

RESOLUTION 23-11162

A RESOLUTION SETTING ANNUAL ASSESSMENTS WITHIN THE BILLINGS TOURISM BUSINESS IMPROVEMENT DISTRICT AND PROVIDING NOTICE, HEARING AND ADOPTION

WHEREAS, the City Council created the Tourism Business Improvement District No. 0002 ("TBID") on April 10, 2017, by adopting Resolution No. 17-10614; and

WHEREAS, following approval of the annual TBID work plan and budget, the City Council may, by resolution, set the next fiscal year assessment upon all property in the district using as a basis the method set forth in Resolution 17-10619, Section 7, and as prescribed in 7-12-1133(2)(c), MCA; and

WHEREAS, the property to be assessed are all hotels within the District, as described in Resolution 17-10619, Section 4, with 6 or more rooms; and

WHEREAS, the City Council has duly considered the matter.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF CITY OF BILLINGS AS FOLLOWS:

1. Assessments for Fiscal Year 2024. The TBID assessment for fiscal year 2024 is hereby fixed, levied and assessed against each and every parcel of real property within the TBID. Each parcel shall pay to the City that portion of the total TBID assessment imposed annually. The assessment is \$2.00 per occupied hotel/motel room night.

2. Notice of Hearing. On Monday, September 11, 2023, at 5:30 p.m., or as soon thereafter as the matter could be considered on the agenda in the Council Chambers of the City Hall, Billings, Montana, the City Council heard objections to the adoption of this resolution. The City Clerk published notice twice, at least five (5) days prior to the hearing, in the Yellowstone County News, as provided in Section 7-1-4127, MCA.

3. Effective Date. This resolution shall be effective upon adoption.

ADOPTED AND APPROVED by the City Council of the City of Billings, Montana this 11th day of September, 2023.



CITY OF BILLINGS

By: William A. Cole
William A. Cole, Mayor

ATTEST:

By: Denise R. Bohlman Deputy for
Denise R. Bohlman, City Clerk

- a. General Fund, Transit, Library, Public Safety I, II, III, and General Obligation Debt (RES. 23-11160) APP 9-2, NEESE & PURINTON OPPOSED
- b. Downtown Business Improvement District (RES. 23-11161) APP 11-0
- c. Tourism Business Improvement District (RES. 23-11162) APP 11-0

Item 9.

City Council Regular

Date: 09/11/2023
Title: Public Hearing and Resolutions Setting Annual Levy/Assessments for Fiscal Year 2024
Presented by: Andy Zoeller, Finance Director
Department: Finance
Presentation: Yes
Legal Review: Not Applicable
Project Number: N/A

COUNCIL ACTION

SEP 11 2023

CITY CLERK

RECOMMENDATION

Staff recommends that the City Council conduct one public hearing for all the levies/assessments and approve each individual resolution. These levies/assessments are listed as sub items under one agenda item. The Council may conduct one public hearing where anyone may speak about any of the levies/assessments. After the public hearing is closed, the Council will need to take action on each individual levy/assessment resolution. All resolutions may be approved by a majority vote.

BACKGROUND (Consistency with Adopted Plans and Policies, if applicable)

The following property tax levy and annual assessment resolutions have been completed by the Finance Department and the levies and assessments are ready to be spread on the tax files.

- Mill Levy Rates for General, Transit, Library, Public Safety I, II and III, and General Obligation Debt
- Downtown Business Improvement District
- Tourism Business Improvement District

The mills will be set at 206.57 in FY 2024 for General, Transit, Library, and Public Safety I, II and III and General Obligation Debt levies. The TBID assessment is \$2 per rented room per night and will not change from last year. The DBID assessment is based on many factors which includes total square footage, count of all parcels, total taxable value, and total building square footage within the district. For FY 2024 the assessments for the DBID total \$509,207.56.

The 206.57 mills includes 9.79 General Fund mills to be levied in FY24 to generate \$2.6 million for the franchise fee settlement. If not for the franchise fee settlement, the mills levied would be reduced by 9.79, which will cost the median home approximately \$40.65 in FY24.

Additionally, the General Fund mills for FY24 include the funding to replace Park District 1 (approximately 14.21 mills), which had been funded through a Special Assessment prior to this year.

The FY24 mills were reviewed by the Budget and Finance Committee on 8/16/23, and recommended for approval.

ALTERNATIVES

City Council may:

- Approve; or,
- Not Approve and provide additional guidance to staff
- Amend and approve the resolutions

FISCAL EFFECTS

Establishing these mills will allow the City's General, Transit, Library and Public Safety Funds to align with the adopted FY24 Budget that was approved by City Council on 6/26/23.

The General Obligation mills are set in order to generate the necessary revenues to make the debt service payments for General Obligation (GO) Debt as authorized by the City Charter. The total FY24 of 6.67 mills will generate \$1,771,600 in tax revenue, as compared to the FY23 mills of 8.00, which generated \$1,741,500 in tax revenue.

If approved the median home valued at \$307,600 will pay \$859.05 for the property tax mill levies in FY24, compared to \$649.74 in FY23. This includes the replacement funding for Park District 1 (\$59/yr) which had been funded through a Special Assessment, and the funding for the franchise fee settlement (\$40.65) which is estimated to be paid in FY24.

Attachments

Resolution DBID

Resolution TBID

2023 Resolution setting mill levies