

BRING YOUR DREAMS.



June 4, 2025

Dear Mayor and City Council Members,

The Business Improvement District #1 was established by the City Council on May 10, 2011 as a means of implementing an occupancy tax on occupied hotel rooms in the City of Brookings. The Business Improvement District Board of Directors is appointed by the Mayor with consent of the City Council and is charged with recommending a plan for improvements within the District to the City Council. The recommendations are based on the intention that the funds expended will benefit the visitor industry and lead to additional overnight stays.

The Business Improvement District #1 Board of Directors is recommending the following plan for improvements for 2026:

- Fund Visit Brookings at \$256,000 by utilizing the Unrestricted Fund Balance, 2026 Revenues, and if necessary, the Restricted Fund Balance.
- Establish a reserve balance for the visitor industry to account for changes in the visitor industry and as opportunities present themselves for the community.

The funding recommendations for the plan of improvements are based upon the acknowledgement that the South Dakota Department of Tourism forecasting model is trending downward for 2025, the loss of local events to the Brookings area such as the NAIA Track and Field competitions, and funding cuts in educational travel budgets as well as a general change in entertainment industry.

The Business Improvement District #1 Board of Directors also is interested in establishing a reserve fund to be utilized as funding for the visitor industry if hotel occupancy improves and new opportunities become available to invest in the future. The BID Board recommends a reserve be established to capitalize on opportunities to further expand the visitor industry.

The Business Improvement District #1 Board of Directors hopes the City Council will look favorably upon these recommendations as the 2026 Budget is prepared. If you have any questions, please feel free to contact me.

Thank you,

*Lynda Pierce*

Lynda Pierce, Chair