

City Council Agenda

City Council Chambers, City Hall, 612 N. Main Street

September 23, 2016

The meeting start time is 12:00 PM. Committee Meetings (if any) will be first; immediately followed by the City Council Meeting.

1. Call To Order

2. Pledge Of Allegiance

3. Roll Call

4. Hearing On Proposed Changes To BID #2

Time and place set for hearing on proposed changes to BID #2 as further described in the Resolution of Intent, Notice of Hearing, and Proposed Ordinance.

5. First Reading: Ordinance #2552, Modifying And Amending BID #2

This ordinance lays out the proposed changes to BID #2 as it relates to renewing the \$0.50 tax in support of the Sports and Events Authority.

Documents:

[AGENDA ITEM- BID 2 PROPOSE ORDINANCE \(PRINTED\).PDF](#)
[PROPOSED ORDINANCE AMENDING BID 2.PDF](#)

6. Motion To Adjourn

Individuals with disabilities who require special assistance to take part in this meeting may contact one of the following at City Hall (605) 995-8420 at least 24 hours prior to the meeting with requests for assistance: Human Resources Officer, Finance Officer, Public Works Director, or City Administrator.

CITY OF MITCHELL

City Council Meeting Agenda Item Request



The deadline for agenda items is Wednesday at noon, prior to the City Council Meeting

Meeting Date Requested: Requested By:

Desired Action of City Council
 Authorization Approval Resolution
 Ordinance Citizen Request Discussion

Amount budgeted in current fiscal year for this item (if applicable):

Agenda Item:

Explanation/Background of Agenda Item Requested:

This ordinance lays out the proposed changes to BID #2 as it relates to renewing the \$0.50 tax in support of the Sports and Events Authority.

In summary, the \$0.50 tax is reinstated and ordinance terms are modified accordingly. This part of the tax has a 3 year term set and will terminate automatically unless further renewed. Other provisions of the ordinance are not changed.

ORDINANCE NO. _____

AN ORDINANCE WHICH MODIFIES AND AMENDS BUSINESS IMPROVEMENT DISTRICT NO. 2 WITHIN THE CITY OF MITCHELL BY ADJUSTING THE SUM AND APPLICATION OF SUMS COLLECTED PURSUANT TO THE PER ROOM PER NIGHT TAX ON RENTALS OF MOTEL AND HOTEL ROOMS.

BE IT ORDAINED BY THE CITY OF MITCHELL, SOUTH DAKOTA AS FOLLOWS:

Section 1. (Recitals pursuant to SDCL Chapter 9-55)

The Governing Body of the City of Mitchell, SD, incorporates by reference all recitals contained in previously adopted Ordinance No. 2441 as well as Ordinance No. 2521, which amended Ordinance No. 2441, and supplements said recitals as follows:

1. All recitals made in Ordinance No. 2441 and Ordinance No. 2521 are and shall be deemed incorporated herein by reference with the same effect as if set out herein in full, except as modified and/or supplemented as hereafter provided.
2. The continuation of the Sports and Events Authority (SEA), and the various activities undertaken by the SEA, contributes to the welfare of the youth citizens of the City and State, contributes to an increase in weekend long sporting events in the City, and helps maintain a competitive posture in respect to other cities and states in the region in respect to attracting events to the City which will utilize sporting activities in the City, particularly weekend long events during the non-tourist season.
3. The business improvement board required by SDCL 9-55-5 has been established with members appointed by prior resolution of the City Government, and said board remains in existence. Said board has, through majority vote of its members who are business operators or users of space within the existing boundaries of BID No. 2 have voted have voted to approve the amendments as provided in the Resolution of Intent (Resolution No. 3378) and as further provided in this ordinance. For purposes of compliance with SDCL Chapter 9-55, the City declares that said board exists prior to the adoption of this ordinance and will continue after the adoption of this amendment, as provided in prior resolutions of the Governing Body. Said board has recommended to the Governing Body the modification of revenues to be raised under said BID No. 2 and the use and application of the revenues collected pursuant thereto.
3. Hearing has been held as provided by law and the notice of hearing contained with the previously enacted Resolution of Intent (Resolution No. 3378) and, at said hearing, the Governing Body did receive evidence for and against the proposed modification of revenues to be raised and the use and application thereof and any objection(s) thereto did not equal or exceed a majority of the operators/owners of the motels and hotels within BID No. 2.

4. The tax imposed and based on rooms rented by the lodging establishments (hotels and motels) imposed upon transient guests does not exceed \$2.00 per occupied room per night.
5. The Resolution of Intent (Resolution No. 3378) relating to this ordinance was adopted by the Governing Body on August 25, 2016.
6. The hearing on the proposed modifications of BID No. 2 was held on the 23rd day of September, 2016 at 12:00 PM in the chambers of the Mitchell City Council, at City Hall, 612 N Main, Mitchell, SD, following the notice period provided by law. No objections to the proposed modifications were made at said hearing or, alternatively, any objections made were less than a majority of the hotels and motels in the BID and were insufficient in number as required by law to terminate the proceedings as referenced herein.
7. The Business Improvement District (BID No. 2 as modified) was established pursuant to SDCL Chapter 9-55.
8. The purposes of the district remain as declared in Ordinances 2441 and 2521. The hotel/motel businesses located within BID No. 2, as previously expanded and modified, will be subject to the business tax of \$1.50 per room per night on occupied rooms rented to transient guests, as the same is defined and provided in SDCL Chapter 9-55. Said tax shall be temporary as hereafter further described.
9. All boundaries remain as provided in Ordinance 2521 and are hereby incorporated by reference to the same legal effect as if set out in full.

Section 2.

Section 2 of Ordinance 2521, amending Section 4 of Ordinance 2441, (or as said ordinance may be codified) The Tax., is hereby amended to read as follows:

The Tax. There is hereby imposed, re-imposed, or continued a Tax upon the businesses within BID No. 2, subject to the limitations hereafter stated, of \$1.50 per night per rented room on all Lodging Establishments with the Tax to commence and end, and with the revenue collected to be applied as hereafter provided. The Tax shall be paid and reported to the City on a form or forms provided by the City Finance Office.

Section 3.

Section 3 of Ordinance 2521, amending Section 5 of Ordinance 2441, (or as said ordinance may be codified) Application of Revenue, Effective Term, and Termination of Tax., is hereby amended to read as follows:

Application of Revenue, Effective Term, and Termination of Tax.

The Revenue produced by the BID Tax shall be applied to the following purposes; and the Revenue applied to each purpose and the effective term and termination of the Tax in respect to each purpose shall be as follows:

A) The tax shall commence on the first day of the first month following publication of this ordinance after adoption by the City of Mitchell, and the expiration of the referendum period following publication. The City Finance Officer shall give all affected persons at least twenty (20) days advance notice of the effective commencement date of the Tax (as provided in this ordinance).

B) One dollar (\$1.00) of the per room per night occupied room rental shall be applied to the continued defrayal of the cost incurred by the City for the expansion of the Mitchell Activity Center by the construction of the Second Sheet of Ice. At the time when the sum of \$400,000.00 of the portion of the Tax to be so applied (including all such prior collections so applied), then the said portion of the Tax shall be applied to the defrayal and reimbursement to the City for funds advanced for construction of the Indoor Swimming Pool Facility until the sum of One Million Dollars (\$1,000,000.00) shall be so applied; and at the time when the sum so applied in respect to the Indoor Swimming Pool Facility shall reach the sum of One Million Dollars (\$1,000,000.00), then that portion of the Tax shall terminate.

C) One-half Dollar (\$0.50) of the per room per night occupied room rental shall be applied to the support of the Sports and Events Authority. This portion of the Tax shall be in effect for a term of three (3) years beginning on the date when this ordinance is legally effective and shall automatically terminate unless further renewed by subsequent ordinance.

D) (This paragraph is not amended and shall remain as previously provided.)

E) At the time of the termination provided for in subsection C) above, unless renewed by further ordinance enactment of the City to be made only upon the consent of the majority of the Lodging Establishments within BID No. 2, the tax shall be reduced from \$1.50 per rented room per night to \$1.00 per rented room per night. At such time when termination provided for in both subsections B) and C) has occurred, unless the portion of the Tax provided for in C) above shall have been renewed, the Tax shall be fully terminated and BID No. 2 shall be dissolved.

Section 4.

All portions and provisions of Ordinances 2441 and 2521 not amended or modified by this ordinance shall continue and remain in effect according to the terms of said Ordinances 2441 and 2521. All portions and provisions of Ordinances 2441 and 2521 amended or modified by this ordinance are hereby repealed.

Section 5.

The City Finance Officer shall cause notice of adoption of this ordinance to be published in the official newspaper and twenty (20) days after the completed publication, unless the referendum is invoked, this ordinance shall become effective.

Adopted by majority vote of the Mitchell SD City Council in regular session this ____ day of _____, 20____.

Jerry Toomey – Mayor

Attest:

(seal)

Michelle Bathke – City Finance Officer

First Reading: _____

Second Reading: _____

Adoption: _____

Published: _____