

ORDINANCE NO. 1833

AN ORDINANCE ESTABLISHING THE REGULATIONS OF THE KALISPELL TOURISM BUSINESS IMPROVEMENT DISTRICT, AUTHORIZING THE CITY ATTORNEY TO CODIFY THIS ORDINANCE AND DECLARING AN EFFECTIVE DATE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF KALISPELL, MONTANA, AS FOLLOWS:

SECTION 1. The Kalispell Tourism Business Improvement District created by Resolution No. 5954 on December 16, 2019 and to become effective on July 1, 2020, pursuant to Title 7 Chapter 12 Part 11, shall have a term of ten (10) years.

SECTION 2. The boundaries of the District shall be all parcels, tracts, lots and blocks within the corporate limits of the City of Kalispell where a five or more room hotel is located and providing overnight stays as a lodging facility for transient patrons as its business. This description currently identifies those properties set forth on Exhibit "A" attached hereto and incorporated fully herein by this reference.

SECTION 3. *Board of trustees -- appointment -- number -- term of office.*

(1) The Mayor, with the approval of the City Council, shall appoint seven owners of property within the district to comprise the board of trustees of the district.

(2) The director for the tourism business improvement district must be the executive director of a nonprofit convention and visitors bureau, as defined in *MCA 15-65-101*.

(3) The number of members of the board, once established, may be increased to up to seven members from time to time by subsequent resolutions of the City Council of the local government. A resolution to reduce board membership may not require resignation of any member prior to completion of his appointed term.

(4) Three of the members who are first appointed must be designated to serve for terms of 1, 2, and 3 years, respectively, from the date of their appointments, and two must be designated to serve for terms of 4 years from the date of their appointments. For a seven-member commission, there must be two additional appointments for terms of 2 years and 3 years, respectively.

(5) After initial appointment, members must be appointed for a term of office of 4 years, except that a vacancy occurring during a term must be filled for the unexpired term. A member shall hold office until his successor has been appointed and qualified.

SECTION 4. *Organization of board of trustees -- no compensation.*

(1) The City Council shall designate which member of the board is to be the first chairman. When the office of chairman of the board becomes vacant thereafter, the board shall elect a chairman from among its members. The term of office as chairman of the board, unless otherwise prescribed by the City Council, must be for 1 calendar year or for that portion thereof remaining after each chairman is designated or elected.

(2) Members may receive no compensation.

SECTION 5. *Removal of board member.* A member of a board of trustees may be removed by the Mayor with the consent of the City Council.

SECTION 6. *Powers of board in administering district.* The board in administering the business improvement district has all powers necessary to carry out the functions of the district contained in this ordinance creating it, including the power to:

(1) sue and be sued, enter into contracts, and hire and terminate personnel needed for its purposes;

(2) provide special police, maintenance, or cleaning personnel for the protection and enjoyment of the general public using the business district;

(3) landscape and beautify public areas and to maintain those areas;

(4) contract with the City Council to maintain, operate, or repair public parking facilities;

(5) contract with the City Council to maintain streets, alleys, malls, bridges, ramps, tunnels, landscaping, and other public facilities as mutually agreed upon;

(6) promote private investment and business expansion in the district;

(7) provide for the management and administration of the affairs of the district;

(8) promote business activity by advertising, decorating, marketing, and promoting and managing events and other actions designed for the general promotion of business activities in the district; and

(9) perform such other functions as are necessary to carry out the purposes of this part and to further the objectives of the district.

SECTION 7. *Annual budget and work plan -- approval -- procedure -- tax.*

(1) At a time determined by the City Council, the board shall submit to the City Council for approval a work plan and budget for the ensuing fiscal year.

(2) Following public notice that a work plan and budget have been submitted and that the City Council will levy an assessment to defray the cost of the work plan and budget, the City Council shall hold a public hearing on objections to the work plan and budget. After the hearing, the City Council may modify the work plan and budget as it considers necessary and appropriate.

(3) After approval of the work plan and budget and to defray the cost thereof for the next fiscal year, the City Council shall by resolution levy an assessment upon all of the property in the district using as a basis one of the methods prescribed in *MCA 7-12-1133*.

(4) A copy of the resolution shall be delivered to the treasurer of Flathead County to be placed on the tax roll and collected in the same manner as other taxes.

SECTION 8. *Assessment of costs -- area, lot, taxable valuation, and square footage options.*

(1) At the same time the board submits the annual budget and work plan to the City Council as provided in *MCA 7-12-1132*, the board shall also recommend to the City Council a method of levying an assessment on the property within the district which will best ensure that the assessment on each lot or parcel is equitable in proportion to the benefits to be received.

(2) The City Council shall annually assess the entire cost of the district against the entire district using a method which best ensures that the assessment on each lot or parcel

is equitable in proportion to the benefits to be received. In determining the method of assessment to be used, the City Council shall consider the recommendations of the board.

(3) If a district is expanded, the land within the expanded area must be assessed as provided for in subsection (2) for the duration of the district.


SECTION 9. *City Council not to decrease public services.* The City Council may not decrease the level of public services in the district existing prior to the creation of the district unless the services at the same time are decreased throughout the jurisdictional area of the City Council, nor may it transfer the financial burden of providing those services to the district. The City Council may not discriminate in the provision of publicly funded services between areas included in such district and areas not so included.

SECTION 10. *Liability insurance required.* The City Council may not approve the annual budget or the work plan submitted to it by the board unless the annual budget and the work plan provide for liability insurance coverage insuring the district, the board, and the City against legal liability for personal injury and property damage in an amount determined sufficient for that purpose by the City Council.

SECTION 11. *Obligations of district not obligations of City.* An obligation or debt of any nature of the district is not an obligation or debt of the City and in no event is a debt or obligation of a district payable out of any funds or properties of the City. The debts and obligations of a district are payable solely from the funds and properties of the district.

SECTION 12. This Ordinance shall become effective on July 1, 2020.

PASSED AND APPROVED BY THE CITY COUNCIL AND SIGNED BY THE MAYOR OF THE CITY OF KALISPELL THIS 6TH DAY OF JANUARY, 2020.


Mark Johnson
Mayor

ATTEST:


Aimee Brunckhorst, CMC
City Clerk



EXHIBIT "A"

**Legal Description
Kalispell Tourism Business Improvement District**

The boundaries of the District shall be all parcels, tracts, lots and blocks within the corporate limits of the City of Kalispell where a five or more room hotel is located and providing overnight stays as a lodging facility for transient patrons as its business.

This description currently identifies all of the following lodging businesses located at the respective described street addresses and within the respective described legal parcel.

**Aero Inn, 1830 Highway 93 South
Siri Hari LLC, 1130 E. Main St, Cut Bank, MT 59427
Assessor No. 0112600
Acres 1.47**

Lot 1A of the Resubdivision of Lot 1 of Block 1 of Airport Addition to Kalispell, Subdivision 73, in Section 20, Township 28 North, Range 21 West, P.M.M., Flathead County, Montana

**America's Best Value Inn, 1550 Highway 93 North
SHRI Karishna, LLC, 1130 E. Main St., Cut Bank, MT 59427
Assessor No. 0976349
Acres 0.94**

Resubdivision of Lot 1 of Hall Addition in Section 6, Township 28 North, Range 21 West, P.M.M., Flathead County, Montana

**Blue & White Motel, 640 East Idaho
Blue & White Motel, Inc., PO Box 249, Kalispell, 59903
Assessor No. 0084500
Acres 2.81**

Tracts 30-18, 30-20B and 30-27 in the Northwest Quarter of the Southwest Quarter of Section 8, Township 28 North, Range 21 West, P.M.M., Flathead County, Montana

**Econo Lodge Inn & Suites, 1680 Highway 93 South
SHRI HARI LLC, 1130 E. Main St., Cut Bank, MT 59427
Acres 1.47**

Assessor No. 0703050
Unit 1 of Diamond Lil's Condominiums in Section 17, Township 28 North, Range 22 West, P.M.M., Flathead County, Montana

Assessor No. 0971720

Unit 3 of Diamond Lil's Condominiums in Section 17, Township 28 North, Range 22 West, P.M.M., Flathead County, Montana

(Johnson Properties LLC) Assessor No. 0277026

Unit 2 of Diamond Lil' s Condominiums in Section 17, Township 28 North, Range 22 West, P.M.M., Flathead County, Montana

**Fairbridge Inn & Suites, 1701 Highway 93 South
RMH9 LLC, PO Box 66, Harrison, ID 83833-0066**

Assessor No. 0877530

Acres: 4.67 and 2.29

Lots 1, 2 and 3 of Ryker Addition to Kalispell Amended Lots 1-10 in Block 2 in Section 17, Township 28 North, Range 21 West, P.M.M., Flathead County, Montana

Glacier Ridge Suites, 281 1st Avenue WN

Camren Center LLC, 281 1st Ave WN

Assessor No. 0946500

Acres 0.16

Lots 19 and 20 in Block 6, Kalispell Original Townsite, in Section 18, Township 28 North, Range 21 West, P.M.M., Flathead County, Montana

Hampton Inn Kalispell, 1140 Highway 2 West

Spring Creek Development, LLC, 12906 N. Addison St, Spokane, WA 99218

Assessor No. 0981479

Acres 4.78

Tract 1 of Certificate of Survey 15567 located in the Southeast Quarter of the Southeast Quarter of Section 12, Township 28 North, Range 22 West, P.M.M., Flathead County, Montana

Hilton Garden Inn, 1845 Highway 93 South

Kalispell Hotel, LLC,

Assessor No. 0586900

Acres 3.44

Tract 1 of Certificate of Survey No. 17045, a tract of land situated, lying, and being the North half of the Northwest Quarter of Section 20, Township 28 North, Range 21 West, P.M.M., Flathead County, Montana

Holiday Inn Express, 275 Treeline Road
DNRC, Property Owner: Cal Clausen, Sterling Hospitality, 8923 E. Mission #135, Spokane
Valley, WA 99210
Assessor No. 0012481 and 0503466
Acres 3.45

Imp 1906 on Lot 1 of the Holiday Inn Express Subdivision in Section 36, Township 29 North, Range 22 West, P.M.M., Flathead County, Montana

Homewood Suites by Hilton, 195 Hutton Ranch Rd
Buffalo Ventures II LLC, 17 Lockwood Dr., Ste, 400, Charleston, SC 29401
Assessor No. 0501948
Acres 3.21

Lot 6 of Hutton Ranch Plaza Phase 1 Subdivision in the Northwest quarter and Southwest quarter of Section 31, Township 29 North, Range 21 West, P.M.M., Flathead County, Montana

Kalispell Grand Hotel, 100 Main Street
CM Clark, PO Box 986, Kalispell, 59903
Assessor No. 0020900
Acres 0.16

Lots 1 and 2 of Kalispell Original Townsite in Section 18, Township 28 North, Range 21 West, P.M.M. Flathead County, Montana

Marriott Springhill Suites, 250 Old Reserve Drive
DNRC, Property Owner: Mike Johnson, 2900 Harrison Ave, Butte, MT 59701
Assessor No. 0014871
Acres 2.304

That portion of the south one-half (S 1/2), Section 36, Township 29 North, Range 22 West, P.M.M, Flathead County, Montana, more particularly described as follows:

Commencing at the center 1/4 corner of said Section 36; thence along the East-West mid-section line of said Section 36, S89°58'06" E 867.68 feet to the southerly right-of-way of Reserve Loop and to the beginning point of a curve to the left having a radius of 935.04 feet from which the radius point bears N21°02'033" E, thence along said right-of-way and along said curve an arc length of 342.96 feet; thence continuing along said right-of-way S89°58'22" E 57.56 feet to the true point of beginning of the tract of land herein described; thence continuing along said right-of-way S89°58'06" E 335.13 feet; thence S00°12'01" W 300.00 feet; thence N89°58'06" W 333.92 feet; thence N00°01'47" W 300.00 feet to the true point of beginning, containing 2.304 acres.

Montana Base Camp, 1000 Base Camp Drive
Andy Matthews
Assessor No. 0013911
Acres 47.8

Tract 1 and Tract 2 of Certificate of Survey 20796 in the Southern Half of the Southeast Quarter of Section 29 and North Half of the Northeast Quarter of Section 32, Township 28 North, Range 21 West, P.M.M., Flathead County, Montana

Motel 6, 1540 Highway 93 South
Ashish Patel, Rujava LLC, 818 Scott Blvd, Santa Clara, CA 95050
Assessor No. 0599250
Acres 1.87

A portion of Lot 7 and a portion of the Northerly 50 feet of Lot 8, Block 1 of the Plat of Poston Addition in Section 17, Township 28 North, Range 21 West, P.M.M., Flathead County, Montana

My Place, 755 Treeline Rd
Mike Johnson, 2900 Harrison Ave, Butte, MT 59701
Assessor No. 0507168
Acres 2.29

Lot 1 of Treeline Center Subdivision, according to the map or plat thereof on file and of record in the office of the Clerk and Recorder of Flathead County, Montana.

Quality Inn, 1330 Highway 2 West
Nikhil Parekh, Rujava LLC, 818 Scott Blvd, Santa Clara, CA 95050
Assessor No. 0428680
Acres 2.65

A portion of Tract 1B in 4B's Addition Number 45 in Section 12, Township 28 North, Range 22 West, P.M.M., Flathead County, Montana

Red Lion Hotel, 20 North Main
RLH Corp, Gary Sims, 1550 Market St, Ste 350, Denver, CO 80202
Assessor No. 0974450
Acres 22.45

Tracts SBA and 2AB in Southeast Quarter of the Southwest Quarter of the South Half of the Southeast Quarter in Section 7, Township 28 North, Range 21 West, P.M.M., Flathead County, Montana

Super 8, 1341 1st Avenue East
RL Morse Inc, 1341 1st Ave E, Kalispell 59901-5801
Assessor No. 0036470
Acres 1.01

Tracts 5XB, 5-23A, 5-23AA and 5FA in the Southwest Quarter of the Southwest Quarter of Section 17, Township 28 North, Range 21 West, P.M.M., Flathead County, Montana

Travelodge, 350 North Main
Hari Darshan LLC, 1130 E. Main St., Cut Bank, MT 59427-3126
Assessor No. 0263865
Acres 0.964

Lots 1 through 6 and 9 through 12 of Block 241, Kalispell Addition 6, in Section 7, Township 28 North, Range 21 West, P.M.M., Flathead County, Montana