

Memorandum

REPORT TO: City Commission

FROM: Bernie Massey, Assistant Treasurer
Laurae Clark, City Treasurer
Kaitlin Johnson, Budget Manager
Melissa Hodnett, Finance Director

SUBJECT: Resolution for the Annual Assessment for Business Improvement District (BID) for Fiscal Year 2026

MEETING DATE: September 23, 2025

AGENDA ITEM TYPE: Resolution

RECOMMENDATION: **Consider the Motion:** *I move to Approve this Commission Resolution for the Annual Assessment for the Business Improvement District (BID) for Fiscal Year 2026.*

STRATEGIC PLAN: 7.5. Funding and Delivery of City Services: Use equitable and sustainable sources of funding for appropriate City services, and deliver them in a lean and efficient manner.

BACKGROUND: Montana Code Annotated Title 7 Chapter 12 Part 11 allows for the creation of business improvement districts that will serve a public use, promote the health, safety, prosperity, security, and general welfare of the inhabitants of the district and of the people of this state, be of special benefit to the property within the boundaries of the district, or aid in tourism, promotion, and marketing within the district. The Downtown Bozeman Business Improvement District (BID) has a stated goal of ensuring the long-term preservation and vitality of the city's underlying economic, cultural, social, and environmental assets. The BID was originally founded in 2000, expanded in 2006, renewed in 2010, and renewed again in 2020. BID revenues are derived from an annual assessment based on each property's portion of the district's taxable value. The BID is overseen by a board appointed by the City Commission. BID monies support numerous programs including the summer flower baskets, holiday lighting, graffiti removal, and year-round maintenance employees. As prescribed by Montana Code Annotated 7-12-1132, the Commission was presented on May 06, 2025, with the Downtown Business Improvement District (BID) work plan and budget which proposed \$280,000 in assessments to downtown business owners. On June 10, 2025, the City Commission adopted the FY26 budget, consistent with the work plan and budget presented. This Resolution formally levies and assesses the special assessment upon all real property in the business improvement district to defray the estimated cost and expense to be incurred as outlined

in the work plan and budget.

UNRESOLVED ISSUES: None

ALTERNATIVES: The work plan and budget adopted for the Downtown BID on May 06, 2025, can only be funded by approving this resolution and making the associated assessments.

FISCAL EFFECTS: The assessments proposed are consistent with the FY26 adopted budget and the Downtown BID work plan and budget adopted by the Commission on May 06, 2025. The downtown businesses within the business improvement district will be billed based on their assessed taxable value as it relates to the taxable valuation of the whole district. The assessment rate in said business improvement district shall be set to ensure \$280,000.00 is billed. This rate for FY 2026 is 0.021185 per taxable valuation.

Attachments:

[Resolution-BID_Assessments_FY26.docx](#)

[BID Schedule A.PDF](#)

Report compiled on: September 4, 2025