

RESOLUTION NO. 2025 - 06

**RESOLUTION OF INTENT TO
CONTINUE BUSINESS IMPROVEMENT DISTRICTS, AND
ESTABLISH RATES FOR 2019 FOR BUSINESS IMPROVEMENT DISTRICTS**

WHEREAS, Business Improvement Districts Nos. 1-6 have been created and Business Improvement District Boards appointed since August of 1990 and re-appointed and continued through the current date; and

WHEREAS, such Business Improvement Districts Boards have recommended and the City Commission has accepted plans and occupation tax assessments for the calendar years 1991 through 2025; and

WHEREAS, the Business Improvement District Boards have recommended continuation of Business Improvement Districts Nos. 1, 2, 3, 4, 5, and 6 and have recommended the amount of the Business Improvement Tax Levy; and

NOW, THEREFORE, BE IT RESOLVED by the City of Deadwood that the City hereby declares its intent to continue Business Improvement Districts No. 1, 2, 3, 4, 5, and 6 with the boundaries of the Districts as follows:

Business Improvement District No. 1: All lodging establishments and gaming establishments located within the city limits of Deadwood, applied to all gaming devices and lodging rooms located within the city limits of Deadwood, applied to all gaming devices and lodging rooms located in the city limits and affiliated with or have common ownership with any gaming establishments or property.

Business Improvement District No. 2: All other lodging establishments located within the City of Deadwood applied to all gaming devices located in a business with common or unrestricted access within the business premises, excepting the first fifty (50) such gaming devices, including any business existing as of the date of this ordinance and any future similar businesses meeting the same criteria.

Business Improvement District No. 3: All lodging establishments, and bed and breakfast establishments within the City of Deadwood which do not have gaming devices.

Business Improvement District No. 4: Each gaming establishment leasing a city slot machine as determined by sealed bid or auction conducted by the City of Deadwood.

Business Improvement District No. 5: Gaming establishment known as the VFW located at 10 Pine Street.

Business Improvement District No. 6: inactive

BE IT FURTHER RESOLVED that the City of Deadwood declares its intent to establish 2019 Occupation Tax Levies as follows:

1) The estimated monies to be raised by the Business Improvement Districts in 2025 is \$511,495.00; the estimated costs for the expenses, improvements, activities, and promotions within the Business Improvement Districts are as follows:

A. Business Improvement Districts No. 1, 2, 3, 4, 5, and 6:

Administrative and legal expenses	\$ 15,000.00
Deadwood Chamber of Commerce and Visitors Bureau - Marketing	\$ 440,495.00
Contingency	<u>\$ 56,000.00</u>
TOTAL	\$ 511,495.00

2) The imposition of the General Occupation Tax for the six Districts for 2025 shall be as follows:

- A. District No. 1: Tax at the rate of \$125.00 per year or \$6.25 per year per square foot for 20 square feet for each gaming device, slot machine, 21 table or poker table, or video lottery machine, excepting municipal slot machines. Lodging establishments shall pay \$75.00 per year per room or \$.25 per square foot per lodging units using three hundred (300) square feet for each room.
- B. District No. 2: Tax at the rate of \$50.00 per year or \$2.50 per square foot on twenty (20) square feet for each gaming device, slot machine, or table game, excepting municipal slot machines which shall be applied to all gaming devices located in a business with common or unrestricted access within the business premises, excepting the first fifty (50) such gaming devices, including any business existing as of the date of this ordinance and any future similar businesses meeting the same criteria.
- C. District No. 3: Tax at the rate of \$75.00 per year per room or \$.25 per square foot per year for lodging establishments using three hundred (300) square feet for each room.
- D. District No. 4: Tax at the rate of \$2,000.00 per year or \$100.00 per square foot for twenty (20) square feet for each city or municipal slot machine as determined by sealed bid or auction conducted by the city of Deadwood.

E. District No. 5: Tax at the rate of \$75.00 per year or \$3.75 per square foot on twenty (20) square feet for each gaming device, slot machine, 21 table or poker table, or video lottery machine, excepting municipal slot machines.

F. District No. 6: inactive.

3) That the levies shall be billed and collected monthly by the City Finance Officer with the annual levy to be paid in monthly installments due on the 10th day of each month beginning with the first installment due in the Finance Office on January 10, 2025 with a fifteen (15%) percent late charge to be added for all past due charges.

4) That the taxes as set forth in paragraph 2 above shall be determined by the number of games and video lottery machines licensed by the South Dakota Commission on Gaming and the South Dakota Lottery Commission as of the first day of January, 2025 for the first six months of 2025, and as of the first day of July, 2025, for the second six months of 2025, with adjustments to be made for the licenses added or deleted on the first day of the month following the addition or deletion.

BE IT FURTHER RESOLVED that amounts raised from the imposition of the occupation taxes set forth above are projected to be in the amount of five hundred eleven thousand, four hundred ninety-five dollars (\$511,495.00)

BE IT FURTHER RESOLVED that first reading of an Ordinance #1415 will be before the City Commission of the City of Deadwood, South Dakota, on January 21 2205 at 102 Sherman Street in the City of Deadwood, South Dakota, to consider the business occupation tax levy for 2025. The Deadwood Chamber of Commerce has given notice of the hearing to each occupant or user of space or property owner located in the proposed Districts.

Dated this 21st day of January, 2025.

City of Deadwood

ATTEST:

David Ruth Jr., Mayor

Jessica McKeown, Finance Officer