

Did Gander Mountain STIF Cabela's?

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INDIANAPOLIS | A competing outdoors retailer has been lobbying state officials to put the lid on government subsidies for a Cabela's in Hammond and Bass Pro Shops in Portage.

The message is that Gander Mountain doesn't need government assistance, and neither should its competitors.

This fall, a public relations firm connected to the Minnesota-based Gander Mountain sent Republican Gov. Mitch Daniels and top officials at the Indiana Economic Development Corp. a report titled, "Leveling the Playing Field: Making the Case for Limiting Government Incentives for Retail Development."

The report was paid for by Oppidan, a Minnesota investment company that is the exclusive developer for Gander Mountain stores.

A spokeswoman for Ewald Consulting, the Minnesota public relations firm that wrote the report, said it also has been distributed to officials in Illinois, where Cabela's has plans for a store in north suburban Hoffman Estates. Hammond officials received the same report before a vote on the Cabela's plan last fall.

When Daniels was in Northwest Indiana on Thursday, he pointed out that Gander Mountain did not ask for incentives like those the IEDC is negotiating with Cabela's and Bass Pro Shops.

Gander Mountain has five Indiana locations, including one in Merrillville and new stores in Terre Haute and Greenwood.

The report connected with Gander Mountain suggests that Indiana lawmakers are considering legislation to eliminate retail subsidies such as STIF. But no legislation has been filed along those lines, and House Speaker Brian Bosma, R-Indianapolis, said ending STIF isn't on his agenda.

The Gander Mountain report includes a "case study" of Owatonna, Minn., the site where Cabela's opened its third retail store in 1998. The report questions whether taxpayers got a fair return on the \$4.5 million in financing put up by state and local government. It also challenges the "destination retail" description Cabela's gives itself, pointing out the company now has plans for another store 90 miles away in Rogers, Minn.

Daniels on Thursday repeated his desire to lure Cabela's and Bass Pro Shops to Northwest Indiana.

But Hammond Mayor Tom McDermott Jr. said those remarks don't match what he has been told by Cabela's officials.

"What I'm hearing is that there's no communication between them and the IEDC," McDermott said.

"They're complaining to us, and I don't know what to tell them. I don't know who's telling the truth. When I talked to Cabela's, they told me they've never been treated so badly as they're being treated in Indiana.

"What I heard the governor say last night is completely contradictory to what Cabela's is telling me, and I don't know who's telling the truth."

Known for sprawling stores and museum-quality wildlife displays, Cabela's has dubbed its stores "destination retail" venues. Hammond officials were eager to offer \$25 million in property tax incentives to build a Cabela's store on what used to be the Woodmar Country Club.

The IEDC, meanwhile, has refused to approve the company's request for \$40.7 million in sales tax increment, or STIF, financing.

In an interview with The Times that will be published in Sunday's Forum section, Daniels reiterated his opposition to STIF.

"I think it's a very questionable policy. I don't think it's an accident that it's never been used anywhere (in Indiana)," he said.

"Our position on Cabela's is clear. I hope they come to Hammond, and we are offering them a multimillion dollar package."

McDermott said Cabela's frustration with the state has the company looking at possible locations in southwest Michigan. He said that would be a huge loss for his community.

"Gander Mountain has hundreds of stores across the United States while Cabela's has 14, and their stores are much more elaborate than Gander Mountain," he said.

"With all respect to Gander Mountain, there's no comparing Cabela's with Gander Mountain, which is what makes Cabela's unique."