

OUR VIEW

Sauk Rapids pledge seeks to hide facts from public

We recently praised Sauk Rapids, the state and The Coleman Co. Inc. for plans to leverage about \$500,000 in public funds so Coleman can add 100 jobs in Sauk Rapids.

Last week, though, the Sauk Rapids City Council cast a pall over the public's confidence in the deal by attempting to skirt a well-founded state statute that balances a business's understandable desire to protect its records with taxpayers' ability to make sure elected officials are good stewards with their money.

The council unanimously tilted that balance to favor Coleman, which gives taxpayers good reason to question why.

The statute says that certain financial data obtained from a business directly related to receiving taxpayer aid becomes public *AFTER government funds are provided to the business*. The council, though, agreed to keep private all of the financial information Coleman provided in its application to the city to receive the aid.

The city's apparent legal tactic? *Before* the council votes, city and state professional staffs will review Coleman's application and return all financial information submitted with the application to Coleman without keeping copies of any of it.

Then the council will hear a staff recommendation and vote. They believe that meets Subdivisions 1 and 2 of Section 13.591 of the Minnesota's Data Practices Act. (You can read it at www.revisor.mn.gov/statutes/?id=13.591.)

That statute addresses these deals, which are fairly common, by allowing a business to keep records private during negotiations and up until it receives a public benefit like the loan. Once benefits are granted, the business still can keep private most of its financial records, excepting only the data it provided pertaining to its financial standing and about how the aid will be used.

Several points are worth noting.

Most of all, the statute still allows plenty of privacy. Essentially, it mandates a business make public only information that demonstrates it can cover the public aid it just received and how that aid is used.

Such limited transparency is nothing new. Certainly, Coleman is not the first to seek an exception. However, elected officials must be both advocates of growth and accountable for public money. This secrecy pact replaces that accountability with "trust us" from the council.

Finally, it's fair to ask elected officials if they considered how the city would prove its due diligence if something goes wrong. Granted, nobody wants that to happen. But if it does, how will the city prove its claim of "it looked good on paper?" Yeah, right. And that's yet another reason why the financial documentation required by statute should be made public *after* the deal is done.