

RESOLUTION 2020 - 90

RESOLUTION REFERRING TO THE ELECTORATE THE QUESTION OF WHETHER THE CRAIG RESORT AREA RESORT TAX SHOULD BE INCREASED BY 1% TO A TOTAL OF 4%, DEDICATING THE NEW 1% TO SPECIFIED INFRASTRUCTURE PROJECTS.

WHEREAS, the electorate of the Craig Resort Area approved a resort tax of three percent (3%) in the election held August 10, 2010 for a period of twenty years; and

WHEREAS, the existing 3% resort tax continues until and through November 15, 2030; and

WHEREAS, the Lewis and Clark County Commission is the governing body of the Craig Resort Area pursuant to § 7-6-1505; and

WHEREAS, the Craig Resort Area relies on revenue from the resort tax to meet the needs of the Area's residents as well as the increased demands of tourists and visitors on the Area's services; and

WHEREAS, the Craig Resort Area is currently obligated to repay revenue bonds and general obligation bonds associated with the construction of a new wastewater system; and

WHEREAS, the Montana Legislature passed Senate Bill 241 during the 2019 Legislative Session (effective May 2, 2019) which allows for the governing body of a resort area to present to the electorate the question of whether to increase the existing resort tax by 1% to be used for specified infrastructure projects;

NOW, THEREFORE BE IT RESOLVED BY THE LEWIS AND CLARK COUNTY COMMISSION AS FOLLOWS:

1. In accordance with § 7-6-1504, the Lewis and Clark County Election Administrator shall place on the ballot during a special election to be held by mail ballot on January 26, 2021, a ballot issue whereby the qualified electors of the Craig Resort Area shall vote FOR or AGAINST the question of whether the Area's resort tax should be increased by 1% for infrastructure in accordance with this Resolution.
2. The exact rate of the resort tax for infrastructure referred to the electorate shall be one percent (1%), which is in addition to the currently imposed resort tax rate of three percent (3%).
3. The duration of the additional one percent (1%) resort tax referred to the electorate shall be for the period of time it takes for the specified infrastructure debts, project costs, and outstanding bonds to be paid. As soon as the debts, project costs and bonds are paid in full, the additional levy terminates pursuant to § 7-6-1504(4)(d). The additional 1% resort tax



will be effective on an annual basis for the same period of time the existing three percent (3%) resort tax is effective.

4. The effective date of the additional one percent (1%) resort tax referred to the electorate, if passed, shall be March 5, 2021.

5. In accordance with §§ 7-6-1501(2) and 7-6-1503(1)(b), resort tax revenue from the additional one percent (1%) is pledged for use in the repayment of bonds and other project costs from the construction of a Wastewater Treatment System and any contemplated upgrades thereto.


6. In accordance with § 7-6-1504(6), the Election Administrator is directed to publish notice of the goods and services that will be subject to the resort tax increase.

7. In accordance with §§ 13-1-108 and 7-6-1504(7), the Election Administrator is directed to publish notice of the special election including information related to the rate of the resort tax, the duration of the resort tax, the effective date of the resort tax, and the specified infrastructure projects which may be funded by the additional resort tax.

8. It is the County Commission's present intention to continue administration of the resort tax in accordance with the current provisions of the Craig Resort Area Ordinance No. 2010-1 with the acknowledgement that the Ordinance will be updated to reflect the additional one percent (1%) for infrastructure projects, if the ballot issue is successful.

DATED this 20 day of October 2020.

**LEWIS AND CLARK COUNTY
BOARD OF COMMISSIONERS**



Susan Good Geise, Chairman





Amy Reeves, Clerk and Recorder