



MINUTES FOR THE BOARD OF DIRECTORS MEETING

THURSDAY, April 13, 2023

10:30 a.m. – 11:30 a.m.

The Monument

Combined with **Hotel BID Board of Directors Meeting**

VRC BOARD OF DIRECTORS

PRESENT

J. Scheitler
K. Cook
K. Buntrock
L. Montague
M. Derby
P. Dame
S. Landguth
T. Johnson

ABSENT

C. Johnson
M. Pawelski
R. Zebroski
S. Dowling
W. Lampert

NON-VOTING MEMBERS

C. Baltzer

NON-VOTING MEMBERS

Mayor Steve Allender
J. Brockelsby
R. Jeffries
J. Beigler
M. Thomson

HOTEL BID BOARD OF DIRECTORS

PRESENT

D. Dathe
G. Fawbush
K. Houk
L. Montague
S. Hull

ABSENT

L. Steffens
W. Lampert

NON-VOTING MEMBERS

J. Salamun
K. Buntrock

NON-VOTING MEMBERS

Mayor Steve Allender
B. Kaufman

VRC STAFF – Brook Kaufman, Domico Rodriguez, Stacie Granum, Ally Formanek, Dani Benne, Cody Wiseman, Krystal Bresnahan, Shelby Solano, Laurie Sutterer

Call to Order

K. Buntrock called the meeting to order at 10:34 a.m. at The Monument.

Consent Agenda

T. Johnson made a motion to approve the consent agenda including the meeting agenda, February VRC/BID meeting minutes, and January/February 2023 financials. J. Scheitler seconded motion. Motion carried.

Board Business

Strategic Issue 1: Short-Term Rentals & Their Impact on Rapid City

B. Kaufman shared a presentation regarding short-term rentals in Rapid City. Currently, vacation homes are a non-permitted use, meaning they are not legal in Rapid City or Pennington County. There are approximately 600-800 units currently available in the market. Visitors pay an average of \$208/night for a short-term rental. Similar to hotels, occupancy is seasonal. Total short-term rental revenue in 2022 total \$22M. The potential revenue to VRC is over \$250,000/year. Kaufman shared pros and cons of short-term rentals being allowed in Rapid City including visitor lodging options (pro) and resident housing inventory (con).

K. Cook, GPNA, shared her expertise as it relates to short-term rentals and municipality representation. All communities around the Black Hills have different ordinances pertaining to short-term rentals. Lawsuits involving short-term rentals are becoming more common as the popularity of the lodging option grows.

V. Fisher, City of Rapid City Community Development Director, reported the City is actively researching ordinances to regulate the short-term rental inventory in Rapid City. Fisher shared in 2016 an ordinance to regulate conditional use permits was brought before the city council and was tabled. She shared as of August 2022, 1,000 short-term rentals were documented inside the city limits of Rapid City.

The board agreed short-term rentals are necessary in Rapid City but should require registration and regulation to create a level playing field between short-term rentals and hotel properties.

Strategic Issue 2: Future Legislative Efforts

Kaufman requested feedback on how to move forward with legislative efforts, including the most recent BID legislation, sales tax increment financing (similar to TIF), and short-term rentals. M. Derby suggested changing the bill language from a “tax” increase to a “fee” increase. The board agreed legislator education is key to success in running the bill in the future.

Board Survey + Feedback

N/A

Adjournment

There being no further business to come before the Board, T. Johnson moved to adjourn at 11:51 a.m. L. Montague seconded the motion. Motion carried.

Respectfully submitted,
Ally Formanek, Director of Operations
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