialize in bits and pieces as the city goes broke.

Other than making up for their previous arrogance and letting Walgreens get away, the other reason Butz and Jenks are willing to take this money out of next year's employee raises and cheat other past due infrastructure work in Little Oaks to spend a half a million or more is because (they think... on the rare occasions when they think) that the sight of tearing down homes to move a 600 foot portion of the Ridgeview road will be a signal to Ridgeview residents that their Rolla West Bypass pipe dream is not really a pipe dream and the residents need to start getting out of the way. That's the thinking of the planning geniuses who couldn't get anyone to agree to have a Expanded Enterprise Zone, who crashed and burned TIF twice, who built an elephantine recreation center that is run like a country club and burning up public money and who can't even control the people they appoint to the utility board to keep our utilities down to a competitive level. Now they're resorting to using the minimal amount of public works Walgreens actually needs as the excuse to frighten their own citizens into fleeing out of the path of their latest YUPPIE "vision" - Rolla West.

**More tax shifting.** Equally ludicrous is the repayment of the **\$150,000** "loan" out of the sales taxes they will make from Walgreens. We've lost huge payrolls that haven't been replaced. The national economy is in recession, "For Sale" signs and mortgage foreclosure notices in the newspaper are the only growth industry in Rolla but the city keeps up this pretense that they're going to have lots of "new" taxes from Walgreens. This is a fantasy by people who prove every day they know nothing about business or economics and don't even keep up with current events. Walgreens will promote heavily to take market share away from the Wal-Mart, K-Mart, Hillcrest, Sinks and Country Mart pharmacies. It doesn't matter because there's no sales tax on prescriptions, something the council doesn't seem to know. Walgreens will stock and sell more toxic "Made in China" crap that we can buy at Wal-Mart, K-Mart or the Dollar Store but none of this will be additional purchasing with new payrolls it will just be purchasing shifted from other stores. Eventually someone may go out of business so the net minimum wage jobs will be zero or maybe less than zero. Nevertheless, the city will spend **\$500,000** on this bypass charade and pretend it's all for Walgreens and another **\$950,000** on barely 600' of road.

If the city ever stopped to weigh what they're spending against what they're getting they wouldn't be so hot about giving money to giant corporations out of our employee's hides but even asking what the return on investment is would be shockingly disloyal. Anything with

the label "economic development" is assumed to be it's own justification.

**Isaiah would be ashamed.** The stench of greed contaminates everything and no one should know that better than the parishioners of the Ridgeview Christian Church. "***Yea, they are greedy dogs which can never have enough...***" **Isaiah 56:11.** The Ridgeview Christian Church has caught the disease from the city and Walgreens and they're demanding far too much from the taxpayers in exchange for their little parking lot becoming part of the alleged Ridgeview bypass. The only thing the city can legally do is city purchase the parking lot from the church **at fair market value.** Period, end of story, no replacement land, no paving, no demolition, nothing but fair market value for the land. But that would be too simple and much too legal for the Outlaw City of the Ozarks. **Ken Salts** is the "dealmaker" for the Church board and it seems Salts and the good Christians want compensation for their parking lot and they want lots of it. They want the Hawley's home and the lot next to that. They want the house demolished and they want the city to pave the parking lot for them and do everything but put in lights. That's a great deal more than the fair market value of one little parking lot. Salts also wants the Fields home and he wants it cheap. Talk about the Pharisees! It will make a nice corner for a Quick Mart or Git N Go if the bypass ever materializes. Commercial land like that should turn a tidy profit for the church. They should be ashamed and they should write on the blackboard 100 times, "***Yea, they are greedy dogs which can never have enough...***"

**Here we go again – the same Art VI, Sec 23, Constitutional violation.** Developers don't demand a **\$150,000** fee for locating their project in some town or give a "loan" that is only a fraction of the city's real costs in setting up their infrastructure then get the "loan" back at 4% interest. They wouldn't dare use this tactic on Columbia's Mayor or Springfield's city manager. We are really supposed to believe that it's legal for Wittenberg to "loan" the city a fraction of what it will cost them to move and reset electric, sewer, water and road infrastructure and they will pay Mark Wittenberg this 'fee' back at 4% interest. They will all pretend this "loan" and pretend that all the expenditures for the Ridgeview Christian Church are legitimate when it is actually the city's 57<sup>th</sup> violation of **Art VI, Section 23** which says they can't "***lend the public's credit or grant public money or any thing of value to, or in aid of any corporation, association or individual, except as provided in this Constitution.***"

It is illegal for the city to give Wittenberg or Walgreens back any cash at all. The city didn't send out RFP's inviting Mr. Wittenberg to contract with them for \$150,000 to help convince Walgreens to locate here therefore, paying Wittenberg one dime is illegal. The city owes him nothing and if they don't have even **\$150,000** of the **\$500,000** it will cost to buy the properties and the **\$950,000** it will cost to do the Ridgeview bypass then they shouldn't be doing any of this at all. Only a fool would fall for a deal like this and twelve fools did fall for it on December 17<sup>th</sup> in a unanimous vote of the Rolla City Council.

**Whereas, we are putting lipstick on this pig...** In the 6<sup>th</sup> WHEREAS, of the Resolution they made quite a point of quoting part of the statutes but out of context.

**“WHEREAS**, the City is authorized and empowered under the provisions of **Section 70.210 et seq. RSMo** to contract with any "private person, firm, association, or corporation for planning, development, construction, acquisition or operation of certain public improvements or facilities, or for a common public service", and this proposed highway extension falls under the intended provisions of Ordinance No. 3717. authorizing the construction of public improvement projects (the Improvemenis identified therein as Public Improvement Project # 9S 0580); and..."

Section 70.210, taken out of context, does say that but that section of Chapter 70 applies only to municipal corporations that contract with each other for public purposes. The title of 70.210 is: **“Political subdivisions may cooperate with each other, with other states, the United States or private persons.”** A fragment of a statute doesn't trump the Constitution and this fragment has nothing to do with passing out political pork to save face. This deal with Walgreens and the Ridgeview Christian Church is another violation of Art VI, Sec 23.

**The rest of the dirty deal.** Not content with spending money they don't have, the city plans to backstab their constituents by exempting Walgreens from any special assessments for infrastructure work that Walgreens is legally required to pay for. The city announces in section #4. **“Exemption from Assessment”** that they will “assess such costs against other properties” in the neighborhood. What nasty little vipers.

**“4. Exemption from Assessment.** The City agrees not to impose any special assessments on the Development for the acquisition cost or other costs incurred by the City under this Agreement, but the City reserves the right to assess such costs against other properties benefited by the Infrastructure acquired under this Agreement.”

In return for this act of municipal betrayal by the city, Walgreens agrees to help get petitions signed to help **Mike Woessner** and **Jack Dietzmann** create either a CID or a TDD taxing district that will add 1¢ to everything that is sold in the district. That will make our already much too high sales tax of **7.5¢** about 8.5¢ on every dollar spent. Woessner and Dietzmann will control the TDD board which will collect and spend every penny of this tax to develop their investment property, Rolla West. Walgreens also agrees in advance to

“casting votes” [their votes] in whatever way will “further the creation” of these taxing districts. Only property owners in the TDD or CID area get to vote on what happens to the sales tax. As we've explained before landowners in the district don't have to live here, they can live in Kansas or Chicago and cast votes from there to decide our fate.

**5. Community Improvement District or Transportation Development District.** The City contemplates a further extension and improvement of Ridgeview Road from Walker to Interstate 44 to improve retail access to all existing retailers and businesses within the Ridgeview Road/Highway 72 extension retail corridor, including the Development, and to benefit the City by creating new retail and business growth opportunities in this area. Walgreens consents to the formation of a Community Improvement District (CID) or Transportation Development District (TDD), including the imposition of a CID or TDD sales tax of up to one percent (1 %), that would be created to pay the costs of constructing this new public improvement project, and agrees to take all necessary actions to further the creation of CID or TDD and impose a CID or TDD sales tax, including but not limited to signing petitions and casting votes...”

This contract was 38 pages long. Given what we know about our non-reading elected officials we're sure they didn't read past the summary on page one because, as they always say, “We'll let our experts tell us what's in it.” If you want to have some fun ask a councilmember to explain sections #4 and #5 and watch their eyeballs roll back in their heads.

When the city uses public funds to “buy” Walgreens in, they're spending the taxes paid by **Sinks, Hillcrest, Kmart, Wal-Mart** and **Country Mart** pharmacies to subsidize their competition. How many of those pharmacies will be out of business in a year or two because the council unfairly used their own taxes to subsidize their competition? Did the council members give one minutes thought to that? No they didn't. Just like they didn't give it a minutes thought when they put a fitness center in the Rec Center to compete with **Vessels** and **Family Fitness**, Those two local businesses pay the taxes the council uses to build and subsidize the public facility that takes away from their business. The Mayor, Butz and city hall are anti-Rolla businesses and they prove it repeatedly.

## What are we paying Bax for?

Aren't we paying **Elizabeth Bax** \$108,000 a year to do what Batis Development is doing? City taxpayers have already paid over a half million dollars to the **RREC** and Bax in the last four years to go find the Big Boxes they keep telling us are going to save the town and bring us prosperity. Bax is supposed to put together land packages to offer them. Bax is supposed to set up the zoning hearings, guide them

through the permit process and help them with the city side of the detail work of getting their project established. What has Bax been doing? She's been reading about Walgreens in the paper and cashing her big paychecks (**\$108,000** which includes FREE health insurance). She will claim the Walgreens store on her next evaluation but this wasn't her project, just like the Gundaker deal wasn't hers either. Big

retail corporations hire their own developers they don't sit and wait for amateurs like Bax to ring them up.

We could save ourselves over \$115,000 a year by getting rid of the RREC and Bax and just contract directly with the Mark Wittenberg types. At least with them we would only have to pay when they can actually put a fish on our hook!

The public spin on Elizabeth Bax' evaluation was that her first year was a great success. If anyone actually read the document, and obviously no one on the council or at the Rolla Daily News did, it showed she had only accomplished one thing and that was help **Terry Brewer** and the **RCDC** rip off the taxpayers again to help improve RCDC's private property by building Terry his own little park in front of his office. All she has done so far is become Terry Brewer's personal lobbyist. This is economic development?

Now they're planning to put a new earmarked sales tax on the ballot - earmarked to pay the salary and benefits of Elizabeth Bax. Elizabeth Bax would then be able to keep giving the same report that she's about to get someone "really, really exciting" to do something "really, really exciting" to create some "really exciting" jobs but she can't tell us what because it's a big secret. Gee, it makes you want to get out the dolls and tea cups. It must be great to be able to tell the 12 people who are paying your salary that you've done lots and lots of really, really exciting things to bring jobs to Rolla but it's all a secret so you can't tell them how successful you have been. Months later they can't even ask her what happened to the really, really exciting prospect that didn't materialize because it was so secret that they don't know who to ask you about. What a racket.

**Why are RMU employees more important than other city employees?** Our RMU Mayor, Bill Jenks is unaware of the

anger against him boiling in the ranks of the city employees. Jenks is so out of touch he doesn't know that city workers have seen the inflated RMU salary lists and even worse, they've found out RMU employees get ***their health insurance paid 100% by RMU.***

Why isn't the council considering including the RMU employees in the city health insurance pool to lower the premiums by having a larger group? It isn't right for the people who are doing the real work - the trash hauling, the night patrols, the ditch digging - to keep the city running to be paying nearly 50% of their insurance premium because their welfare and their salaries are at the bottom of the city council's budget priorities while another group of city employees are getting FREE health insurance. This situation should never have been allowed to develop but now that we all know about it why isn't the council doing something? If any city employee ever figures out that they're being discriminated against in both compensation and health insurance....

**RMU Board - selfish to the bone.** At the December 3<sup>rd</sup> meeting of the RMU board Dan Watkins reported that they had overcharged customers by an extra million dollars. They discussed three choices. **1.** Lower rates. **2.** Issue refund checks to customers, or, **3.** Keep the money to see what happens to the economy (meaning how much more in non-electric charges MoPEP will add to their electric bills). Guess what they decided to do? Keep the money of course. That's the first time they ever entertained the idea of issuing a refund. It only occurred to them because they know their customers are making unflattering comparisons between RMU and Intercounty.

---

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

To unsubscribe send a message to [rwnash@rollanet.org](mailto: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.  
-----