

## CHAPTER 3 – ASSESSMENTS & TAXATION

### ARTICLE 8 – BUSINESS IMPROVEMENT DISTRICT 3

#### SECTIONS:

Sections 3-8-101 to 199, inclusive. General Provisions.

3-8-101. Establishment of the Business Improvement District.

3-8-102. Boundaries of the Business Improvement District.

3-8-103. Purpose of the BID.

3-8-104. Computation.

3-8-105. Reporting.

3-8-106. Sworn Statements by Remitters.

3-8-107. Payment of Fees.

3-8-108. Costs incurred by City in Administering Occupational Tax.

3-8-109 Occupational Tax Administration.

3-8-110 Disbursement of Unobligated Funds upon Dissolution.

3-8-111. Severability.

3-8-112. Effective Date.

3-8-113 to 199, inclusive. Reserved.

---

**Sections 3-8-101 to 199, inclusive. General provisions.**

#### **Section 3-8-101 Establishment of the Business Improvement District**

There is hereby created, pursuant to Chapter 9-55, “Pierre Business Improvement District #3” (hereinafter also referred to as “BID #3”) of the City. A Resolution of Intent #2753 to create this district was approved by the City Commission on September 26, 2023. A public hearing on the creation of the BID #2 was held in the Pierre City Hall located at 2301 Patron Parkway, Suite 1, Pierre, SD at 5:45pm on Tuesday, November 7, 2023.

#### **Section 3-8-102 Boundaries of the Business Improvement District**

BID #3 shall have the following boundaries: Tract 1 of Center Point Addition.

### **Section 3-8-103 Purpose of the BID**

BID #3 is created for the purpose of funding authorized uses intended to improve the public facilities, infrastructure, and activities to take place within the area. The activities will be ongoing and outlined in the annual budget developed each year by the BID #3 Board of Directors, subject to the approval of the Pierre City Commission, for any use allowed pursuant to SDCL 9-55-3.

### **Section 3-8-104 Computation**

An Occupation Tax up to a maximum amount allowable per SDCL 9-55, per night, will be imposed upon transient guests based upon rooms rented by the hotels, motel or lodging establishments within the boundaries of the District as enumerated in this Ordinance. The Occupational Tax shall be set at a rate of \$2.00 per night per room or per night occupation. The Occupational Tax shall be used for any public improvements, facilities and activities.

This occupation tax is found to be fair, equitable and uniform. No occupational tax may be imposed on any transient guest who has been offered a room by a lodging establishment on a complimentary basis whereby no fee or rent is charged for such room. Each hotel, motel or lodging establishment must account for complimentary rooms that are also subject to audit by the city finance officer with records to show the basis for offering the room on a complimentary basis.

The city finance officer is authorized and directed to determine and compute the tax in accordance with this Ordinance. The occupational tax assessed pursuant to the terms of this Ordinance must be remitted by the twentieth day of each month to the city finance officer, with the remittance to be for the previous calendar month's tax collections. The city finance officer or any person or firm contracted by the city finance office will be entitled to audit the books, ledgers or franchise reports of any hotel, motel or lodging establishment subject to the terms of this Ordinance, including the right to inspect daily reports of hotels and motels so as to ensure that the occupancy tax assessed by this Ordinance is being properly remitted to the city. The city finance officer will be entitled to seek injunctive relief against any hotel, motel or lodging establishment that does not remit the proper amount of tax monies when due, which relief may be in the form of an action requiring the offending hotel or motel owner to allow entry upon their property and access to their records, computers or books so as to verify that the hotel, motel or lodging establishment is remitting all monies it collects pursuant to this Ordinance and the laws of the state. Each hotel, motel or lodging establishment subject to this Ordinance must keep accurate records of amounts collected from transient guests for review by the city finance officer or its designee, pursuant to this Ordinance.

### **Section 3-8-105 Reporting**

BID #3 will provide an annual report to the City Commission. Quarterly reports will be provided upon request from the City Commission.

### **Section 3-8-106 Sworn Statements by Remitters**

Each hotel, motel, or lodging establishment shall file a sworn statement accompanying payment of tax in substantially the following form:

Any lodging establishment governed by this Ordinance must sign a sworn statement to be submitted along with the remittance of any tax imposed by this Ordinance on or before the twentieth day of each month stating as follows:

I declare, under penalty of perjury, that the above accounting of rooms rented is accurate and the tax payment made herein is accurate to the best of my knowledge according to my business records.

**Section 3-8-107 Payment of Fees**

In the event of any civil or criminal action being filed seeking collection of any delinquent assessments, the offending hotel, motel or lodging establishment will be responsible to pay all attorney's fees and costs incurred by the city in seeking payment under the terms of this Ordinance.

**Section 3-8-108 Costs incurred by City in Administering Occupational Tax**

All costs incurred by the city or the city finance office pursuant to this Ordinance will be paid from occupancy taxes collected under this Ordinance. The costs may not exceed 2.5% of the amount of tax collected annually.

**Section 3-8-109 Occupational Tax Administration**

Once the occupational tax has been collected, the city finance office will subtract its administrative costs and fund public improvements, facilities and activities, and make payment of funds to any entity for which the city has contracted or entered into an agreement for the implementation of the public improvements, facilities and activities authorized by this Ordinance.

**Section 3-8-110 Disbursement of Unobligated Funds upon Dissolution**

In the event of dissolution, any unobligated funds will be distributed as determined by the Pierre City Commission.

**Section 3-8-111 Severability**

Should any section, clause or provision of this ordinance be declared invalid, the same shall not affect the validity of the ordinance as a whole or any part thereof, other than the part declared to be invalid.

**Section 3-8-112 Effective Date**

This ordinance shall be effective upon passage and publication as provided by law.

All Ordinances in conflict herewith are hereby repealed.

**Source:** Ord. No. 1858, 2023; Ord. No. 1863, 2024.

**Statutory reference:** SDCL 9-55, Business Improvement Districts.

**Section 3-8-113 to 199, inclusive. Reserved.**