

COMMENTARY

Can't see how math works

After attending the financial presentation for Eagle River Station 2.0, I read with interest the developer's ad on Sunday touting revenue and jobs and wondered how this not-at-all-unique shopping center will generate more than \$200 million annually in sales.

Jobs, sales tax revenue and growth all sound great. However, even if the town of Eagle Board of Trustees is not asking questions on these optimistic figures, I hope the Eagle community will work to understand the details.

For starters, pull out your property tax bill. Besides the fire, ambulance and recreation districts, the other seven tax districts, including the school and library, will not receive the increased taxes related to this project until at least 2033.

In addition, every purchase will have a 4 percent planned investment fee, which is taxable. But for each purchase someone makes at this center, the town will receive only 1.45 percent instead of 4 percent if that same purchase were made elsewhere in Eagle.

There was no breakdown of the cost of improvements needed, no detail on the additional costs to the town, no calculation as to the net impact of the Gypsum revenue sharing, no calculation as to the overall loss of property tax revenue

on our community for the other tax districts and no calculation of the net impact of jobs and revenue, assuming that some money is not new revenue but simply shifted revenue from other stores.

Dan Lowe, head of Red Development, stated at the hearing they have no tenants for this project. But he did not mention that their primary bank as of January 2010 was seized in late 2010 by the FDIC in large part because of its commercial real estate loans. He also

did not discuss how Red Development sued the Unified Government of Kansas to lower its property taxes for multiple years after the Legends Shopping Center (now an outlet mall) project was complete.

It is unfortunate that only Eagle residents can vote on this project. It seems there are many costs that will impact our entire community. The developer, staff and the leaders of our town will tell you there is absolutely no risk to our community if this project is approved.

I think instead of listening to them, you should listen to someone like a well-respected developer who showed up at the meeting to tell them the numbers are overly optimistic and they are naive to think a project of this size and scope poses no risk to the tax-

payer of Eagle.

It seems that the strategy this time by the developer is to not present any details. I understand their approach, as although they said they listened to the residents, they don't like to point out things such as the project being more than 30 percent bigger.

But I lose sleep at night not able to understand why almost no questions were asked on the financials and why three trustees have not asked one single question at any of the hearings. Even if the trustees are not concerned about the Eagle Area Community Plan asking to keep our small-town character unique, they should be concerned whether the math works.

There are not many meetings left, but at some point, if approved by the trustees, we will certainly have a residents' vote. Check out www.yesto.eagle.com, and confirm the facts with this project. And watch for the April 3 election in which four seats (including the mayor's) are up for grabs. Hopefully, the people elected will understand that the residents are listed atop the town's organization chart.

See ya'll! (I'd say "at Town Hall" as usual, but I am not sure it is worth your time).

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