



Business Improvement District No. 1 Board Agenda

4:00 p.m. Meeting

Monday, March 13, 2023

Powell Conference Room

25 Center Street

Vermillion, South Dakota 57069

1. **Call to Order**
 - a. Roll Call
2. **Minutes**
 - a. November 28, 2022
3. **Adoption of the Agenda**
4. **Visitors to Be Heard**
5. **Old Business**
6. **New Business**
 - a. Update on House Bill 1109 adjusting BID fees.
 - b. Final report 2022 BID receipts.
 - c. Report on 2023 BID receipts.
 - d. Report on upcoming events.
7. **Adjourn**

Unapproved Minutes
City of Vermillion
Business Improvement District No. 1 Board
November 28, 2022
Monday – 3:00 p.m.

The meeting of the City of Vermillion Business Improvement District No. 1 Board was called to order on Monday, November 28, 2022 at 3:00 p.m. by Chairman David Herbster at City Hall in the Powell conference room.

1. Roll Call

Present: David Herbster, Judy Bensen, Collin Lind, Greg Huckabee

Absent: Dan Kenton

Also Present: Nancy Herridge, Melissa Eberts, John Prescott, and Katie Redden

2. Minutes

A. Minutes of June 29, 2022

9-22

Greg Huckabee moved approval of the June 29, 2022 minutes with the correction of 3 members approving the minutes of 5/22/2022. Collin Lind seconded the motion. Motion carried 4 to 0. Chairman Herbster declared the motion adopted.

3. Adoption of Agenda

10-22

Collin Lind moved approval of the agenda. Greg Huckabee seconded the motion. Motion carried 4 to 0. Chairman Herbster declared the motion adopted.

4. Visitors to be Heard - None

5. Old Business - None

6. New Business

A. Election of Officers

11-22

Dave Herbster moved to elect Collin Lind as president and Greg Huckabee as Vice President. Judy Bensen seconded the motion. Motion carried 4 to 0. Chairman Herbster declared the motion adopted.

B. Introduction of Jim Peterson, VCDC Executive Director

Jim Peterson introduced himself at the Vermillion Area Chamber and Development Director. Discussion followed on things new with the VCDC. Jim explained how funds were to be used and will present a report at future meetings.

C. Report on 2022 BID receipts

John Prescott, City Manager, reported that BID receipts for 2022 are down for the third quarter by over \$7,700 compared to 2021. John reviewed the monthly occupancy percentages, and they were below 2021. The September receipts were down from 2021 by \$792 or 396 rooms. Discussion followed.

D. Report on upcoming events

Jim Peterson, VCDC executive director, provided a handout on events they are attracting, promoting, and operating. Jim reported on community activities that have happened and future events that will bring stays to Vermillion hotels such as the Farm Show. Dave Herbster reported on USD events coming up. Discussion followed.

7. Adjourn

12-22

Greg Huckabee moved to adjourn the meeting at 3:40 p.m. Collin Lind seconded the motion. Motion carried 4 to 0. Chairman Herbster declared the motion adopted.

Dated at Vermillion, South Dakota this 28th day of November, 2022.

City of Vermillion
Business Improvement District Board

David Herbster, Chairman

Attest:

Katie E Redden, Finance Officer

23.381.12 98th Legislative Session 1109



2023 South Dakota Legislature
House Bill 1109
ENROLLED

AN ACT

ENTITLED An Act to modify the occupation tax for business improvement districts.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

Section 1. That § 9-55-7 be AMENDED:

9-55-7. Upon receiving a recommendation from the business improvement board, the governing body may create one or more business improvement districts by adopting a resolution of intent to establish one or more business improvement districts. The resolution must contain the following information:

- (1) A description of the boundaries of any proposed district;
- (2) The date, time, and place of a hearing to be held by the governing body to consider establishment of a district;
- (3) The proposed public facilities and improvements to be made or maintained within any proposed district;
- (4) The proposed or estimated costs for improvements, facilities and activities within any district, and the method by which revenue shall be raised. If a special assessment is proposed, the resolution must state the proposed method of assessment; and
- (5) That the method of raising revenue shall be fair and equitable.

In the use of a general occupation tax, the tax must be based primarily on the square footage of the owner's and user's place of business, or based on rooms rented by any lodging establishment to transient guests as defined in § 10-45-7. If the occupation tax is based on rooms rented by a lodging establishment, the tax must be imposed on the transient guest, and the tax may either be set at an amount not exceeding four dollars per occupied room per

night, or at a rate not exceeding four percent of the rented room charge. If a lodging establishment does not charge a fee or rent for a room, no occupation tax may be imposed on the transient guest.

In the use of a special assessment, the assessment must be based upon the special benefit to the property within the business improvement district.

Passed House 45-23 on February 1

Passed Senate 19-16 on February 23

Governor veto on March 2

