



**Welcome to the
Economic Development
Focus Group
Sponsored by the
Montana Department of Commerce
In Support of Montana's
Five-Year Consolidated Plan**



Why Prepare a Consolidated Plan?

- In 1994, HUD combined the planning and application process of four programs: HOME, CDBG, ESG and HOPWA
- In exchange for receiving funds, required to prepare a Five-Year Consolidated Plan, an Annual Action Plan and Analysis of Impediments to Fair Housing Choice



Purpose of the Consolidated Plan

- Identify housing and community development needs, priorities and strategies
- Indicate how state and federal funds will be allocated to address these needs and activities



Consolidated Plan Objectives



- **Provide decent housing**
- **Provide a suitable living environment**
- **Expand economic opportunities for lower-income citizens of the state**



Consolidated Plan Outcomes



- **Sustainability – enhance communities in the state**
- **Availability/Accessibility – benefit eligible individuals and families**
- **Affordability – create and/or maintain affordable housing**



Consolidated Plan Resources in FY 2014

- **Housing Opportunities for Persons with AIDS (HOPWA): \$593,615** Tri-State Consortium
- **Emergency Solutions Grant (ESG): \$638,154**
- **HOME Investment Partnership (HOME): \$3,017,887**
- **Community Development Block Grant (CDBG): \$5,847,967**



Consolidated Plan Planning Process



- **Analysis of quantitative and qualitative data regarding need**
- **Public involvement and other agency input about need**
- **Development of strategy in response to identified needs**



Consolidated Plan Components

- **Assessment of Need and a Five Year Strategy to Address the Needs**
- **Annual Action Plans**
- **A Fair Housing Analysis and Plan**
- **Consolidated Annual Performance and Evaluation Report (CAPER)**



Contents of the Consolidated Plan

- **Needs Assessment and Strategic Plan:**
 - ✓ **Housing**
 - ✓ **Homeless**
 - ✓ **Community Development**
 - ✓ **Non-Housing Special Needs**
- **Documentation of Entire Process**



Applicable Activities In Community Development

- **Community Development:**
 - ✓ **Economic Development, jobs and businesses**
 - ✓ **Community Development, such as senior and youth centers, parks**
 - ✓ **Infrastructure, e.g. water, sewer, roads**



Contents of the E.D. Needs Assessment

➤ Economic Development:

- ✓ Define the economic environment
- ✓ Quality and quantity of jobs and businesses needed
- ✓ Methods to promote such jobs and businesses



Purpose of Today's Meeting is to Support the CP

We hope to answer some of these questions:

- 1. What are our greatest E.D. needs?**
- 2. What are our economic and market barriers or constraints?**
- 3. What policy barriers are there, if any?**
- 4. What are good first steps for the State?**



A Situation Review



What is the environment like today and what can we expect in the near future?

- 1. Demographic trends**
- 2. Economic influences**
- 3. Housing situation**
- 4. Preliminary findings of surveys**



Demographics:

Total Population by Race/Ethnicity

Population by Race and Ethnicity
 State of Montana
 2000 & 2010 Census SF1 Data

Race	2000 Census		2010 Census		% Change 00–10
	Population	% of Total	Population	% of Total	
White	817,229	90.6%	884,961	89.4%	8.3%
Black	2,692	.3%	4,027	.4%	49.6%
American Indian	56,068	6.2%	62,555	6.3%	11.6%
Asian	4,691	.5%	6,253	.6%	33.3%
Native Hawaiian/ Islander Pacific	470	.1%	668	.1%	42.1%
Other	5,315	.6%	5,975	.6%	12.4%
Two or More Races	15,730	1.7%	24,976	2.5%	58.8%
Total	902,195	100.0%	989,415	100.0%	9.7%
Non-Hispanic	884,114	98.0%	960,850	97.1%	8.7%
Hispanic	18,081	2.0%	28,565	2.9%	58.0%



Demographics: Population by Age

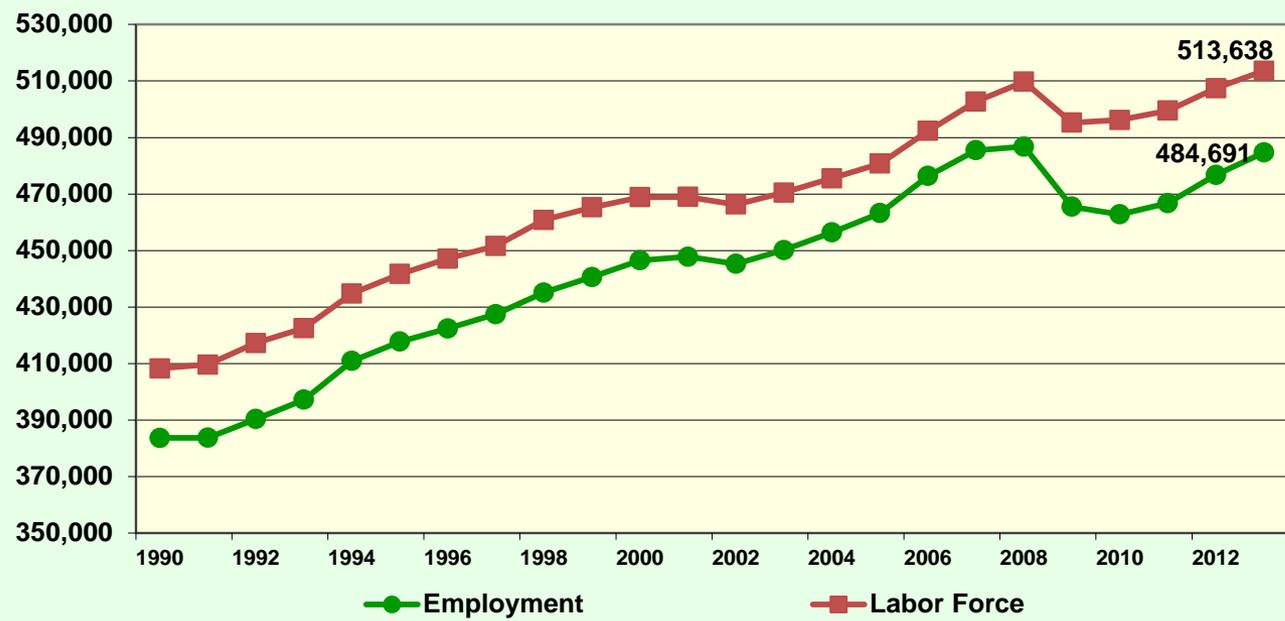
Population by Age
State of Montana
2000 & 2010 Census SF1 Data

Age	2000 Census		2010 Census		% Change 00-10
	Population	% of Total	Population	% of Total	
Under 5	54,869	6.1%	62,423	6.3%	13.8%
5 to 19	202,571	22.5%	188,613	19.1%	-6.9%
20 to 24	58,379	6.5%	67,138	6.8%	15.0%
25 to 34	103,279	11.4%	122,864	12.4%	19.0%
35 to 54	277,029	30.7%	262,777	26.6%	-5.1%
55 to 64	85,119	9.4%	138,858	14.0%	63.1%
65 or Older	120,949	13.4%	146,742	14.8%	21.3%
Total	902,195	100.0%	989,415	100.0%	9.7%



Economics: Labor Force Statistics

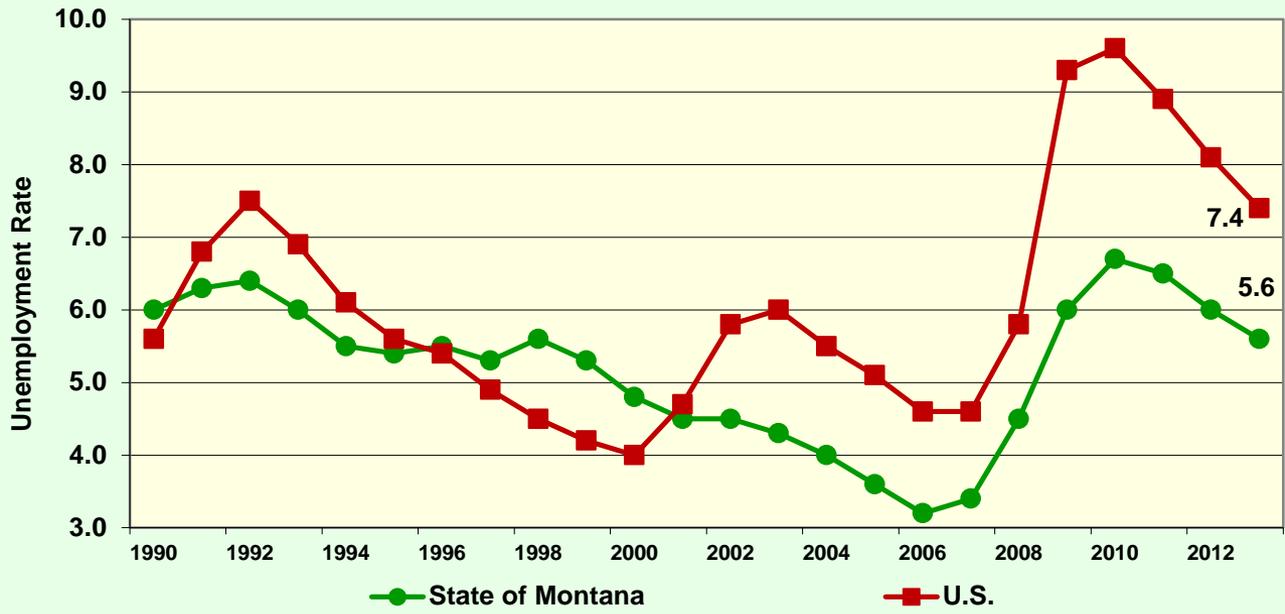
Labor Force and Employment
State of Montana
1990-2013 BLS Data





Economics: Unemployment Rates

Unemployment Rate
State of Montana
1990-2013 BLS Data





Economics:

Total Full- and Part-Time Employment

Total Employment
State of Montana
1990–2013 BEA Data

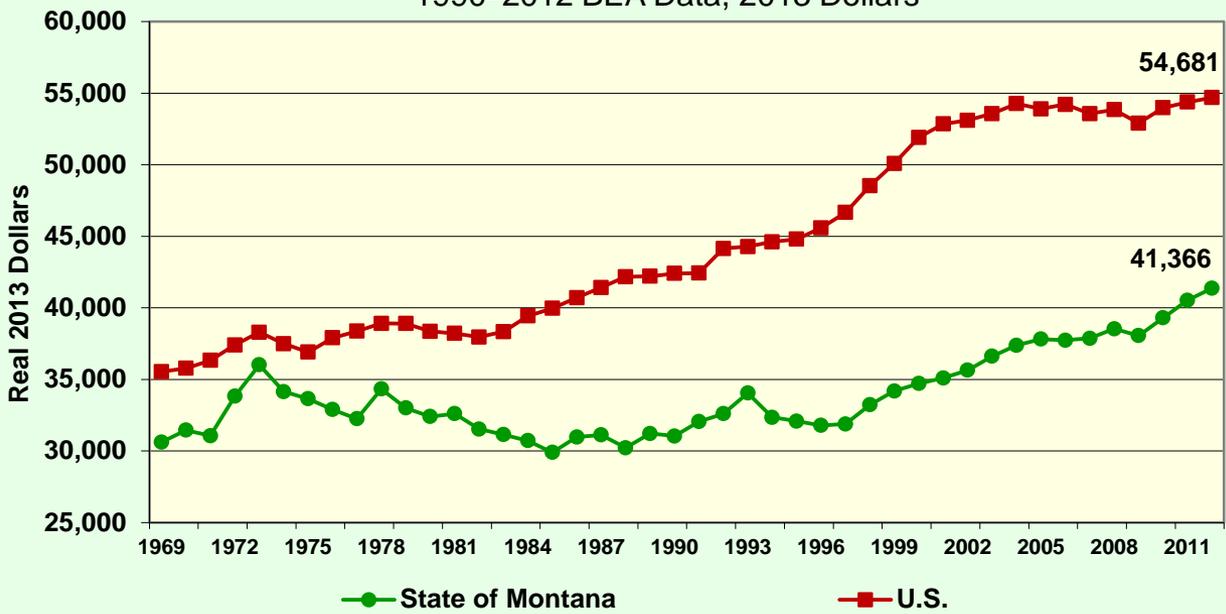




Economics:

Average Earnings Per Job

Average Earnings Per Job
 State of Montana
 1990–2012 BEA Data, 2013 Dollars

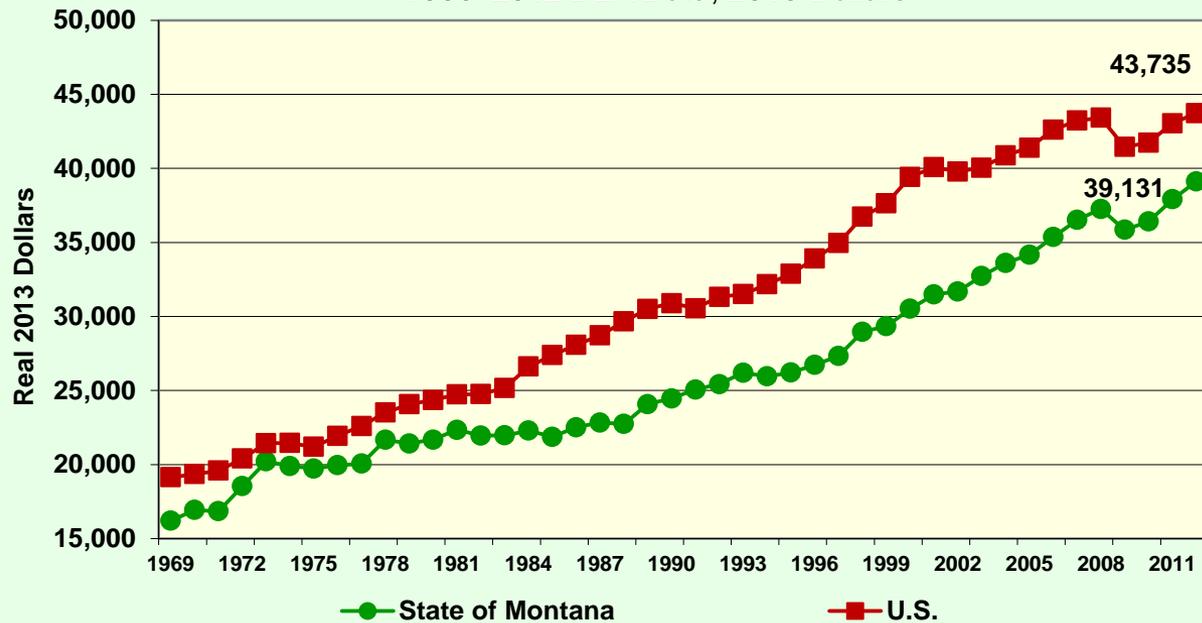




Economics:

Real Per Capita Income

Real Per Capita Income
 State of Montana
 1990–2012 BEA Data, 2013 Dollars





Economics:

Poverty in Montana

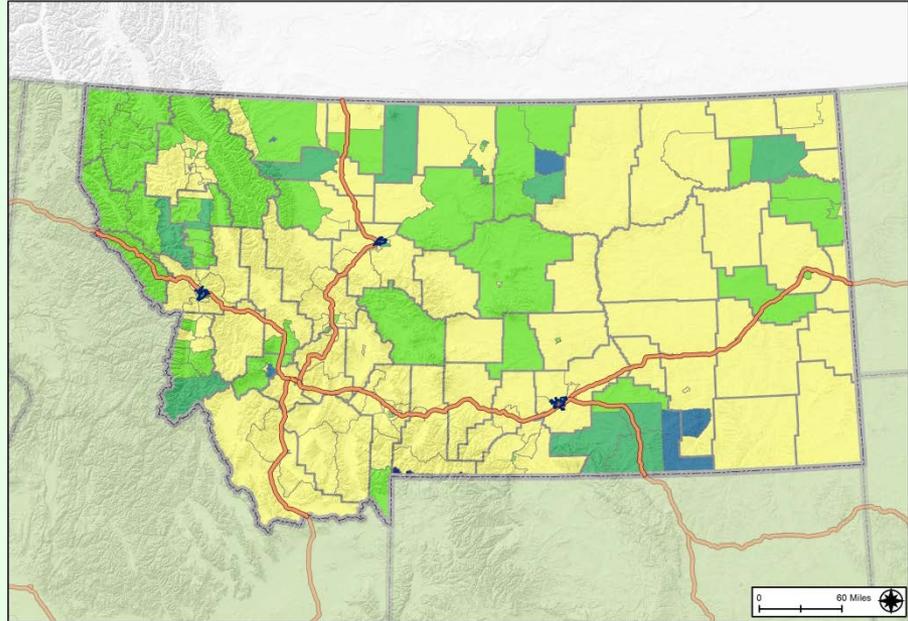
Poverty by Age
 State of Montana
 2000 Census SF3 & 2012 Five-Year ACS Data

Age	2000 Census		2012 Five-Year ACS	
	Persons in Poverty	% of Total	Persons in Poverty	% of Total
Under 6	14,358	11.2%	17,030	11.9%
6 to 17	28,554	22.2%	26,429	18.5%
18 to 64	75,074	58.5%	87,634	61.2%
65 or Older	10,369	8.1%	12,026	8.4%
Total	128,355	100.0%	143,119	100.0%
Poverty Rate	14.6%	.	14.8%	.



Economics:

Concentration Of Poverty by Census Tract: 2012 ACS



Legend

2012 Poverty Rates
 2008-2012 Average Poverty Rate in the State of Montana = 14.8%
 Disproportionate Share Threshold = 24.8% (A disproportionate share exists where the poverty rate in a given area is at least 10 percentage points greater than the study area average).

Entitlement Boundaries	County Boundaries	Poverty Rates 1.3% - 14.8% 14.9% - 24.8% 24.9% - 38.2% 38.3% - 51.6% 51.7% - 65%
Census Tract Boundaries	State Boundaries	
Outside Study Area or No Data	Major Roads	

Sources: US Census Bureau



Economics:

Households by Income

Households by Income

State of Montana

2000 Census SF3 & 2012 Five-Year ACS Data

Income	2000 Census		2012 Five-Year ACS	
	Households	% of Total	Households	% of Total
Less than \$15,000	72,399	20.2%	54,038	13.3%
\$15,000 to \$19,999	30,949	8.6%	26,397	6.5%
\$20,000 to \$24,999	30,624	8.5%	26,983	6.7%
\$25,000 to \$34,999	55,217	15.4%	50,369	12.4%
\$35,000 to \$49,999	65,393	18.2%	61,988	15.3%
\$50,000 to \$74,999	61,505	17.1%	77,931	19.2%
\$75,000 to \$99,999	23,007	6.4%	48,102	11.9%
\$100,000 or More	19,976	5.6%	59,700	14.7%
Total	359,070	100.0%	405,508	100.0%



Housing:

Total Housing Units

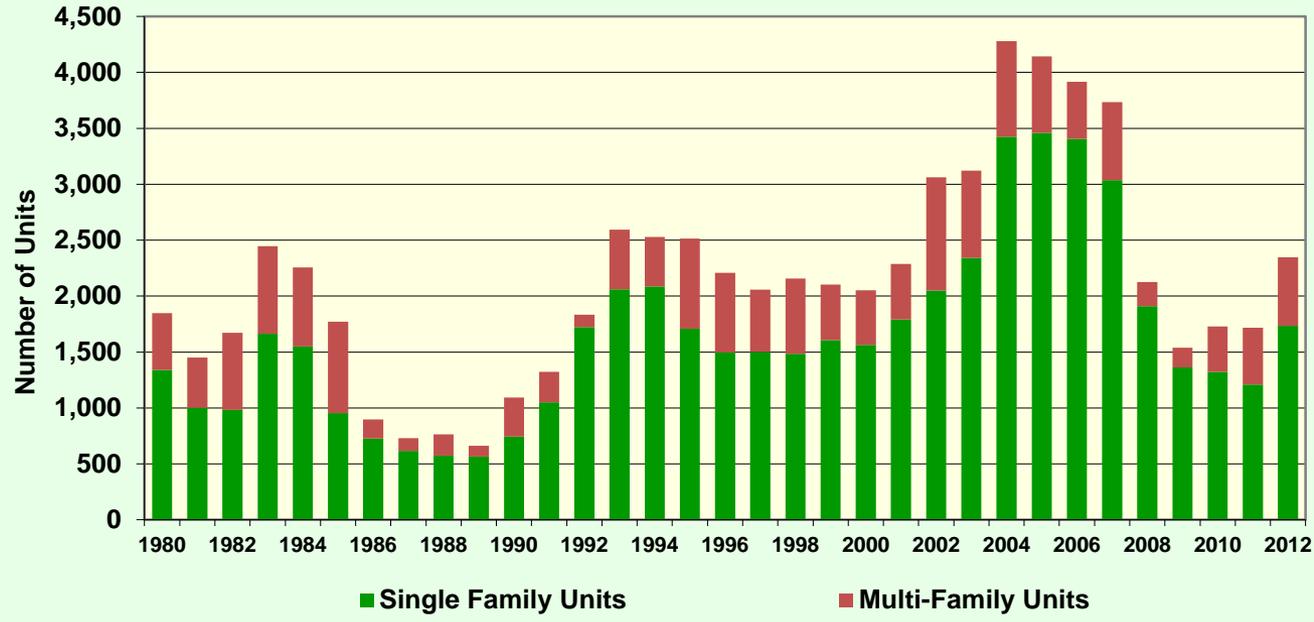
Housing Units by Tenure
State of Montana
2000 & 2010 Census SF1 Data

Tenure	2000 Census		2010 Census		% Change 00-10
	Units	% of Total	Units	% of Total	
Occupied Housing Units	358,667	86.9%	409,607	84.8%	14.2%
Owner-Occupied	247,723	69.1%	278,418	68.0%	12.4%
Renter-Occupied	110,944	30.9%	131,189	32.0%	18.2%
Vacant Housing Units	53,966	13.1%	73,218	15.2%	35.7%
Total Housing Units	412,633	100.0%	482,825	100.0%	17.01%



Housing: Housing Permits

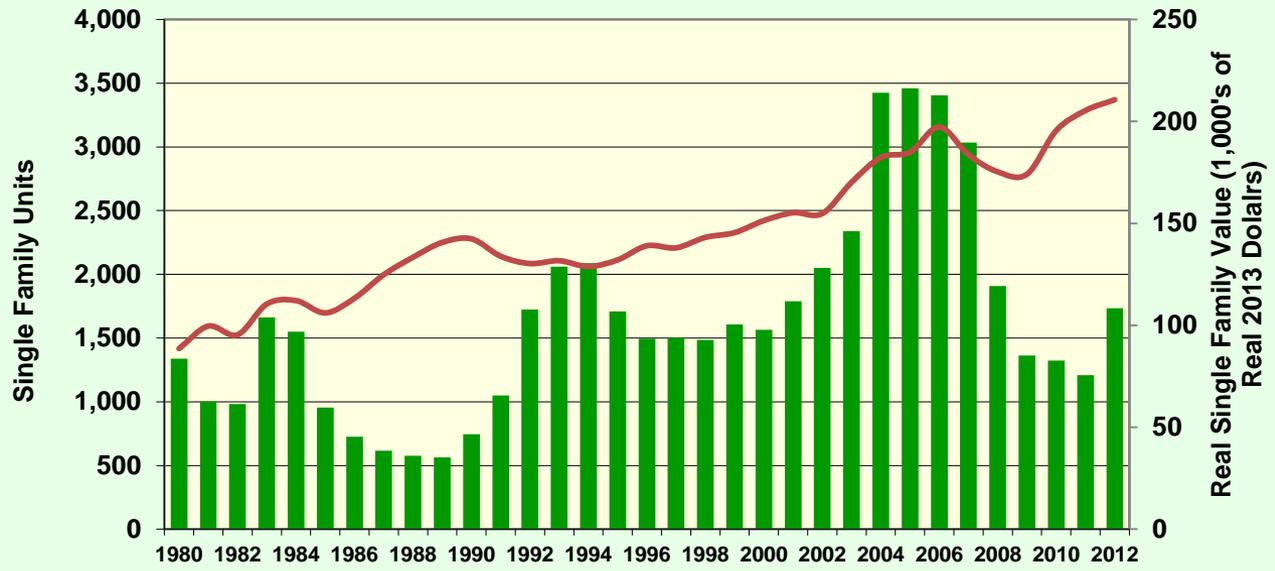
Housing Permits
State of Montana
1990–2012 Census Data





Housing: Housing Permits

Single Family Permits and Value of Construction
State of Montana
1990–2012 Census Data





2014 Survey

Suggested Allocation of Resources

How Would You Allocate Resources

State of Montana

2014 Housing and Community Development Survey

Area	Percentage Allocated
Housing	25.9
Human Services	16.7
Infrastructure	15.4
Economic Development	15.2
Public Facilities	9.3
All Other	1.4
Total	100.0%



2014 Survey

Preliminary Econ Dev. Needs

Please rate the need for the following Business and Economic Development activities.

State of Montana

2014 Housing and Community Development Survey

Question	No Need	Low Need	Medium Need	High Need	Missing	Total
Foster businesses with higher paying jobs	2	4	14	32	42	94
Retention of existing businesses	2	2	18	30	42	94
Enhance access to technology	2	6	18	26	42	94
Promote Montana agricultural projects by adding value and increasing accessibility to markets	1	6	20	25	42	94
Support workforce needs an opportunities of high tech industry and knowledge-based economy	2	5	20	25	42	94
Help prospective entrepreneurs get started	3	4	20	25	42	94
Provision of job training	2	9	17	24	42	94
Address regional transportation needs	2	5	21	24	42	94
Strengthen support systems and provide resources to promote Montana businesses and products	3	4	21	24	42	94
Expansion of existing businesses	2	3	25	22	42	94
Attraction of new businesses	2	7	22	21	42	94



2014 Survey

Preliminary Econ Dev. Needs

Please rate the need for the following Business and Economic Development activities.

State of Montana

2014 Housing and Community Development Survey

Question	No Need	Low Need	Medium Need	High Need	Missing	Total
Provision of job re-training, such as after plant or other closures	4	12	14	21	43	94
Enhancement of businesses infrastructure	2	9	19	21	43	94
Market "Made in Montana" products to Montana customers	3	9	18	21	43	94
Clean up of abandoned or polluted sites	2	6	24	20	42	94
Increase availability and awareness of capital resources available to Montana businesses	3	2	27	19	43	94
Provision of technical assistance for businesses	4	8	22	18	42	94
Provision of working capital for businesses	4	8	23	17	42	94
Provision of venture capital	6	10	19	17	42	94
Stimulate investment in innovation and start-up companies	2	5	28	17	42	94
Investment as equity partners	6	11	19	16	42	94
Development of business parks	4	14	20	14	42	94
Establish and strengthen trade partnerships overseas	5	16	20	11	42	94



Summary



- 1. Continuing population growth**
- 2. Recovery in employment**
- 3. Persistent lower wage rates**
- 4. Poverty remains**
- 5. Growth in higher income households**



Discussion



- 1. What are our greatest needs?**
- 2. What are our most difficult barriers and constraints?**
- 3. What can we do about these barriers and constraints?**
- 4. Are there other concerns?**



Discussion



- 1. What activities should we undertake in the next five years?**
- 2. How can we influence our economic vitality?**
- 3. Other?**



Conclusion

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