

Ordinance No. 6171

**AN ORDINANCE TO UPDATE THE CITY'S PROMOTION AGENCY FOR PURPOSES OF THE MUNICIPAL GROSS RECEIPTS TAX BY AMENDING SECTIONS 3.18.050, 3.18.060, AND 3.18.070 OF THE RAPID CITY MUNICIPAL CODE**

WHEREAS, the City has adopted a gross receipts tax, which is codified in Chapter 3.18 of the Rapid City Municipal Code; and

WHEREAS, a portion of the revenue raised from the municipal gross receipts tax is used to promote the City of Rapid City, its facilities, attractions, and activities; and

WHEREAS, the City has designated the Rapid City Chamber of Commerce's Convention and Visitor's Bureau as its promotion agency; and

WHEREAS, the Convention and Visitor's Bureau has been spun off from the Chamber of Commerce as a separate and distinct legal entity; and

WHEREAS, the Common Council desires to update the municipal code to reflect the new legal entity that has been formed to carry on the work of the former Convention and Visitor's Bureau.

NOW THEREFORE, BE IT ORDAINED by the City of Rapid City that Section 3.18.050 of the Rapid City Municipal Code is hereby amended to read as follows:

**3.18.050 Use of revenue.**

All of the revenues generated by the tax levied by § 3.18.020 shall be used only for the purposes permitted by SDCL § 10-52A-2.

A. Twenty-five percent of the revenue shall be paid to [Visit Rapid City](#) ~~the Rapid City Chamber of Commerce Convention and Visitors Bureau~~ for purposes of promotion as hereinafter provided.

B. Seventy-five percent of the revenue shall be paid to the Rushmore Plaza Civic Center Board for the maintenance, staffing and operations of the Civic Center.

C. The Finance Office will calculate and remit payments on a monthly basis. Such payments shall be based upon the tax distribution payment by the South Dakota Department of Revenue.

BE IT FURTHER ORDAINED by the City of Rapid City that Section 3.18.060 of the Rapid City Municipal Code is hereby amended to read as follows:

**3.18.060 Appointment of [Visit Rapid City](#) ~~Convention and Visitors Bureau~~.**

The city hereby appoints [Visit Rapid City](#) ~~the Rapid City Convention and Visitor's Bureau~~ ("~~CVB~~") to serve as the city's promotion agency in connection with the promotion of the City of Rapid City as a visitor destination for tourism and conventions. The appointment of [Visit Rapid City](#) ~~CVB~~ is expressly conditioned on the following:

A. ~~The CVB~~ [Visit Rapid City](#) shall implement a comprehensive marketing plan for the City of Rapid City, in conformity with the annual budget approved by the Common Council.

1. ~~The CVB~~ Visit Rapid City shall submit a marketing plan and budget prior to April 1 of each year, which shall include ~~the CVB's~~ Visit Rapid City's goals and objectives for the subsequent calendar year. The marketing plan shall be approved by the city before being implemented.

2. It shall be the responsibility of ~~the CVB~~ Visit Rapid City to follow the marketing plan and budget as approved by the City Council. ~~The CVB~~ Visit Rapid City shall make all records of receipts and disbursements available to the city and shall maintain such records for a period of six years.

B. All revenue paid to ~~CVB~~ Visit Rapid City shall be used to promote the City of Rapid City as a visitor destination for tourism and conventions. Information on the Rushmore Plaza Civic Center shall be included in all such marketing materials.

C. ~~The CVB~~ Visit Rapid City shall advise of the progress of the marketing and promotion program described above not less frequently than quarterly. ~~The CVB's~~ Visit Rapid City's report shall be distributed in writing to the Mayor and each alderman. A representative of ~~the CVB~~ Visit Rapid City shall appear before the Common Council whenever so requested by a majority of the Common Council. The progress report shall contain information concerning the promotion of the city with a general statement delineating the measurable growth of tourism and promotion of the City of Rapid City.

D. ~~The CVB~~ Visit Rapid City shall provide a liaison to the Rushmore Plaza Civic Center Board. The liaison shall report on ~~CVB~~ Visit Rapid City promotion activities and convention bookings.

E. Should ~~the CVB~~ Visit Rapid City fail to abide by any of the conditions imposed by this chapter, such failure shall be brought before the Common Council. The Common Council shall have the authority to suspend payments made according to this chapter until ~~the CVB~~ Visit Rapid City complies with all conditions listed above. Should ~~the CVB~~ Visit Rapid City fail or refuse to abide by said conditions, upon the order of the Common Council, the revenue payable to ~~the CVB~~ Visit Rapid City shall be held by the Finance Officer until such time as it may be appropriated for another lawful use.

BE IT FURTHER ORDAINED by the City of Rapid City that Section 3.18.070 of the Rapid City Municipal Code is hereby amended to read as follows:

**3.18.070 State law compliance.**

The city's designation of ~~the CVB~~ Visit Rapid City as its promotion agency is made pursuant to the authority granted to the city by SDCL § 9-12-11. All payments of municipal funds are expressly conditioned on compliance with said statute and acts amendatory thereto.

CITY OF RAPID CITY

Attest

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Finance Officer

(seal)